REGULAR MEETING – JANUARY 4, 2024

The Lincolnton City Council met in Regular Session on Thursday, January 4, 2024 at 7:00 p.m. in the Council Chambers of City Hall located at 114 West Sycamore Street, Lincolnton, NC.

Mayor Hatley called the meeting to order, reminding everyone wishing to speak to sign up. Mayor Hatley asked everyone to stand for a moment of silence before leading the Pledge of Allegiance. The following Council members were in attendance:

DEMENY POINSETTE TIPTON JETTON

Prior to taking action on approving the agenda's, Mayor Hatley added item #8, Closed Session to the Regular Agenda and the Clarifier Bid Response Tabulation sheet to the Consent Agenda

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

Councilmember Tipton made a motion to approve the *CONSENT AGENDA* as follows

- Approved the Minutes from the December 7, 2023 Regular Meeting

- Retirement Recognition – Jennifer Boyles – 11 Years of Service
- Clarifier Bid Response Tabulation

Members voted 4-0 in favor of the motion.

PUBLIC COMMENT

Mayor Ed Hatley invited those wishing to speak during the public comment portion of the meeting to do so. Each individual was allowed three minutes. Mr. Alan Hoyle and Mr. Trent Mason addressed council respectively.

PUBLIC HEARINGS

CZ-13-2023

Application from Jonathan Hole requesting a conditional district rezoning of 3.05 acres of land from GMC to TID district to construct a housing development. The subject property is located on the east side of

<u>South Edwards Street, approximately 450 feet south of the intersection of South Edwards Street and East Main Street Parcel ID 00621)</u>

Mayor Ed Hatley opened the public and recognized Planning Director Jean Derby to review the request. Ms. Derby began by showing a zoning aerial of the property and giving a summary of the proposed use. She provided both street views, as well as an aerial of adjacent properties and businesses. Ms. Derby spoke to the site plan, which provided detailed information on the proposed project, and the need that it will fulfill. She spoke to the Land Use Plan, stating that while the rezoning is not consistent with the future land use map, strategies outlined in the Land Use Plan make this rezoning reasonable. She mentioned staff comments and several conditionals of approval expressing staffs recommendation of approval of the rezoning from GMC/R-10 to TID.

Alisha Friday, Keith Poston and Jonathan Hoyle were in attendance and spoke to the proposed project. Alisha Friday provided some extensive background information on how the project evolved. She explained this project being one step toward addressing the lack of affordable housing in the area. Along with Mrs. Friday, both Keith Poston, the Director of Hesed House, and Jonathan Hoyle, the builder, answered questions from councilmembers. City Manager Ritchie Haynes suggested that questions be submitted so that a true business plan can be developed and presented to council for their review.

Councilmember Poinsette made a motion to table any action until the March 7th Council Meeting. Members voted 4-0 in favor of the motion.

NOTE: *As suggested by the city attorney, Approximatlely 40 individuals in attendance stood in support of the project. No one in stood to oppose.*

Councilmember Poinsette also made motion to open the floor to allow anyone wishing to speak to the request to do so. Members voted 4-0 in favor of the motion.

Six members of the public were given the opportunity to express their views on the subject. Bill Moir, Durant Schultz, David Bonnema, Paula Micol, Justin Collins, and Trent Mason.

ZTA-4-2023
Zoning Text Amendments to Chapter 153 Unified Development Ordinance

Planning Director, Jean Derby, spoke to Council to request approval of text amendments identified in Chapter 153 of the Unified Development Ordinance. She explained the needed changes, informing that the amendment was reasonable because it makes the ordinance clearer and more easily understood. Proposed amendments are as follows:

Proposed Amendment Section:

§ 153.382 PROCEDURE FOR REVIEW OF MINOR SUBDIVISIONS.

(B) *Final plat for minor subdivisions.*

(1) A registered land surveyor currently licensed and registered in the state by the State Board of Registration for Professional Engineers and Land Surveyors shall prepare the final plat. The final plat shall conform to the provisions for plats, subdivisions, and mapping requirements set forth in G.S. § 47-30 and the *Standards of Practice for Land Surveying in North Carolina*, where applicable, and the requirements of the County Register of Deeds.

(2) At least eight complete copies and a digital copy of the final plat shall be submitted to the Administrator with one of these copies being on reproducible material. The remaining copies shall be black or blue line paper prints. The copies shall be considered complete if they contain all of the information as required by § 153.387 of these regulations. Material and drawing medium for the original shall be in accordance with the *Standards of Practice for Land Surveying in North Carolina*, where applicable, and the requirements of the County Register of Deeds.

§ 153.385 FINAL SUBDIVISION PLAT SUBMISSION AND REVIEW.

(D) *Submission procedure.*

(1) At least eight complete copies and a digital copy of the final plat shall be submitted to the Administrator.

§ 153.117 GMC GENERAL MANUFACTURING AND COMMERCIAL DISTRICT.

(42) Restaurants, including fast-food restaurants;
(43) Retail: All uses permitted in § 153.113(A) of this chapter
~~(43)~~ (44) Roofing manufacturing, repair and installation facilities;
~~(44)~~ (45) Sign painting and manufacturing shops;
~~(45)~~ (46) Slaughterhouse/abattoir;
~~(46)~~ (47) Tin and sheet metal shops;
~~(47)~~ (48) Tire recapping shops;
~~(48)~~ (49) Towers and antennas 50 feet or less in height;
~~(49)~~ (50) Truck sales and repair;
~~(50)~~ (51) Trucking terminals;
~~(51)~~ (52) Union halls, fraternal and civic organization meeting facility;
~~(52)~~ (53) Vehicular and equipment outdoor storage (as a principal use) not for retail sales where:
(a) The items are owned and/or operated by the owner of the lot upon which they are located; and
(b) The items are in operating condition or intended to be operated.
~~(53)~~ (54) Warehouses, including mini-warehouses;
~~(54)~~ (55) Wholesaler, jobbers, bulk warehouses; and
~~(55)~~ (56) Accessory outlet store, provided that parking for the store shall be computed separately from the principal use and reserved for those purposes.

§ 153.030 INTERPRETATION OF TERMS AND WORDS.

Smoke Shop A commercial establishment, operated as a principal use, engaged in the retail sale of tobacco, nicotine, hemp-derived compounds, including CBD, for the purpose of human ingestion as authorized for sale by the State, cigarettes, cigars, pipe tobacco, snuff, chewing tobacco, dipping tobacco, or any other preparation of tobacco, tobacco-related paraphernalia of any type, electronic cigarettes, any electronically-actuated device or inhaler meant to simulate cigarette smoking that causes the user to exhale any smoke, vapor, or substance other than that produced by unenhanced human exhalation.

§ 153.115 G-B GENERAL BUSINESS DISTRICT.

(A) ***Permitted uses.*** **The following uses are permitted by right.**

(1) ***Retail uses.***

(hhh) Shoe store;

(iii) Shoe repair shop;

(jjj) Smoke Shop with the following prescribed standards:

- Shall not be located within 500 feet of any school, childcare facility, public park, or other building used for education or recreational programs for persons under the age of 18 years.
- Shall not be located within 1,000 feet of any other tobacco shop, alternative nicotine shop, or vapor shop.
- Separation is required to prevent overconcentration, which is defined as three or more of these uses existing within a 1,000-foot radius of the business. Required separation distance shall be measured as a radius from the front door of one business to the front door of the surrounding business located within or outside the City's corporate limits.
- Must meet all sign regulations in the UDO including but not limited to (a) Flashing signs or any signs with flashing or intermittent light or lights or reflective devices of changing degree of intensity or color **are prohibited** (b) A maximum of 10% of the wall area of any wall on the building.

Ms. Derby informed of Staff's recommendation to approve the text amendment and to approve the statement of consistency for approval of the text amendment.

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

Councilmember Demeny made a motion to approve as recommended by Planning Board. Members voted 4-0 in favor of the motion.

REGULAR AGENDA:

Presentation of the Annual Comprehensive Financial Report – Fiscal Year Ending June 30, 2023

Finance Director Pamela McBryde introduced Ms. Carol Avery with Lowdermilk Church & Co., to present the City's annual Comprehensive Financial Report for fiscal year ending June 30, 2023.

Ms. Avery reviewed the financial highlights for years ending June 30, 2023 and 2022 as follows:

CITY OF LINCOLNTON

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Financial Highlights
Years Ended June 30, 2023 and 2022

	2023 Summarized Budget	2023	2022
General Fund (Includes Powell Bill Funds)			
Total assets		$ 14,035,048	$ 9,668,593
Fund balance		$ 11,490,337	$ 6,985,895
Fund balance - Reserved for Streets - Powell Bill (included in total fund balance)		$ 361,415	$ 314,798
Total revenue	$ 14,244,691	$ 15,228,964	$ 13,836,542
Total expenditures	$ 16,438,963	$ 15,001,482	$ 13,712,897
Revenues over (under) expenditures before other financing sources (uses)		$ 227,482	$ 123,645
Other income (expense)	$ 2,194,272	$ 4,278,871	$ 1,157,027
Increase (decrease) in fund balance		$ 4,506,350	$ 1,280,675
Increase (decrease) in inventory		$ (1,910)	$ (2,985)
Ad valorem taxes collected		$ 5,801,889	$ 5,638,718
Percent of taxes collected - current year levy		98.41%	99.14%
Investment income		$ 338,920	$ 35,267
Fund Balance Available - without Powell Bill			
Available Fund Balance		$ 9,776,733	$ 5,413,848
Expenditures and other financing sources and uses		13,657,280	13,440,911
Available Fund Balance % - without Powell Bill		71.59%	40.28%
Fund Balance Available			
Available Fund Balance		$ 10,138,148	$ 5,728,646
Expenditures and other financing sources and uses		13,927,004	13,712,897
Available Fund Balance %		72.79%	41.78%
State average for a municipality with an electric system and with a population grouping of 10,000 to 49,999		44.06%	44.06%

* Local Government Commission minimum recommended general fund balance should be at least 25% of general fund expenditures at the end of the fiscal year.

CITY OF LINCOLNTON

Financial Highlights
Years Ended June 30, 2023 and 2022

Water and Sewer Fund	**2023**	**2022**
Total assets	$ 33,679,884	$ 34,492,772
Net position	$ 29,154,366	$ 28,907,508
Operating revenue	$ 8,136,842	$ 8,284,548
Operating expenses	$ 7,721,494	$ 6,959,879
Operating income (loss)	$ 415,348	$ 1,324,669
Nonoperating revenue (expenses)	$ 220,732	$ (21,709)
Transfers (to) from	$ (389,222)	$ (389,222)
Change in net position	$ 246,858	$ 913,738
Accounts receivable - customers	$ 699,049	$ 670,213
Investment income	$ 248,825	$ 23,154
Days sales in accounts receivable	33.09%	31.85%
Funds Balance Available		
Available fund balance	$ 6,866,455	$ 6,487,543
Expenditures and other financiing sources and uses	8,168,888	7,434,848
Available fund balance %	84.06%	87.26%
Electric Fund		
Total assets	$ 11,015,945	$ 10,159,509
Net position	$ 9,429,493	$ 8,547,892
Operating revenue	$ 7,701,699	$ 7,497,646
Operating expenses	$ 6,926,574	$ 7,514,098
Operating income (loss)	$ 775,125	$ (16,452)
Nonoperating revenue	$ 136,943	$ 49,811
Transfers (to) from	$ (30,465)	$ (30,465)
Change in net position	$ 881,602	$ 2,894
Accounts receivable - customers	$ 524,842	$ 559,574
Investment income	$ 156,780	$ 49,983
Days sales in accounts receivable	28.89%	31.03%
Funds Balance Available		
Available fund balance	$ 4,908,027	$ 4,175,179
Expenditures and other financiing sources and uses	6,957,403	7,544,735
Available fund balance %	70.54%	55.34%

	2023	**2022**
Component Unit		
Lincolnton Tourism Development Authority		
Total assets	$ 637,285	$ 573,958
Net position	$ 636,959	$ 556,588
Cash and Investments		
Cash	$ 25,159,669	$ 20,697,485
Restricted Cash	1,124,073	2,095,945
Total cash	$ 26,283,742	$ 22,793,430
Total cash includes:		
Special Revenue Fund/Federal - ARPA	$ -	$ 1,000,000
Special Revenue Fund/State - SCIF	$ 312,697	$ 356,360

Ms. Avery thanked council for allowing the firm to do the audit another year. She informed that the audit has been submitted to and approved by the Local Government Commission and that the City has received an unqualified opinion on the audit. There were no questions regarding the audit from Council.

BA-01-24
Budget Amendment to General Fund, Boger City Fire District, Powell Bill Fund, Water & Sewer Fund, Electric Fund, and Special Revenue-SCIF Fund

Finance Director Pamela McBryde presented the a budget amendment for approval by council. Ms. McBryde informed the majority of the budget amendment being investment interest. She reported on each of the funds as follow:

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

General Expense	$	111,263
Fire		6,325
Solid Waste		750
Planning/Zoning		2,235
Bus & Comm. Dev		1,757
Recreation		20,100
	$	142,430

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

Solid Waste Rollout Fees	$	750
Zoning Department Fees		2,235
Fire Department Fees		6,325
BC&D-Event Fees		1,757
Rec-Miscellaneous Revenue		20,000
Interest-General Fund		110,579
Insurance Settlement		183
July 4th Donations/Other		500
Veterans Banner Project		100
Federal Equitable Deposits		1
	$	142,430

General Fund: Record Zoning & Planning fees, Fire Department fees, Solid Waste roll out sales, interest income generated for the second quarter,special event fees,insurance claim settlement for damaged sign @ Lithia Inn, Veterans banner donation, LTDA donation for Rail Trail signs and Federal Equitable reimbursement for the Police Department.

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

Boger Ciy Fire Tax	$	9,062

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

Investment Income	$	2,166
Sales Tax/Grants		6,896
	$	9,062

Boger City Fire District: Record interest income and Lincoln County Firemens Association Training Grant.

Section 5: To amend the Powell Bill Fund, the expenditures are to be changes as follows:

Powell Bill Construction/Other	$	62,409

Section 6: To amend the Powell Bill Fund, the revenues are to be changed as follows:

Powell Bill Allocation		59,855
Investment Income	$	2,554
	$	62,409

Powell Bill Fund: Record interest income on powell bill funds and 2nd installment of FY2324.

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

Distribution and Collection	$	2,400
Water and Sewer Intangibles		57,746
	$	60,146

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

Investment Income	$	57,746
Connection Charges		2,400
	$	60,146

Water and Sewer Fund: Record interest income earned and sewer connection charges.

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

Electric Operations	$	54,147

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

Investment Income	$	43,905
Electric Sales		1,836
Other Operating Revenue		8,407
	$	54,147

Electric Fund: Record interest income earned, insurance settlement for light pole damage at Betty Ross Park, electric meter fees, debt set-off and DSS payments.

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

SCIF Grants (Fund 50)	$	3,352
	$	3,352

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

SCIF Grants (Fund 50)	$	3,352
	$	3,352

Special Revenue Fund: Record interst income on current balance in SCIF grants.

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	$	331,546

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

C-01-2024
Consideration of Contrct between the City of Lincolnton and Lowermilk Church & Co., L.L.P. for the audit ending 6/30/2024

Finance Director Pamela McBryde spoke to this request to approve a contract with Lowermilk Church & Company for auditing services for fiscal year ending June 30, 2024. She spoke to the fantastic job they do and the great working relationship that has been established. Ms. McBryde noted a 3% increase in the cost, equating to just a little over $1,100.00.

Councilmember Demeny made a motion to approve the contract with Lowdermilk, Church & Company. Members voted 4-0 in favor of the motion.

R-01-24
Resolution to Appoint Jean Derby as Review Officer

Planning Director Jean Derby spoke to this request. Ms. Derby briefly explained the purpose of the request and asked that a separate motion be made for each resolution presented. Resolutions were presented as follow:

WHEREAS, the 1997 General Assembly enacted General Statute 47-30.2 requiring the Board of Commissioners of each county, by resolution, to designate by name one or more persons experienced in mapping of land records management as a Review Officer to review each map and plat required to be submitted for review before the map or plat is presented to the Register of Deeds for recording, and

WHEREAS, to comply with General Statute 47-30.2 the Lincolnton City Council enacts this Resolution:

NOW, THEREFORE, BE IT RESOLVED BY THE LINCOLNTON CITY COUNCIL:

1. That Jean Derby is hereby appointed as a **REVIEW OFFICER** to review each map or plat required to be submitted for review before the map or plat is presented to the Register of Deeds for recording.

2. That the **REVIEW OFFICER** shall review expeditiously each map or plat required to be submitted to the officer before the map or plat is presented to the Register of Deeds for recording.

3. The **REVIEW OFFICER** shall certify the map or plat if it complies with all statutory requirements for recording, and affix his certification to the map.

4. This Resolution designating the aforesaid **REVIEW OFFICER** be recorded in the Office of the Register of Deeds for Lincoln County and indexed on the Grantor Index in the name of the **REVIEW OFFICER**.

The foregoing Resolution was unanimously passed by the Lincolnton City Council at its regular January 4, 2024 meeting.

Councilmember Christine Poinsette made a motion to appoint Jean Derby as a Review Officer. Members voted 4-0 in favor of the motion.

Ms. Jean Derby presented the second resolution, requesting to appoint Ashley Jones as Review Officer, as follows:

R-02-24

Resolution to Appoint Ashley Jones as Review Officer

WHEREAS, the 1997 General Assembly enacted General Statute 47-30.2 requiring the Board of Commissioners of each county, by resolution, to designate by name one or more persons experienced in mapping of land records management as a Review Officer to review each map and plat required to be submitted for review before the map or plat is presented to the Register of Deeds for recording, and

WHEREAS, to comply with General Statute 47-30.2 the Lincolnton City Council enacts this Resolution:

NOW, THEREFORE, BE IT RESOLVED BY THE LINCOLNTON CITY COUNCIL:

2. That Ashley Jones is hereby appointed as a **REVIEW OFFICER** to review each map or plat required to be submitted for review before the map or plat is presented to the Register of Deeds for recording.

3. That the **REVIEW OFFICER** shall review expeditiously each map or plat required to be submitted to the officer before the map or plat is presented to the Register of Deeds for recording.

4. The **REVIEW OFFICER** shall certify the map or plat if it complies with all statutory requirements for recording, and affix his certification to the map.

5. This Resolution designating the aforesaid **REVIEW OFFICER** be recorded in the Office of the Register of Deeds for Lincoln County and indexed on the Grantor Index in the name of the **REVIEW OFFICER**.

The foregoing Resolution was unanimously passed by the Lincolnton City Council at its regular January 4, 2024 meeting.

Councilmember Kevin Demeny made a motion to appoint Ashley (Jones) as a Review Officer. Members voted 4-0 in favor of the motion.

R-03-24/C-02-24
Resolution to Adopt an Interlocal Cooperation Agreement Between the City of Lincolnton and Lincoln County

City Manager Ritchie Haynes presented a resolution to the governing board requesting to adopt an interlocal cooperation agreement with Lincoln County. Mr. Haynes explained that this agreement gives Lincoln County the City's portion of the Airport in exchange for two parcels of the Oaklawn property, three parcels at what considered the Farmers' Market property, one parcel referred to as the old city bus garage (which is not the bus garage Bethel Church Road) and a parcel considered the old jail property (effective December 2026). Mr. Haynes explained that although there is mention of the old courthouse, nothing has been decided. The resolution as follows:

WHEREAS, the Lincolnton City Council has determined that it is in the interest of its citizens to enter into the Interlocal Cooperation Agreement between the City of Lincolnton and Lincoln County (the "Agreement"), which is attached hereto; and

WHEREAS, the terms of the Agreement require the City of Lincolnton to convey its interest in certain properties jointly owned with the County, described in the Agreement as the Airport Properties, to the County; and

WHEREAS, the terms of the Agreement require Lincoln County to convey its interest in certain properties located in the City of Lincolnton to the City of Lincolnton; and

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

WHEREAS, the City and County, as local governments, are authorized to enter into the Agreement pursuant to N.C.G.S. §160A-274 to exchange property upon such terms and conditions as the Parties deems wise; and

WHEREAS, the City of Lincolnton has determined that it is in the best interest of the City to exchange the properties described in the Agreement.

NOW THEREFORE BE IT RESOLVED by the Lincolnton City Council that the Interlocal Cooperation Agreement between the City of Lincolnton and Lincoln County is hereby approved, and the City Manager or the Mayor is authorized to execute all documents necessary for the fulfillment of the Agreement and the transfer of all properties described therein.

Mr. Haynes explained why the exchange is needed and how it will benefit both the City and the County. Some questions were generated regarding plans to begin work on the Old Courthouse. Mr. Haynes spoke to the joint meeting to be held on January 24th, at which time details of that project will be discussed.

Councilmember Kevin Demeny made a motion for the adoption of the resolution and approval contract (agreement). Members voted 4-0 in favor of the motion.

OTHER BUSINESS

Quarterly Code Enforcement Report/Update

Planning Director Jean Derby reviewed the code enforcement report, which she announced, covered the entire year of 2023. Ms. Derby stated that 28 are currently open and ongoing and 73 have been successfully closed. She explained the information, pointing out that the list contained a variety of cases. Ms. Derby presented several before and after pictures of what she called "code enforcement success stories" and spoke to the great job the county is doing. Offering to answer questions, some discussion was generated among councilmembers. No action was needed.

Manager's Report/ Update

City Manager Ritchie Haynes directed Council's attention to his manager's report as he addressed the items listed. Mr. Haynes started with dates to remember and moved on to monthly highlights/staff recognitions and appreciations. He mentioned the Apple Drop Event and attached the monthly homeless report. Mr. Haynes did address the Christmas Parade, Krampus and how it is being addressed.

NEWS MEDIA:

None in attendance

CLOSED SESSION

Councilmember Christine Poinsette made the motion to enter into Closed Session in accordance with NCGS 143-318.11(a)(1)(5)(6) to discuss personnel matters & employment contracts. Members voted 4-0 in favor of the motion

ADJOURNMENT:

After returning to Regular Session, Councilmember Jetton made the motion to adjourn the meeting. Members voted 4-0 in favor of the motion.

___________________________	___________________________
Daphne Ingram, City Clerk	**Ed Hatley, Mayor**