

The Lincoln County Board of County Commissioners met as the governing body of the East Lincoln County Water and Sewer District at the Citizens Center, Third Floor, 115 West Main Street, Lincolnton, North Carolina, the regular place of meeting at 6:30 p.m. on June 20, 2005. The following were present:

Thomas R. Anderson, Chairman
Carrol Mitchem, Vice Chairman
James "Buddy" Funderburk
Marie Moore
Alex Patton

Jeff Taylor, County Attorney
Stan Kiser, County Manager

Also present were Steve Gilbert, Director of Public Utilities and Amy S. Long, Clerk to the Board.

CALL TO ORDER

Chairman Anderson called the June 20, 2005 meeting of the East Lincoln County Water and Sewer District Board to order.

INVOCATION

Commissioner Alex Patton gave the Invocation.

PLEDGE OF ALLEGIANCE

ADOPTION OF AGENDA

UPON MOTION by Commissioner Funderburk, the Board voted unanimously to adopt the agenda as presented.

AGENDA

**EAST LINCOLN COUNTY WATER AND SEWER DISTRICT
BOARD OF COUNTY COMMISSIONERS
GOVERNING BODY
LINCOLN COUNTY, NORTH CAROLINA**

**JUNE 20, 2005
6:30 PM**

6:30 PM Call to Order

6:31 PM Invocation

	6:33 PM	Pledge of Allegiance
	6:34 PM	Adoption of Agenda
1.	6:35 PM	Approval of Minutes – March 21, 2005
2.	6:40 PM	Budget Public Hearing
3.	6:45 PM	Public Hearing – Riverwalk Apartments Annexation
4.	6:50 PM	Annexation Resolution – Barry McKinnon Riverwalk Apartments
5.	6:55 PM	Schedule for Public Hearing – Barry McKinnon Trena McRee Property – Mundy Road EDPH, LLC. Property – Old Plank Road
6.	7:00 PM	Partial Annexations in the Sewer District – Steve Gilbert
7.	7:05 PM	New Wastewater Plant Design Contract Amendment No. 3 – Steve Gilbert
8.	7:10 PM	Capital Project Reports – Steve Gilbert
9.	7:15 PM	Financial Report – Leon Harmon
10.	7:20 PM	Other Business
		Adjourn

Approval of Minutes: **UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to approve the minutes of the March 21, 2005 meeting as presented.

Budget Public Hearing: Chairman Anderson opened the public hearing the budget. Being no one wishing to speak, Chairman Anderson declared the public hearing closed.

UPON MOTION by Commissioner Moore, the Board voted unanimously to approve the East Lincoln Water and Sewer District budget for 2005-2006 with a tax rate of 11 cents per \$100.00.

EAST LINCOLN COUNTY WATER AND SEWER DISTRICT

BUDGET ORDINANCE FY 2005-06

BE IT ORDAINED by the Board of East Lincoln County Water and Sewer District of Lincoln County, North Carolina:

Section 1. The following amounts are hereby appropriated in the General Fund for the operation of the East Lincoln County Water and Sewer District and its activities for the fiscal year beginning July 1, 2005 and ending June 30, 2006, in accordance with the chart of accounts heretofore established for East Lincoln County Water and Sewer District:

SEWER SERVICES

Personal Services	\$ 606,021
Fringe Benefits	185,441
Materials and Supplies	113,000
Current Obligations	374,000
Fixed Charges	47,569
Capital Outlay	729,613
Debt Service	1,183,195
Total	\$ 3,238,839

Section 2. It is estimated that the following revenues will be available in the East Lincoln County Water and Sewer District for the fiscal year beginning July 1, 2005 and ending June 30, 2006:

AD VALOREM TAXES:

Current Year Taxes	\$ 1,545,839
Prior Year Taxes	18,000
Permits and fees	700,000
Sewer Fees	960,000
Interest on Investments	15,000
Total	\$ 3,238,839

Section 3. There is hereby levied a unified tax at the rate of eleven (\$.11) cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2005, for the purpose of raising the revenue listed as "Current Year's Property Taxes" in the East Lincoln County Water and Sewer District in Section 2. of this Ordinance.

This rate of tax is based on an estimated total valuation of property for the purpose of taxation of \$1,445,345,249 and an estimated collection rate of 97.50 percent.

Section 4. This Budget Ordinance, effective July 1, 2005 authorizes the mileage reimbursement rate as the standard mileage rate set by Internal Revenue Service, which may be revised during the fiscal year.

Section 5. The District Administrator is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- a. He may transfer amounts among objects of expenditure within a department.
- b. He may transfer amounts up to \$20,000 between functions of the same fund.

Section 6. The District Administrator is hereby authorized to execute contractual documents under the following conditions:

- a. He may execute contracts for construction, repair projects or design services requiring the estimated expenditure of less than \$20,000.
- b. He may execute contracts for; (1) purchases of apparatus, supplies, and materials, or equipment which are within budgeted appropriations, (2) leases of personal property for a duration of one year or less and within budgeted appropriations, and (3) services which are within budgeted appropriations.
- c. He may execute grant agreements to or from public and non-profit organizations which are within budgeted appropriations, unless a grantor organization requires execution by the Board of Commissioners.
- d. He may execute contracts, as the lessor or lessee or real property, which are of one-year duration or less, if funds therefore are within budgeted appropriations.

Section 7. Copies of this Budget Ordinance shall be furnished to the County Manager, Clerk to the Board of Commissioners, Finance Director and the Tax Administrator for direction in carrying out their duties.

Adopted this 20th day of June, 2005.

Thomas R. Anderson, Chairman
East Lincoln County
Water and Sewer District

ATTEST:

Amy S. Long
Clerk to the Board

Public Hearing – Riverwalk Apartments Annexation: Chairman Anderson opened the public hearing concerning the Riverwalk Apartments Annexation.

Being no one wishing to speak, Chairman Anderson declared the public hearing closed.

UPON MOTION by Commissioner Moore, the Board voted unanimously to approve the Annexation Resolution for Riverwalk Apartments.

RESOLUTION ANNEXING CERTAIN NONCONTIGUOUS REAL PROPERTY
TO THE
EAST LINCOLN COUNTY WATER AND SEWER DISTRICT
LINCOLN COUNTY, NORTH CAROLINA

RIVERWALK APARTMENTS

WHEREAS, Riverwalk Apartments of Lincoln County, LLC is the owner of certain real property (described on Exhibit A attached hereto and incorporated herein by reference) that is noncontiguous to the East Lincoln County Water and Sewer District and has petitioned the Lincoln County Board of Commissioners, pursuant to North Carolina General Statute 162A-87.1, for annexation of said real property into the District; and

WHEREAS, Riverwalk Apartments of Lincoln County, LLC is the owner of 100 percent of the real property to be annexed; and

WHEREAS, after notice was duly given in accordance with the pertinent sections of Article 6 of Chapter 162A of the North Carolina General Statutes, the Lincoln County Board of Commissioners held a public hearing on June 20, 2005 to consider the annexation of said real property; and

WHEREAS, at said public hearing all persons who wished to speak were given an opportunity to be heard; and

WHEREAS, prior to the public hearing the professional staff of Lincoln County prepared the report on the proposed annexation required by North Carolina General Statute 162A-87.1; and

WHEREAS, the Lincoln County Board of Commissioners finds that the proposed annexation meets the requirements of NCGS 162A-87.1; and

WHEREAS, the Lincoln County Board of Commissioners further finds that the proposed annexation would be in the best interests of the citizens of Lincoln County and particularly of the East Lincoln County Water and Sewer District;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Lincoln County Board of Commissioners that the real property described on Exhibit A (attached

hereto and incorporated herein by reference) be the same and is hereby annexed into the East Lincoln County Water and Sewer District, effective at the beginning of the next fiscal year on July 1, 2005.

Adopted this 20th day of June, 2005.

Thomas R. Anderson, P.E., Chairman

ATTEST:

Amy S. Long
Clerk to the Board

Schedule for Public Hearings: Barry McKinnon stated that Trena McRee and EDPH, LLC have both petitioned that their property be voluntarily annexed into the Sewer District. He asked for a public hearing to be set on September 19, 2005 at 6:30 p.m.

UPON MOTION by Commissioner Mitchem, the Board voted unanimously to set the public hearings for Trena McRee and EDPH, LLC for September 19, 2005 at 6:30 p.m.

Partial Annexations into the Sewer District: Steve Gilbert presented the following information.

Several meetings ago, Mr. Gilbert mentioned that there were numerous parcels in East Lincoln that are only partially inside the Sewer District. This occurred because the original boundary was set up to be a certain distance from the center line of certain roads. Public Works staff has gone through mapping records and customer account data, and research shows that there are 323 parcels that are partially inside the District, 47 of which are currently receiving sewer service.

Since the Sewer District counts on tax revenue from properties receiving sewer service, Mr. Gilbert believes the owners of these 47 parcels should be required to have the entire property annexed into the District. For the remaining 276 parcels, the Sewer Use Ordinance already requires annexation before someone can apply for sewer service, so they can be annexed whenever they want to hook up to the system. This can be taken care of during the normal application process.

The Public Works recommends that the annexation process be initiated for the 47 parcels in East Lincoln that are currently partially inside the Sewer District and that are currently receiving sewer service. Upon the Board's approval, this process can be started immediately,

with annexation reports on the affected parcels presented at the next Sewer District meeting in September.

Commissioner Mitchem asked for the reason for this change.

Steve Gilbert stated that if a parcel is receiving sewer service, it is listed in the tax records as being in the Sewer District. He stated that the entire parcel should be in the district.

UPON MOTION by Commissioner Moore, the Board voted unanimously to direct Steve Gilbert to begin the process to annex 47 properties that are partially in the East Lincoln Sewer District.

New Wastewater Plant Design Contract Amendment No. 3: Steve Gilbert presented the following information.

In March, the Board approved Amendment NO. 2, which authorized the preparation of an Environmental Report for the new Wastewater Treatment Plant. The scope of this report includes the construction of this report includes the construction of approximately 4.5 miles of sewer trunk lines that are necessary to carry the sewage from the existing plant downstream to the new plant.

In April Public Works met with NCDENR officials in Raleigh to determine the steps we must follow to qualify for a State Revolving Fund loan to cover the cost of the new facilities. At this meeting we were informed that we will be able to qualify for loans to cover any improvements we expect to make within the next five years. The only stipulation is that we cannot construct any lines that will not be put to use right away. A review of the 20-year Plan identified approximately 6 miles of additional lines that could be put into service if they were built, and they are all planned to be built in the first five years of the Plan. In order to qualify for a loan for these lines, we must have an Environmental Report done in advance of applying for the funds. Therefore, we are requesting the Board's approval to add these 6 miles of sewer trunk lines to the scope of work for the Environmental Report that was authorized in March. This amendment adds \$15,150 to the cost of the report, bringing the total cost of the report to \$66,050. Since a report will be necessary to borrow money in another year or two for these lines anyway, it is my opinion that it will be less expensive to add this work to the existing contract than to have a separate report prepared later. With the Board's approval, this amendment will add \$15,150 to Dickson's contract.

The Public Works Department recommends approval of Amendment No. 3 to the Engineering Services Contract with WK Dickson & Co., increasing the not-to-exceed fee for the Environmental Report from \$50,900 to \$66,050.

UPON MOTION by Commissioner Patton, the Board voted unanimously to add the conduct of the Environmental Impact on these particular interceptors, which are not currently included under Dixon's contract.

Capital Project Reports: Steve Gilbert presented capital project reports.

Financial Report: Leon Harmon gave the financial report for the sewer district.

Other Business: Chairman Anderson presented the Board with a chart on subdivisions and their impact on the discharge of wastewater. He presented this to the Board so they could see the impact that approving subdivisions has on the wastewater treatment plant and expansion.

Recess: UPON MOTION by Commissioner Patton, the Board voted unanimously to recess the meeting to July 18, 2005.

Amy S. Long, Clerk to the Board
Board of Commissioners

Thomas R. Anderson, Chairman
Board of Commissioners