

MINUTES
LINCOLN COUNTY BOARD OF COMMISSIONERS
MONDAY, AUGUST 20, 2012

The Lincoln County Board of County Commissioners met August 20, 2012 at the Citizens Center, Commissioners' Room, 115 West Main Street, Lincolnton, North Carolina, at 6:30 P.M.

Commissioners Present:

Alex E. Patton, Chairman
George Arena, Vice Chair
James A. Klein
Carl E. Robinson, Jr.
Carrol Mitchem

Others Present:

George A. Wood, County Manager
Martha W. Lide, Assistant County Manager
Wesley L. Deaton, County Attorney
Amy S. Atkins, Clerk to the Board

Call to Order: Chairman Patton called the August 20, 2012 meeting of the Lincoln County Board of Commissioners to order.

Chairman Patton gave the Invocation and led in the Pledge of Allegiance.

Adoption of Agenda: Chairman Patton presented the agenda for the Board's approval.

UPON MOTION by Commissioner Robinson, the Board voted unanimously to adopt the Agenda as presented.

AGENDA
Lincoln County Board of Commissioners Meeting
Monday, August 20, 2012
6:30 PM

James W. Warren Citizens Center
115 West Main Street
Lincolnton, North Carolina

Call to Order

Invocation – Chairman Patton

Pledge of Allegiance

1. Adoption of Agenda
2. Consent Agenda
- 2013 Holiday Schedule

- Ordinance #2012-13: An Ordinance Amending the FY 2013 Budget for the County of Lincoln, North Carolina
- Ordinance #2012-14: An Ordinance Amending the FY 2013 Budget for the County of Lincoln, North Carolina
- Surplus Property
- Resolution #2012-32: Resolution to Sell Lincoln N321 Volunteer Fire Department a Surplus County Vehicle for \$1.00
- Resolution #2012-33: Resolution to Sell Lincoln Denver Volunteer Fire Department a Surplus County Vehicle for \$1.00
- Minutes for Approval

3. Planning Board Recommendations- Randy Hawkins

ZMA #597 Crosland Denver Highway 16, LLC, applicant
 ZMA #598 Crosland Denver Highway 16, LLC, applicant
 UDO Proposed Amendment #2012-3 Lincoln County Planning and Inspections Dept., applicant
 CUP #307 Todd Black, applicant
 WSCUP #13 Damon Lusk, applicant

4. Public Comments
 (15 minutes allowed per Rules of Procedure – 3 minutes per person)

5. Public Hearing - Industrial Development Incentive Grant for Existing Industry and motion to adopt Resolution #2012-34: Resolution to Adopt Economic Incentive Grant Agreement - Kara Brown

6. RCC Contract - Martha Lide

7. Motion to approve Denver Days Waiver Request - Martha Lide

8. Motion to Authorize Cleveland County Water to Provide Water Service on Green Farm Road and Amazing Grace Road as requested by Cleveland County Water - George Wood

9. Legislative Goals- George Wood
 A - Article 3J Tax Credits
 B - Special Purpose Local Option Sales Tax
 C - Amendment to Annexation Statutes

10. Employee Wellness Program Committee Update - Martha Lide

11. Motion to Adopt Resolution #2012-35: Resolution Consolidating Bank Accounts and Declaring Official Depositories - Deanna Rios

12. Finance Officer's Report - Deanna Rios

13. County Manager's Report
 - Property Tax Collection Report
 - Update on PARTF Grant

14. County Commissioners' Report

15. County Attorney's Report
16. Vacancies/Appointments
17. Calendar
18. Other Business
 - Register of Deeds Report
19. Motion to Enter Closed session pursuant to § 143-318.11 (a) (5) To establish, or instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or (ii) the amount of compensation and other material terms of an employment contract or proposed employment contract.

Adjourn

Consent Agenda: UPON MOTION by Commissioner Klein, the Board voted unanimously to approve the Consent Agenda.

- 2013 Holiday Schedule
- Ordinance #2012-13: An Ordinance Amending the FY 2013 Budget for the County of Lincoln, North Carolina
- Ordinance #2012-14: An Ordinance Amending the FY 2013 Budget for the County of Lincoln, North Carolina
- Surplus Property
- Resolution #2012-32: Resolution to Sell Lincoln N321 Volunteer Fire Department a Surplus County Vehicle for \$1.00
- Resolution #2012-33: Resolution to Sell Lincoln Denver Volunteer Fire Department a Surplus County Vehicle for \$1.00
- Minutes for Approval
 - May 4, 2012
 - June 4, 2012
 - July 19, 2012

2013 Holiday Schedule

Holiday Observance	Date	Day of Week
New Year's Day	January 1, 2013	Tuesday
Martin Luther King Jr.'s Birthday	January 21, 2013	Monday
Good Friday	March 29, 2013	Friday
Memorial Day	May 27, 2013	Monday
Independence Day	July 4, 2013	Thursday
Labor Day	September 2, 2013	Monday
Veteran's Day	November 11, 2013	Monday
Thanksgiving	November 28 & 29, 2013	Thursday & Friday
Christmas	December 24, 25 & 26,2013	Tuesday, Wednesday, Thursday

**ORDINANCE #2012-13: AN ORDINANCE AMENDING THE FY 2013 BUDGET
FOR THE COUNTY OF LINCOLN, NORTH CAROLINA**

THAT WHEREAS, the Lincoln County Board of Commissioners adopted the FY 2013 Budget by approving Ordinance #2012-11 on June 28, 2012; and

WHEREAS, the Finance Director and County Manager are recommending further amendments as shown on the attachments herein; and

WHEREAS, the Lincoln County Board of Commissioners wishes to approve these proposed budget amendments;

NOW THEREFORE BE IT ORDAINED AND ESTABLISHED by the Board of Commissioners of Lincoln County, North Carolina, that the FY 2013 Budget previously adopted is hereby amended as follows:

Section 1. That the Capital Project Ordinance Amendment attached hereto, and incorporated herein by reference as Exhibit A to Ordinance #2012-13, is hereby approved and adopted as an amendment to the FY 2013 Budget.

Section 2. That this amendment to the budget shall become effective immediately upon its adoption by the Board of Commissioners.

Passed and adopted this 20th day of August, 2012.

BY: _____

Alex E. Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board

EXHIBIT A to Ordinance #2012-13

Capital Project Ordinance Amendment "YERO".

**ORDINANCE #2012-14: AN ORDINANCE AMENDING THE FY 2013 BUDGET
FOR THE COUNTY OF LINCOLN, NORTH CAROLINA**

THAT WHEREAS, the Lincoln County Board of Commissioners adopted the FY 2013 Budget by approving Ordinance #2012-11 on June 28, 2012; and

WHEREAS, the Finance Director and County Manager are recommending further amendments as shown on the attachments herein; and

WHEREAS, the Lincoln County Board of Commissioners wishes to approve these proposed budget amendments;

NOW THEREFORE BE IT ORDAINED AND ESTABLISHED by the Board of Commissioners of Lincoln County, North Carolina, that the FY 2013 Budget previously adopted is hereby amended as follows:

Section 1. That the Capital Project Ordinance Amendment attached hereto, and incorporated herein by reference as Exhibit A to Ordinance #2012-14, is hereby approved and adopted as an amendment to the FY 2013 Budget.

Section 2. That this amendment to the budget shall become effective immediately upon its adoption by the Board of Commissioners.

Passed and adopted this 20th day of August, 2012.

BY: _____

Alex E. Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board

EXHIBIT A to Ordinance #2012-14

Capital Project Ordinance Amendment numbered 1.

**RESOLUTION #2012- 32:
RESOLUTION TO SELL LINCOLN N321 VOLUNTEER FIRE DEPARTMENT
A SURPLUS COUNTY VEHICLE FOR \$1.00**

WHEREAS, the County Commission is authorized to sell any real or personal property owned or held by the County, which is not needed for governmental or other public purposes (GS 160A, Article 12 and G.S.153A-176); and

WHEREAS, Lincoln County's process for disposal of surplus property was approved in March, 2010 as part of the Purchasing Policy; and

WHEREAS, on a regular basis, lists are submitted to the Board of County Commissioners for approval to dispose of surplus property, and these lists often include vehicles; and

WHEREAS, the N321 Volunteer Fire Department is a nonprofit 501 (c) 3 organization which provides a valuable service to the residents of our County; and

WHEREAS, the N321 Volunteer Fire Department has requested to purchase a surplus 2005 Dodge Magnum vehicle from the County which would be used for day to day operations;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED,

That Lincoln County agrees to sell the N321 Volunteer Fire Department a vehicle that has been deemed surplus by the Board of County Commissioners for the price of \$1.00.

That this resolution shall become effective on August 20, 2012.

Adopted this 20th day of August 2012.

LINCOLN COUNTY

By: _____

Alex Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins, Clerk to the
Board of Commissioners

RESOLUTION #2012-33:

**RESOLUTION TO SELL LINCOLN DENVER VOLUNTEER FIRE DEPARTMENT
A SURPLUS COUNTY VEHICLE FOR \$1.00**

WHEREAS, the County Commission is authorized to sell any real or personal property owned or held by the County, which is not needed for governmental or other public purposes (GS 160A, Article 12 and G.S.153A-176); and

WHEREAS, Lincoln County's process for disposal of surplus property was approved in March, 2010 as part of the Purchasing Policy; and

WHEREAS, on a regular basis, lists are submitted to the Board of County Commissioners for approval to dispose of surplus property, and on tonight's agenda there is a 2003 Ford Explore which is being declared as surplus; and

WHEREAS, the Denver Volunteer Fire Department is a nonprofit 501 (c) 3 organization which provides a valuable service to the residents of our County; and

WHEREAS, the Denver Volunteer Fire Department has requested to purchase a surplus 2003 Ford Explorer from the County which would be used for day to day operations;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED,

That Lincoln County agrees to sell the Denver Volunteer Fire Department a vehicle that has been deemed surplus by the Board of County Commissioners for the price of \$1.00.

That this resolution shall become effective on August 20, 2012.

Adopted this 20th day of August 2012.

LINCOLN COUNTY

By: _____

Alex Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins, Clerk to the
Board of Commissioners

Recommendations from Planning Board:

Randy Hawkins presented the following recommendation:

ZMA #597 Crosland Denver Highway 16, LLC, applicant (Parcel ID# 89014) A request to rezone 16.3 acres from R-T (Transitional Residential) to B-G (General Business). The property is located on the east side of the N.C. 16 bypass about 1,200 feet south of N.C. 150 in Catawba Springs Township.

The Planning Board voted 9-0 to recommend approval.

UPON MOTION by Commissioner Arena, the Board voted unanimously to not accept the statement as presented but the following as a statement of consistency and reasonableness: on the condition that it is not reasonable and not in the public interest with a such a large, key piece of property its development needs to be subject to a master plan approved through the planned development process.

UPON MOTION by Commissioner Arena, the Board voted 4 – 1 (Mitchem against) to deny Zoning Map Amendment #598 – Crosland Denver Highway 16, LLC, applicant.

ZMA #598 Crosland Denver Highway 16, LLC, applicant (Parcel ID# 89014) A request to rezone 24.8 acres from R-T (Transitional Residential) to I-L (Light Industrial). The property is located about 300 feet east of the N.C. 16 bypass and 1,800 feet south of N.C. 150 in Catawba Springs Township.

The Planning Board voted 9-0 to recommend approval.

UPON MOTION by Commissioner Arena, the Board voted 4-1 (Mitchem against) to deny the Planning Board's statement of consistency and reasonableness and replace with: it is consistent with the comprehensive land use plan in that this area is zoned industrial, however it is not reasonable and not in the public interest in that this is such a large and key piece of property that its development needs to be subject to a master plan approved through the planned development rezoning process.

UPON MOTION by Commissioner Arena, the Board voted 4 – 1 (Mitchem against) to deny Zoning Map Amendment #598 – Crosland Denver Highway 16 LLC, applicant.

UDO Proposed Amendment #2012-3 Lincoln County Planning and Inspections Department, applicant. A proposal to amend Lincoln County Unified Development Ordinance as follows:

- 1) Amend Section 12.3.2 (General Terms) to define “Electronic Gaming Operation” as any business enterprise where persons utilize electronic machines to conduct sweepstakes, lotteries and/or games of chance and where cash or merchandise or other items of value are redeemed or otherwise distributed.
- 2) Amend Section 2.2.1 (Use Table) to make “Electronic Gaming Operation” a conditional use in the B-G and I-L districts subject to certain standards.
- 3) Amend Section 4.4 (Commercial Standards) to establish standards for “Electronic Gaming Operation.”

The Planning Board voted 9-0 to recommended approval with the following revision to the proposed standards:

E. During hours of operation, electronic gaming operations shall be open for direct, unobstructed access by safety and law enforcement personnel. All entrance doors shall remain unlocked while patrons are on the premises. All electronic gaming machines/computers/terminals shall be open and visible from the ~~exterior of the exterior front of~~ entrance to the establishment.

UPON MOTION by Commissioner Klein, the Board voted 4 – 1 (Mitchem against) to approve the statement of consistency and reasonableness as presented by the Planning Board

UPON MOTION by Commissioner Klein, the Board voted 4 – 1 (Mitchem against) to approve UDO Proposed Amendment #2012-3 as revised by the Planning Board.

CUP #307 Todd Black, applicant (Parcel ID# 10948) A request for a conditional use permit to operate a campground in the R-R district. The proposed 17-acre site is located at 3458 Zion Hill Road, at the end of Zion Hill Road about 1,000 feet north of the Gaston County line, in North Brook Township.

The Planning Board voted 8-0 to recommend approval with the following conditions:

1) All campground facilities shall be properly permitted, inspected and approved by the Lincoln County Planning and Inspections Department, the Lincoln County Environmental Health Division and/or appropriate state agencies.

2) The operation of the campground shall be limited to the period from April 1 through November 15. No campsites shall be occupied at other times.

3) Amphitheater activities shall not extend past 11 p.m.

UPON MOTION by Commissioner Arena, the Board voted unanimously to adopt finding of fact and approve CUP #307 – Todd Black, applicant with conditions, as presented by the Planning Board.

WSCUP #13 Damon Lusk, applicant (Parcel ID# 32374) A request for a conditional use permit to allow the use of the high-density option in the WS-IV Protected Area of the Catawba/Lake Norman Watershed. The applicant is proposing to develop a 1.36-acre parcel with a 19,500-square-foot office/warehouse, driveways and parking areas for building material sales. The high-density option would allow the development to have a built-upon surface area covering up to 70 percent of the site, with the use of engineered stormwater controls. The property is located on the north side of N.C. 16 Business about midway between its intersections with Denver Industrial Park Road in Catawba Springs Township.

The Planning Board voted 9-0 to recommend approval.

Mr. Lusk would like to postpone for 30 days.

UPON MOTION by Commissioner Mitchem, the Board voted unanimously to postpone WSCUP #13 – Damon Lusk, applicant for 30 days.

Public Comments: Chairman Patton opened Public Comments.

Being no speakers, Chairman Patton declared the Public Comments section closed.

Public Hearing – Industrial Development Incentive Grant for Existing Industry and motion to adopt Resolution #2012-34: Resolution to Adopt Economic Incentive Grant Agreement – Kara Brown: Kara Brown presented the following information concerning Cataler North America:

RESOLUTION TO ADOPT ECONOMIC INCENTIVE GRANT AGREEMENT WITH Cataler North America.

WHEREAS, the Lincoln County Board of Commissioners verily believes that it is in the best interests of the citizens of Lincoln County to encourage and support economic development within Lincoln County through the recruitment of new industries to the County and the expansion of existing industries in the County; and

WHEREAS, Cataler North America has developed plans for expansion of their manufacturing equipment in Lincoln County; and

WHEREAS, the Board of Commissioners wishes to encourage such development by means of offering incentives to aid in such efforts;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED AS FOLLOWS:

1. The Lincoln County Board of Commissioners hereby approves the Lincoln County Incentive Grant Agreement (attached hereto as Exhibit A and incorporated herein by reference) among Lincoln County, Cataler North America.

2. The Chairman of the Board of Commissioners and the Clerk to the Board are hereby authorized to sign all necessary documents on behalf of Lincoln County in order to effectuate this transaction.

3. This resolution shall become effective upon adoption.

This 20th day of August, 2012.

Alex Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy Atkins, Clerk to the Board

LINCOLN COUNTY INCENTIVE GRANT AGREEMENT

NORTH CAROLINA
LINCOLN COUNTY

THIS AGREEMENT is made and entered into as of the 20th day of August, 2012, by and between LINCOLN COUNTY, a body corporate and politic (hereinafter referred to as "the County"), and Cataler North America, a North Carolina corporation (hereinafter referred to as

“Cataler North America”).

WITNESSETH:

WHEREAS, Cataler North America has developed plans for the equipment expansion of an existing facility in Lincoln County, North Carolina; and

WHEREAS, the Board of Commissioners of Lincoln County verily believes that the location of new industries and the expansion of existing industries is vital to the economic health of Lincoln County and to the welfare of its citizens; and

WHEREAS, the Board of Commissioners wishes to encourage such development by means of offering incentives to recruit new industries and to aid in expansion of existing industries; and

WHEREAS, such incentives are predicated on the notion of expanding Lincoln County’s tax base and providing additional jobs for Lincoln County’s citizens that pay wages higher than the current prevailing average hourly wage in the particular industry; and

WHEREAS, the Board of Commissioners has determined that it is appropriate and in the best interests of Lincoln County and its citizens to offer incentives in the form of both cash grants and assistance with making public services available; and

WHEREAS, the Board of Commissioners believes that it is appropriate and reasonable to expect Cataler North America to bind itself to the County to produce certain results in conjunction with the project described herein as conditions of the incentives being offered by the County;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein set forth, the parties hereby agree as follows:

1. On or before November, 2012, Cataler North America shall begin installation of equipment in Lincoln County, North Carolina.
2. Within two years of the date of this agreement, Cataler North America shall make an investment upon such site of \$6,800,000, of which \$4,760,000 will qualify for incentives under the Lincoln County Industrial Incentive Grant Policy.
3. Within two years of the date of this agreement, Cataler North America shall provide at such site at least 4 new jobs paying average weekly wages of \$720.00
4. In consideration of the performance of the aforesaid obligations by Cataler North America, the County will provide cash grants to Cataler North America of \$18,502.12 per year for a five-year period. Lincoln County will pay such grants beginning in the tax year after the project’s completion. Grants will be paid to Cataler North America within 30 days after Cataler North America has made its tax payment for the then-current year and has notified Lincoln

Economic Development Association of the payment. This amount represents a Level 1 grant under the Lincoln County Industrial Development Incentive Grant Policy for New and Existing Industries.

5. In the event that the value of the investment actually made by Cataler North America pursuant to this agreement is greater or less than the aforementioned contract amount, the incentive grants to be provided hereunder will be adjusted upward or downward on a pro-rata basis.

6. Cataler North America specifically agrees that in the event that all or any portion of this agreement or any incentive grant or payment to be made hereunder is declared to be unconstitutional, illegal, or otherwise enjoined by a court of competent jurisdiction, Cataler North America shall indemnify and hold harmless Lincoln County and its Board of Commissioners, individually and collectively, from any loss or liability and shall reimburse Lincoln County by the amount of any such grant or payment.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first above written.

Cataler North America

By: _____
President

LINCOLN COUNTY

By:

Alex E. Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board of Commissioners

STATE
COUNTY

This the _____ day of _____, 20____, _____ personally came before me _____ and acknowledged that he/she is _____ of _____, a _____ corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument its name on its behalf as its act and deed.

Witness my hand and official stamp or seal, this _____ day of _____, 2012.

My Commission Expires: _____

Notary Public

NORTH CAROLINA
LINCOLN COUNTY

This the _____ day of _____, 20____, personally came before me Delores Alfaro, Assistant Clerk to the board of Lincoln County, North Carolina, who being by me duly sworn says that she knows the common seal of the County of Lincoln, North Carolina and is acquainted with Alex E. Patton, who is the Chairman of the Board of Commissioners of Lincoln County, North Carolina, and that she, the said Delores Alfaro, is the Assistant Clerk to the board of Lincoln County, North Carolina, and saw the Chairman of the Board of Commissioners of Lincoln County, North Carolina, sign the foregoing instrument and affix said seal to said instrument and that she, the said Delores Alfaro, signed her name in attestation of said instrument in the presence of said Chairman of the Board of Commissioners of Lincoln County, North Carolina.

My Commission Expires: _____

Notary Public

Chairman Patton opened the public hearing.

Being no speakers, Chairman Patton closed the public hearing.

UPON MOTION by Commissioner Robinson, the Board voted unanimously to adopt Resolution #2012-34: Resolution to Adopt Economic Incentive Grant Agreement.

RCC Contract: Martha Lide presented the following:

It is recommended that the Board approve the contract with RCC Consultants, Inc. for services related to Phase 2 of the Emergency Radio Communications Project. The total cost of this contract will be \$84,856. The services to be provided include a verification of sites selected for tower equipment and tower construction, preliminary site design and engineering, development of site plans, civil engineering, and submission of regulatory requirements for Phase 1 environmental, FCC and FAA, development of tower specifications, development of shelter design and specifications, as-built drawings and construction management for two towers.

The process for selecting this contractor was as follows:

- On January 30, 2012 Lincoln County issued a Request for Qualifications (RFQ) for a Communications Tower Study/Design project (RFQ 2012-0217)
- On February 17, 2012 the County received Proposals from the following 9 companies:

Kessler & Gehman and Associates	McCall Thomas Engineering Company , Inc.
KCI Technologies	Tower Engineering Professionals
Infinigy Engineering	RCC Consultants
LR Kimball	SSOE
MH Consulting Incorporated and TEP Design Build	

- A committee, which included Martha Lide, County Manager's Office; Dante Patterson, Information Technology; and Rick Ellis, Communication Center reviewed and ranked the proposals. The Center for Municipal Solutions, a consultant we have hired to provide advice throughout this tower construction project, also provided input into the selection process.
- The following three companies were selected to come in for interviews on May 8, 2012:
 - KCI Technologies
 - LR Kimball
 - RCC Consultants, Inc
- The Committee recommended that the County Manager negotiate a contract with RCC Consultants, Inc. based on their qualifications and experience.

The scope of work has changed significantly since the RFQ was issued. Originally, we had anticipated the construction of 5 towers, and requested preliminary design services. The number of towers that will be constructed is now only two, and we have expanded the services to include full design and construction management. The number of towers to be constructed has changed as follows:

Originally Proposed Tower	
North Brook Area	A tower was originally proposed to be located <u>near</u> the North Brook water tank; it was thought that it would not be possible to add the additional equipment for Phase 2 to the water tank because of interference. Two Way Radio has identified a piece of equipment which can be added to the water tank that will allow the additional equipment to be added without causing interference as originally thought. Construction of the tower is no longer needed.
Killian	In researching the proposed location for this tower, we determined that there are already several private towers in the area, so we have determined that it is more cost effective to rent space on an existing tower.
South West Area	Again, our research determined that there was an existing tower near the proposed tower. We have determined that it is more cost effective to rent space on the existing tower.
Union	The proposed tower site is at the existing Union Fire Station. Final determination of the suitability of this site has not been made.

South East – Mt Zion Area	The proposed tower site is at the existing Alexis Fire Department Headquarters. This site is actually in Gaston County, but will provide the best coverage in the area that it is needed.
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This will give us the necessary approvals and permits, and to design and construct the two towers and be assured that all five locations are in the right configuration and location to provide the necessary coverage.

This project was funded in the FY2012 CIP fund, and those funds are available for this project.

In order to control costs, the County staff will be supporting this project by:

- Preparing zoning drawings and filing applications as necessary (Planning and Inspections)
- Contracting separately for survey work (Public Works)
- Contracting separately for geotechnical reports (Public Works)
- Conducting the road and drainage design (Public Works)
- Designing and installing of landscaping if necessary.(Public Works and Parks and Recreation)

In the preliminary schedule supplied by RCC it shows the completion of this project to be May 2013. However, this completion time estimate does not include the zoning application process or other delays that may occur in bidding other portions of this project.

UPON MOTION by Commissioner Arena, the Board voted unanimously to approve the RCC Contract.

Motion to approve Denver Days Waiver Request: Martha Lide presented the following:

We have received a request to waive fees related to the Special Events Ordinance for the 2012 Denver Days event. The event will be held Wednesday, September 26th through Saturday, September 29th, 2012. They have completed the application required by the Special Events Ordinance.

The Special Events Ordinance provides that the County Commission may waive permit fees and other required fees. The Ordinance states that the Commission will consider waiving fees if:

1. The organization sponsoring the event is a not for profit organization.
2. If any funds generated by the event are used to support the event for the following year or are used to support a community project
3. Other factors that may document the contribution the event makes to the community that would justify waiving fees.

Denver Days, Inc. is a not for profit organization which was established to coordinate the annual event. The Denver Day, Inc. organization is largely comprised of members of the Denver Lake Norman Rotary Club. These Rotarians volunteer numerous hours in planning for the event and providing the “feet on the ground” during the event to ensure that it is a safe and successful event.

This is the 3rd year that the Rotary Club has been involved in coordinating this important community event.

The proceeds from this event are donated to support the East Lincoln Rescue Park. Last year, \$31,000 was donated to the Denver Lake Norman Rotary Club Foundation to be used for the Park. When the Rotary Club assumed responsibility for coordinating the Denver days event it was with the specific understanding that 100% of the net proceeds from the festival would be given to the Rotary Club Foundation to be used for supporting the planning and construction of the Park.

The total fees waiver request is for \$19,970 including fees that could be charged for Sheriff's Office, EMS, Communications Center, Fire Marshal staff, and landfill tipping fees.

Commissioner Klein asked to be excused from voting since

UPON MOTION by Commissioner Arena, the Board voted 3 – 1 (Mitchem against, Klein abstained) to approve the waiver of fees for one year.

Motion to Authorize Cleveland County Water to Provide Water Service on Green Farm Road and Amazing Grace Road as requested by Cleveland County Water – George Wood:
Mr. Wood presented the following:

The Board authorized Cleveland County Water to extend its waterlines further into Lincoln County in March of this year. There is another request from them to allow another extension, which is very near to our border with Cleveland County. We do not have a waterline within three miles of this area, and recommend approval of this extension. The property owner has requested the extension from Cleveland County Water.

Mr. Butch Smith, Cleveland County Water's Director, has asked if the County would support their dam application further (the Board already passed a resolution endorsing it), by stating that we may buy water from them in the future as well as let them expand into western Lincoln County. It helps their application if the dam and reservoir serve a regional population.

Mr. Smith would like to attend a future meeting to give a presentation on this matter.

UPON MOTION by Commissioner Mitchem, the Board voted unanimously to approve the request.

Legislative Goals

A – Article 3J Tax Credits:

UPON MOTION by Commissioner Arena, the Board voted unanimously to approve Resolution #2012-36: A Resolution on Article 3J Tax Credits.

Resolution #2012-____: A Resolution on Article 3J Tax Credits

WHEREAS, the State of North Carolina enacted a tax credit program in 2006., entitled “Tax Credits for Growing Businesses” (more commonly referred to as Article 3J tax credits), which established a goal to encourage economic activity in the areas of the state where economic development is most needed; and

WHEREAS, the legislature established an economic formula (more commonly referred to as the Development factor); and

WHEREAS, the state legislature further provided in Article 3J exceptions and adjustments to the economic formula intended to meet the legislation’s primary goal; and

WHEREAS, the state legislature further directed the NC Department of Commerce to undertake impact and equity studies designed to measure the effectiveness and report biennially the results thereof; and

WHEREAS, a provision was made within Article 3J whereby the legislation sunsets effective January 1, 2014; and

WHEREAS, The North Carolina Association of County Commissioners (NCACC) has no adopted legislative position with regard to Article 3J.

NOW, THEREFORE, BE IT RESOLVED that the Lincoln County Board of Commissioners adopts a resolution in support of a joint study of Article 3J between the North Carolina Association of County Commissioners (NCACC) and the NC Department of Commerce;

BE IT FURTHER RESOLVED that the Board recommends that the joint study shall include, but not be limited to, the following:

1. A review of the data, conclusions and recommendations contained in the 2009 and 2011 biennial reports;
2. A review of the existing elements of the Development Factor formula for possible revision, addition and/or deletion;
3. A review of the existing exceptions and adjustments for possible revision, addition and/or deletion;
4. A review of the correlation between existing exceptions and adjustments and economic development;

BE IT FURTHER RESOLVED that the Board recommends that NCACC develop a specific legislative goal position with regard to Article 3J. The goal may include the sunset of, revision to and/or extension of Article 3J.

B – Special Purpose Local Option Sales Tax

A MOTION by Commissioner Arena to approve Resolution #2012-37: A Resolution Concerning the NCACC Studying a Possible Local Option Sales Tax for Capital Improvements.

VOTE: 2 – 3 YES: Arena, Klein
NO: Mitchem, Patton, Robinson

**RESOLUTION #2012-__ : A RESOLUTION CONCERNING THE NCACC
STUDYING A POSSIBLE LOCAL OPTION SALES TAX FOR CAPITAL
IMPROVEMENTS**

THAT WHEREAS, the NC Association of County Commissioners has invited counties to submit proposals for possible legislative goals for the 2013 Session of the NC General Assembly; and

WHEREAS, counties need a recurring source of capital financing that could reduce the reliance on the property tax; and

WHEREAS, both the states of Georgia and South Carolina have a special purpose local option sales tax that is voted upon by the citizens of a county for a temporary period such as five or six years, in which specifically defined capital projects will be funded from the sales tax proceeds generated; and

WHEREAS, such a local option sales tax should be studied by the NCACC to determine its applicability in North Carolina;

NOW, THEREFORE, BE IT RESOLVED by the Lincoln County, North Carolina Board of Commissioners as follows:

Section 1. That the Board requests the NC Association of County Commissioners consider as a legislative policy goal in the upcoming session of the NC General Assembly to study the applicability of a special purpose local option sales tax for capital projects, which could only be used following a referendum in which the specific projects and their estimated costs would be known by voters.

Section 2. The provisions of this resolution shall become effective immediately upon its adoption.

Adopted this 20th day of August, 2012.

By: _____
Alex E. Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board

C – Amendment to Annexation Statutes:

UPON MOTION by Commissioner Robinson, the Board voted unanimously to approve Resolution #2012-38: A Resolution Concerning the Annexation Laws of the State of North Carolina.

**RESOLUTION #2012-___: A RESOLUTION CONCERNING THE
ANNEXATION LAWS OF THE STATE OF NORTH CAROLINA**

THAT WHEREAS, the NC General Assembly has in NCGS 160A-58.50 stated its policy on annexation as follows:

“It is hereby declared as a matter of State policy:

- (1) That sound urban development is essential to the continued economic development of North Carolina.
- (2) That municipalities are created to provide the governmental services essential for sound urban development and for the protection of health, safety, and welfare in areas being intensively used for residential, commercial, industrial, institutional, and governmental purposes or in areas undergoing such development.
- (3) That municipal boundaries should be extended in accordance with legislative standards applicable throughout the State to include such areas and to provide the high quality of governmental services needed therein for the public health, safety, and welfare.”; and

WHEREAS, if that is the policy for allowing municipalities to initiate annexations, it should also be the policy for annexations initiated by petition of the property owners; and

WHEREAS, in order to deal with cities’ reluctance to annex lower-income areas, the NC General Assembly added section NCGS 160A-31(b1) to require municipalities to annex those areas if over 51% of the households in the area petitioning for annexation have incomes that are two hundred percent (200%) or less than the Census Bureau poverty thresholds; and

WHEREAS, there have been cases where non-profit organizations and other governmental entities have petitioned for annexation into a city, and been turned down as they do not pay property taxes; and

WHEREAS, those same properties may be subject to higher water and sewer rates if kept outside the city limits, with some outside rates being as much as double the inside-city rate; and

WHEREAS, such actions by municipalities do not comply with the NC General Assembly’s stated policy on annexation set out in NCGS 160A-58.50, and place an undue hardship on these non-profit and governmental entities by denying them city services, and imposing higher costs for water and sewer services; and

WHEREAS, if the justification for annexation is to extend a municipality’s boundaries in an orderly manner as urban growth takes place in the immediately adjacent area, it is illogical for a municipality to deny such annexation requests that are contiguous to its boundaries; and

WHEREAS, Lincoln County's petition to have annexed its Animal Shelter, Emergency Medical Services, Sheriff's Office, 911 Center, and Jail was denied by the City of Lincolnton even though the properties are contiguous to the city, and are served by its water and sewer system at double the inside-city rates, resulting in approximately \$47,000 in additional annual costs to the citizens of the county; and

WHEREAS, the city enjoys a natural monopoly on water and sewer services in the contiguous area, and therefore can charge a double utility rate when no utility rate study using a cost-of-service methodology could justify a 100% additional cost to serve the area.

NOW, THEREFORE, BE IT RESOLVED by the Lincoln County, North Carolina Board of Commissioners as follows:

Section 1. That the Board requests the NC Association of County Commissioners consider as a legislative policy goal in the upcoming session of the NC General Assembly an amendment to NCGS 160A-31. Annexation by petition, which would require a municipality to approve any valid petition by a non-profit agency or other governmental entity for annexation of contiguous property, without regard to whether such annexation will add any tax base or reduce any utility charges of the city.

Section 2. The provisions of this resolution shall become effective immediately upon its adoption.

Adopted this 20th day of August, 2012.

By: _____
Alex E. Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board

Employee Wellness Program Committee Update: Martha Lide presented the following:

In December 2012, the Lincoln County Board of County Commissioners approved the first step in an Employee Wellness Program when it approved a Health Screening and Health Coaching program for all employees as part of our medical benefits program for 2012-13. The Employee Wellness Program is an added benefit for employees. The overall purpose of the program is to work on changing health related behaviors to:

- Improve the quality of life for our employees
- Better manage / control medical costs. Lincoln County is self-insured, which means the cost of all claims (excluding those covered by excess loss insurance policies) must be paid from County revenues.

- Reduce absenteeism

All employees covered by our insurance program were offered a Health Screening in March 2012. 88% of our employees participated in the Health Screenings (583 out of 665 employees who are covered by our health plan). The results of the initial Health Screenings were as follows:

- 29% had an elevated waist circumference -168 employees (above 35 inches for women and above 40 inches for men)
- 19% had elevated blood pressure -11 employees (above 140/90)
- 65% had elevated total cholesterol – 377 (HDL ratio above 5.5)
- 33% had elevated glucose – 195 employees (above 100)

The 2012 Health Screenings resulted in 274 employees being identified as moderate and high risk. These employees have been referred to a Health Coach to begin to work on strategies to address the problems identified.

- 175 employees were considered to be in the moderate risk category with at least 2 of the above risk factors
- 99 employees were considered to be in the high risk category with 3 or 4 of the above risk factors.

Also attached is some relevant information about our Medical Claims.

Lincoln County has formed a Wellness Committee to support the effort to improve employee health. Attached is an Employee Wellness Plan for 2012-13. The following are members of the Wellness Committee:

County Manager's Office: Martha Lide
Human Resources Department: Audrey Setzer, Cheryl Smith
Cooperative Extension: Melinda Houser
Parks and Recreation: Erma Deen Hoyle
Emergency Medical Services: Bruce Mashburn
Planning and Inspections: Josh Grant
Health Department: Maggie Dollar, Lena Allen, Juliana Whitaker, Tiffany Pangle
Department of Social Services: Ruth Miller
Public Works: Vera Lowery

Motion to Adopt Resolution #2012-35: Resolution Consolidating Bank Accounts and Declaring Official Depositories – Deanna Rios: UPON MOTION by Commissioner Robinson, the Board voted unanimously to adopt Resolution #2012-35: Resolution Consolidating Bank Accounts and Declaring Official Depositories.

**RESOLUTION #2012-____: A RESOLUTION CONSOLIDATING BANK
ACCOUNTS AND DECLARING OFFICIAL DEPOSITORIES**

THAT WHEREAS, Lincoln County currently has over 25 separate bank accounts; and

WHEREAS, the Finance Director and County Manager have recommended a consolidation of those accounts down to seven accounts, which will make transactions between the 18 funds easier, pool the money for investment easier, reduce the time and effort to balance the bank statements monthly, reduce the number of separate checking accounts necessary to process payments, and allow for vendor payment with one check even if the bill includes purchases from several funds; and

WHEREAS, the internal accounting system assures that the funds that must be segregated and accounted for separately are kept separate within the fund accounting system; and

WHEREAS, both the Finance Director and County Manager have used this consolidation of accounts in previous jurisdictions, and are assured it meets the criteria for North Carolina accounting as promulgated by the NC Treasurer's Office; and

WHEREAS, NCGS 159-31 requires that the Board of Commissioners designate all official depositories of the County government, including those for investments;

NOW, THEREFORE, BE IT RESOLVED by the Lincoln County, North Carolina Board of Commissioners as follows:

Section 1. That the Finance Director and County Manager are hereby authorized and directed to close all existing bank accounts of the County during the course of the fiscal year, as items are processed and reconciled to the bank statements over a several month process; the exception being that the following seven bank accounts shall remain open and in use:

- 2600 First Citizen's Operating Account
- 2686 First Citizen's Payroll Account (Zero Balance Sweep Account)
- 1830 First Citizen's Jail Inmate Trust Fund
- 6997 First Citizen's Social Services Trust Fund
- 2914 NC Cash Management Trust School Bonds 2011B Account
- 4994 NC Cash Management Trust Account
- 7908 NC Cash Management Trust Term Account

Section 2. Any accounts opened in the future must be approved by the Board of Commissioners in keeping with NCGS 159-31.

Section 3. For purposes of transacting the County's business, the above seven accounts are deemed official depositories of the County; and in addition, all banks and savings banks with a branch in Lincoln County are hereby declared to be official depositories for the purpose of buying investment instruments such as certificates of deposit, if the

Finance Director determines that is in the best financial interest of the County. All investments of the County funds will be in strict adherence to applicable state statutes regarding the investment of public funds. Any investments in an account other than the seven funds listed above shall be subject to the prior approval of the County Manager, and reported by the Finance Director in her monthly finance report to the Board of Commissioners.

Section 4. The provisions of this resolution shall become effective immediately upon its adoption.

Adopted this 20th day of August, 2012.

By: _____
Alex E. Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board

Finance Officer's Report: Deanna Rios, Finance Director, gave the Finance Officer's Report.

County Manager's Report: George Wood, County Manager, gave the County Manager's Report. He said a PARTF Grant has been awarded to the East Lincoln Rescue Park. The Foundation already has the 50% match on hand.

County Commissioners' Report:

County Attorney's Report: Wesley Deaton, County Attorney, gave an update on his recent activities.

Vacancies/Appointments: Commissioner Robinson presented the following vacancies and appointments:

**Lincoln County
Board of Commissioners
Board Vacancies/Appointments
August 20, 2012**

Vacancies:

- Nursing and Adult Home Community Advisory Committee
- Recreation Commission
 - o Lincolnton Township
- Lincoln Natural Resources

- Industrial Revenues Bond Board
- Library Board – North Brook Township
- Region F Aging Advisory Board – 2 vacancies
- Planning Board
 - o At Large Position

Appointments:

Mountain Island Marine Commission:

Kari Lanning

Board of Health:

Dr. Jermeliah Martin

Lake Norman Marine Commission:

Morris Sample (if I receive his app.)

Board of Animal Appeals:

Reappoint:

Floyd (Link) Grass

Diane Leatherman

Robin Franklin – move from ALT to reg member

UPON MOTION by Commissioner Robinson, the Board voted unanimously to approve the appointments.

Calendar: Chairman Patton presented the calendar for September.

Closed Session: **UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to enter Closed session pursuant to § 143-318.11 (a) (5) To establish, or instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or (ii) the amount of compensation and other material terms of an employment contract or proposed employment contract.

Chairman Patton announced that no action was taken in Closed Session.

A MOTION by Commissioner Klein to grant Mr. Wood a 3% annual raise for FY 2013.

Discussion:

Commissioner Arena stated that he thinks that while Mr. Wood's performance is above average and exceptional and has done a fine job, he just is politically sensitive to putting in a pay raise in place that is above the overall increase of 2.5% that is being given to all employees. He said he will vote no, but with the condition that he would have voted yes for a 2.5% increase.

Commissioner Mitchem said George is very thorough but he thinks the way the economy is and the way things are, he cannot see increasing Mr. Wood's salary with the salary and other benefits he currently has. He said he will be voting no.

Commissioner Robinson said he feels that anybody who has done the job Mr. Wood has done for the past four years with only a 2.5% COLA, deserves a 3% raise, which is barely keeping up with cost of living.

Chairman Patton said the five Commissioners evaluated and Mr. Wood came back exceptional. He said he doesn't see how to give less than this amount. He said Mr. Wood has done an exceptional job in tough times.

**VOTE: 3 – 2 YES: Patton, Klein, Robinson
NO: Mitchem, Arena**

Adjourn: UPON MOTION by Commissioner Robinson, the Board voted unanimously to adjourn.

Amy Atkins, Clerk
Board of Commissioners

Alex E. Patton, Chairman
Board of Commissioners