

MINUTES
LINCOLN COUNTY BOARD OF COMMISSIONERS
MONDAY, MARCH 18, 2013

The Lincoln County Board of County Commissioners met March 18, 2013 at the Citizens Center, Commissioners' Room, 115 West Main Street, Lincolnton, North Carolina, at 5:00 P.M.

Commissioners Present:

Alex E. Patton, Chairman
Carl E. Robinson, Jr., Vice Chair
James A. Klein – arrived at 6:30 p.m.
Carrol D. Mitchem
Cecelia A. Martin

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 March 18, 2013 meeting of the Lincoln County Board of Commissioners to order and led in an Invocation.

The Board received an annual update from the North Carolina Cooperative Extension Service including a report from April Dillon on the ASPIRE program, which is an ACT Supplemental Preparation in Rural Education program. Fran Senters reported on the Lincoln County 4-H STEM Programs (Science, Technology, Engineering and Math) and Melinda Houser reported on Food Preservation and the SHIPP program (Seniors' Health Insurance Information Program.) Leigh Guth gave a presentation on the Farmer's Market, Farmland Protection and NC 10%.

The Board recessed the meeting to the 3rd floor at 6:30 p.m.

Call to Order: Chairman Patton called the meeting back to order. Commissioner Robinson led in the Invocation and Pledge of Allegiance.

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

AGENDA
Lincoln County Board of Commissioners Meeting
Monday, March 18, 2013
5:00 PM

James W. Warren Citizens Center
115 West Main Street

Lincolnton, North Carolina

Call to Order

Invocation – Commissioner Robinson

Pledge of Allegiance

Annual Report from NC Cooperative Extension Service (at 5:00 p.m. in the Commercial Kitchen, first floor)

Recess meeting to Commissioners' Room

1. Adoption of Agenda
2. Consent Agenda
 - Ordinance #2013-7: An Ordinance Amending the FY 2013 Budget for the County of Lincoln, North Carolina
 - Ordinance #2013-8: An Ordinance Amending the FY 2013 Budget for the County of Lincoln, North Carolina
 - Approval of Minutes
 - Sponsored Group Status
 - South Fork Baptist Association - Senior Adult Rally
 - Resolution #2013-13: Resolution Amending the Classification and Compensation Plan for Lincoln County (Farmer's Market Manager)
 - Tax Requests for Refunds
 - February 4 - 17, 2013
 - Resolution #2013-16 and Presentation to Shane Estridge
3. Public Hearing concerning CDBG Grant for the Renovation of the Historic Oaklawn School - Randy Williams
4. Motion to Authorize the Chairman to execute a contract with the apparent low bidder, Midstate Contractors in the amount of \$63,635 for the construction of the Library's parking lot - Don Chamblee
5. Motion to Authorize the Chairman to allow Lincoln County Solid Waste to move forward in the purchase process with the apparent low bidder, Advantage Truck Center for the purchase of a 2014 Volvo Roll-off hoist and tarp vehicle - Don Chamblee
6. Motion to Authorize Chairman to execute the contract with Stewart in the amount of \$104,350 for the design, bidding and construction management of Rescue Park - Don Chamblee
7. Public Hearing to discuss the NC Rural Center Economic Development and Community Development Block Grant applications and local incentives for the Denver Global Products, Inc. Project - Martha Lide
8. Motion to Adopt Resolution #2013-14: Resolution Authorizing The Lincoln County Manager to file a Formal Application for the NC Rural Center, Economic Infrastructure Grants Program For \$406,900 For Public Water And Sewer Improvements Related To The Denver Global Products, Inc. Project - Martha Lide

9. Motion to Approve Ordinance #2013-9: Capital Project Ordinance Related To Capital Improvements For The Denver Global Products Inc. Project (Category A Public Infrastructure) - Martha Lide
 10. Motion to Approve of Performance Agreement Required by North Carolina Rural Center Grant for Denver Global Products, Inc. (Category A – Public Infrastructure) - Martha Lide
 11. Motion to Approve Memorandum of Understanding between Lincoln County and the NC Rural Economic Development Center Concerning Grant funds for the Denver Global Products, Inc. Project - Martha Lide
 12. Motion to Adopt Resolution #2013-15: Resolution Authorizing the Lincoln County Manager to file a Formal Application for The NC Rural Center, Economic Infrastructure Grants Program For \$46,250 For Private Water And Sewer Improvements Related to the Denver Global Products, Inc. Project - Martha Lide
 13. Motion to Approve the Owner Loan/Performance Agreement Required by North Carolina Rural Center Grant for Denver Global Products, Inc. (Category B – Private Infrastructure) - Martha Lide
 14. Motion to Approve Modification to Denver Global Products, Inc., Economic Incentive Grant Agreement to include \$4,625 in Local Matching Funds for NC Rural Economic Development Center - Category B Private Infrastructure funds - Martha Lide
 15. Public Comments (15 minutes allowed per Rules of Procedure - 3 minutes per person)
 16. Finance Officer's Report - Deanna Rios
 17. County Manager's Report
 - Property Tax Collection Report
 - Register of Deeds Report
 18. County Commissioners' Report
 19. County Attorney's Report
 20. Vacancies/Appointments
 21. Calendar
 22. Other Business
- Adjourn

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

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

- Ordinance #2013-7: An Ordinance Amending the FY 2013 Budget for the County of Lincoln, North Carolina
- Ordinance #2013-8: An Ordinance Amending the FY 2013 Budget for the County of Lincoln, North Carolina
- Approval of Minutes
- Sponsored Group Status
 - South Fork Baptist Association - Senior Adult Rally
- Resolution #2013-13: Resolution Amending the Classification and Compensation Plan for

Lincoln County (Farmer's Market Manager)

- Tax Requests for Refunds

- February 4 - 17, 2013

- Resolution #2013-16 and Presentation to Shane Estridge

Items listed in the Consent Agenda are on file in the office of the Clerk to the Board and are hereby made a part of these minutes as though fully set forth herein.

**ORDINANCE #2013-7: 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 #2013-7, is hereby approved and adopted as amendments 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 18th day of March, 2013.

BY: _____

Alex E. Patton, Chairman

Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins

Clerk to the Board

EXHIBIT A to Ordinance #2013-7

Capital Project Ordinance Amendment numbered 13

**ORDINANCE #2013-8: 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 #2013-8, is hereby approved and adopted as amendments 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 18th day of March, 2013.

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

ATTEST:

Amy S. Atkins
Clerk to the Board

G.S. # 105-381(B) ALL REFUNDS MORE THAN \$100.00
(AND) # 105-325 INCLUDING (A) (6)

<u>NAME</u>	<u>YEAR</u>	<u>DISTRICT</u>	<u>A/C #</u>	<u>AMOUNT</u>	<u>REASON</u>
CARRILLO, HEINER C.	2011, 2012	BCFD	0167408	\$112.70	DISTRICT CORRECTION
WILKIE, CRAIG L.	2012	DFD/ELSD	0242813	\$114.83	PRO-RATED BILL
				\$227.53	

Presentation to Shane Estridge: The Board presented Shane Estridge with a Resolution Honoring him for the attainment of Eagle Scout.

Public Hearing Concerning CDBG Grant for the Renovation of Historic Oaklawn

School: Randy Williams stated that two public hearings are required in the development of a Community Development Block Grant. The purpose of the public hearings is to provide an opportunity to the public to let their views be heard. The County held two public hearings on April 6, 2012 in the development of the CDBG NC Catalyst Application for \$500,000 in funds to renovate the historic Oaklawn School Building in Lincolnton. Although the project application has received funding, it has been determined by the funding agency that the County should hold another public hearing to better accomplish the goals of our citizen participation efforts. The renovation of Oaklawn School will allow the continued use by the Head Start Program, the formation of a new Lincoln County Branch of the Boys and Girls Club of America, as well as the potential for other community activities. These activities are aligned with information received at earlier community meetings held concerning the future of the Oaklawn School. The project will address the livability principle of valuing communities and neighborhoods by benefitting low income children that attend Head Start and Boys and Girls Club programs. Renovation of the school will benefit the affected future users of the building as well as serving as a catalyst for future revitalization and continued development in our community.

Chairman Patton declared the public hearing open.

Ola Mae Foster, 4190 Highway 27 East, Iron Station, stated that the Board is aware of the intentions of the Coalition of Churches. She asked the Board to reconsider and make the Coalition a part of the Oaklawn School.

Being no additional speakers, Chairman Patton declared the Public Hearing closed.

Motion to authorize the Chairman to execute a contract with the apparent low bidder, Midstate Contractors in the amount of \$63,635 for the construction of the Library's parking lot: Don Chamblee presented the following:

The parking area of the Charles R. Jonas Library is severely deteriorated and in need of repair and restriping. In addition the driveway entrance to the library needs to be relocated to provide a level area for entry into the parking lot.

Renovation of the Charles R. Jonas Library parking lot located at 306 West Main Street, Lincolnton, North Carolina, will consist of milling the asphalt, new stone base, new

asphalt overlay and new striping. Also, the project consists of relocating the steep access drive along West Sycamore Street approximately 120 feet east to provide a level drive into the library.

The bids for the Lincoln County Library Parking Lot were received on February 26, 2013, from three (3) bidders ranging from \$63,635 to \$98,535, the apparent low bidder being Midstate Contractors.

Mr. Chamblee requested that the Board authorize the Chairman of the Board to execute the contract with the apparent low bidder, Midstate Contractors in the amount of \$63,635 for the construction of the Library's parking lot.

UPON MOTION by Commissioner Robinson, the Board voted unanimously to authorize the Chairman of the Board to execute the contract with the apparent low bidder, Midstate Contractors in the amount of \$63,635 for the construction of the Library's parking lot.

Motion to Authorize the Chairman to allow Lincoln County Solid Waste to move forward in the purchase process with the apparent low bidder, Advantage Truck Center for the purchase of a 2014 Volvo Roll-off hoist and tarp vehicle:

Don Chamblee presented the following:

There is a need to purchase a 2014 Volvo Roll-off truck with hoist and tarp for the Lincoln County Solid Waste Department. This has been approved and included in the 2012-2013 budget year. The new vehicle will be replacing a 1999 Volvo Roll-off which is in need of maintenance and repair which would not be cost effective for the Department.

Lincoln County advertised for and opened bids on March 22, 2012, for a "new current year and production model refuse vehicle with roll-off hoist and tarp system" with seven bids ranging from \$150,249.34 to \$163,716.00. The apparent lowest bidder was Advantage Truck Center in the amount of \$150,249.34.

The County reserved the right as a "Condition of Bid Submittal", to reserve the right to order additional quantities for a period of one year on the same bid specification. In the event the year model changes, the County reserved the right to accept the newer year at the same or better pricing.

Mr. Chamblee requested that the Board authorize the Chairman to allow Lincoln County Solid Waste to move forward in the purchase process with the apparent low bidder, Advantage Truck Center for the purchase of a 2014 Volvo Roll-off hoist and tarp vehicle.

UPON MOTION by Commissioner Martin, the Board voted unanimously to authorize the Chairman to allow Lincoln County Solid Waste to move forward in the purchase process with the apparent low bidder, Advantage Truck Center for the purchase of a 2014 Volvo Roll-off hoist and tarp vehicle.

Motion to Authorize the Chairman to execute the contract with Stewart in the amount of \$104,350 for the design, bidding, and construction management of Rescue Park: Don Chamblee presented the following:

Rescue Park's construction is being developed and is partially funded by \$352,432 PARTF grant. The equivalent for the initial construction phase will be paid by the Denver/Lake Norman Rotary Club Foundation. Phase I of this new park will provide active field areas, walking trails and playground. The future phases will include multipurpose/farmers' market shelter, a dog park, amphitheater and concession/restroom building.

Mr. Chamblee requested that the Board authorize the Chairman to execute the contract with Stewart in the amount of \$104,350 for the design, bidding, and construction management of Rescue Park. In addition to the Phase I portion, this contract includes design and integration of four future construction alternatives: A) multipurpose/farmers' market shelter; B) dog park; C) amphitheater; D) concession/restroom building.

These alternates are included in this design package, so all elements are ready for construction as additional funding becomes available.

UPON MOTION by Commissioner Robinson, the Board voted unanimously to authorize the Chairman to execute the contract with Stewart in the amount of \$104,350 for the design, bidding and construction management of Rescue Park.

Public Hearing to discuss the NC Rural Center Economic Development and Community Development Block Grant applications and local incentives for the Denver Global Products, Inc. Project: Martha Lide said this is a public hearing for the Denver Global Products, Inc. Project. She presented the following information:

Denver Global Products, Inc. Project

Overall Project:

- Construct 400,000 square-foot an office and industrial campus in Lincoln County. The facilities will include 350,000 square feet of manufacturing, distribution, and research and development space and 50,000 square feet for offices. A private investment of \$30,265,000 will be made in this campus.
- Approximately 109 acre site
- 350 new jobs in first two years (estimated 587 total) Rural Center requires 40 jobs for the public portion and 10 jobs for private portion
- Rural Center Award date: Aug 22, 2012 Formal Application due 3/31/13
- CDBG Pre application files, in process of completing formal application

Public Portion of Project

- Total cost of the public infrastructure portion of the infrastructure will be \$855,050. Funding from:
 - NC Rural center \$406,900,
 - CDBG \$407,250 and
 - Local Match \$40,900

- Includes approximately 4,250 linear foot water line that will connect to the water tank and a water line being constructed in the Airlee Business Park.
- Includes the construction of a forced main and 4,000 feet of gravity sewer line that will connect into the County's sewer system.
- Public Infrastructure to be completed by July 2014

Private Portion of the Project

- Total cost of the private infrastructure portion of the project will be \$92,500. Funding from
 - NC Rural center \$46,250
 - Denver Global products, Inc. \$41,625
 - Local match \$ \$4,625
- For water and sewer infrastructure to the manufacturing, distribution and research and development facility, and the Corporate Office facility.
- Include approximately 900 feet of water line
- Includes 300 feet of gravity sewer line

Local Incentives

- Original Agreement approved by the Lincoln County Board of County Commissioners on September 17th 2012
- Modification to add a \$4,625 required local match payment to the NC Rural Center related to private infrastructure water and sewer improvements
- Modification to change date to begin construction from March 31, 2013 to July 31, 2013.

Public Infrastructure Budget (Category A)

	Rural Center	Local	CDBG	Total Cost Amount
Cost Description				
Construction costs:				
Water:				
12" Water main Pvc 3910 LF	\$174,967.00	\$0.00	\$51,813.00	\$226,780.00
12" Water main, Restrained 340LF			\$30,260.00	\$30,260.00
Fire Hydrants -10			\$25,000.00	\$25,000.00
Rock			\$10,000.00	\$10,000.00
Bore for 12" Carrier			\$85,000.00	\$85,000.00
Sewer:				
8" Gravity Sewer Main 4000 LF	\$170,896.80		\$37,103.20	\$208,000.00
Creek and RR Crossing 100 LF			\$30,000.00	\$30,000.00
Manholes 14			\$35,000.00	\$35,000.00
Rock			\$10,000.00	\$10,000.00
Construction Sub -Total	\$345,863.80	\$0.00	\$314,176.20	\$660,040.00
Contingency	\$8,233.00		\$57,771.00	\$66,004.00
Engineering Design		\$40,900.00	\$5,302.80	\$46,202.80
Permitting	\$13,200.80			\$13,200.80
Inspections	\$39,602.40			\$39,602.40
Planning /Admin CDBG			\$30,000.00	\$30,000.00
Other - Contingency				\$0.00
Administration Sub-Total	\$61,036.20	\$40,900.00	\$93,073.80	\$195,010.00
				\$0.00
TOTAL PROJECT COST	\$406,900.00	\$40,900.00	\$407,250.00	\$855,050.00
Status of Funding (pending or secured)	pending	secured	pending	

Private Infrastructure (Category B)

	Rural Center	Local	Company	Total Cost Amount
Manufacturing, Distributor and R&D Facility				
8" Water Main 400 LF	2,350	0	15,650	\$18,000.00
8" RPZ Backflow	8,000			\$8,000.00
2" Domestic Water Main 400LF	8,000			\$8,000.00
2" RPZ Backflow	2,200			\$2,200.00
2" Meter Box and Tap	3,000			\$3,000.00
Capacity Development and Meter Fees		75	4,475	\$4,550.00
6" Gravity Sewer Main 250 LF	11,250			\$11,250.00
Capacity Fee	3,000			\$3,000.00
Corporate Office				
2" Domestic Water Main 100LF	2,000			\$2,000.00
2" RPZ Backflow	2,200			\$2,200.00
2" Meter Box and Tap	3,000			\$3,000.00
Capacity Development and Meter Fee		4,550		\$4,550.00
4" Gravity Sewer 50 LF	1,250			\$1,250.00
Capacity Development			3,000	\$3,000.00
Construction Sub -Total	\$46,250.00	\$4,625.00	\$23,125.00	\$74,000.00
Contingency			\$7,400.00	\$7,400.00
Engineering Design			5,180	\$5,180.00
Permitting			1,480	\$1,480.00
Inspections			4,440	\$4,440.00
Administration Sub-Total	\$0.00	\$0.00	\$11,100.00	\$18,500.00
TOTAL PROJECT COST	\$46,250.00	\$4,625.00	\$34,225.00	\$92,500.00
	pending	secured		

Project Description:

Lincoln County is the applicant for the Rural and Economic Development Center grant funds. The County is partnering with Lincoln Economic Development Association (LEDA) in to help bring Denver Global Products /Chongqing RATO Power Co. Ltd to Lincoln County. The company will be located on a 109 +/- acre property just west of the Airlie Business Park in eastern Lincoln County. This site is a strategic business location because it is just off NC Highway 16 which provides easy access to Charlotte, I-77 and I-85, and I-40. The convenient location to three major interstates makes this site and the Airlie Business Park sites attractive for business.

Denver Global Products, an online distributor of industrial tools has had a sales and service operation in Denver, NC for 2 years. They currently had 23 employees as of August 2012. Denver Global Products has been involved in several research and development projects over the past year. The company has developed, tested and conducted successful market evaluations of prototype units and is now ready, with the support of their parent company, to enter into the manufacturing process.

Chongqing RATO Power Co. Ltd is a Chinese company, founded in 2007, which specializes in the manufacturing of motorcycles, plastic molded parts for ATVs, and other gasoline powered engines used in power generators and portable pumps. In 2008, they opened a 5 million square foot production facility in China that is designed to turn out 300 million engines and other power devices. In January 2012, RATO acquired Denver Global Products, located in eastern Lincoln County, as a vehicle to expand the sales of its small engines and vehicles in the United States

Water and sewer infrastructure improvements are needed in order for Denver Global Products /Chongqing RATO Power Co. Ltd to construct their facility. A private investment of \$40,265,000 will be made in this campus and a total of 587 new jobs would be created over a 3 year period, including 350 over the first 2 years. Once completed their new campus will include a total of 400,000 square feet of space which will be made up of 350,000 square feet for manufacturing, distribution space, research and development space and 50,000 square feet for office space. The proposed facility will house the Denver Global Product's manufacturing, sales, distribution, and research and development facilities, and will also be the site of the North American Corporate Offices for Chongqing RATO Power Co. Ltd, it's parent company. A \$406,900 grant (Category A) is being requested from the Rural and Economic Development Center to construct water and sewer infrastructure in order to connect the site to existing water and sewer lines. The improvements needed include approximately 4,250 linear feet of water line and 4,000 linear feet of gravity sewer line. All water and sewer improvements will be on public easements.

A \$46,250 grant (Category B) is being requested from the Rural and Economic Development Center to construct water and sewer infrastructure to connect the facilities on the site to new water and sewer lines which will be constructed through a Category A grant. The improvements needed include approximately 900 linear feet of water line and 300 linear feet of gravity sewer. All water and sewer improvements will be on private property.

Chairman Patton opened the public hearing concerning the NC Rural Center Economic Development and Community Development Block Grant applications and local incentives for the Denver Global Products, Inc. Project.

Glen Craig, 7318 Denver Creek Court, asked questions about the procedure for developing this project and how it moves forward. He said this seems like a home run for Lincoln County.

Being no additional speakers, Chairman Patton declared the public hearing closed.

Motion to Adopt Resolution #2013-14: Resolution Authorizing The Lincoln County Manager to file a Formal Application for the NC Rural Center, Economic Infrastructure Grants Program For \$406,900 For Public Water And Sewer Improvements Related To The Denver Global Products, Inc. Project: Martha Lide presented the following:

It is recommended that the Board approve the attached Resolution which authorizes the County Manager to execute and file an application on behalf of Lincoln County with the NC Rural Economic Development Center for public water and sewer improvements related to Denver Global Products Inc.

- The Lincoln Economic Development Association has been working to attract Denver Global Products, Inc. to come to Lincoln County. They identified a property just west of Airlie Business Park that was suitable, but there is no water

and sewer infrastructure. We have identified possible grant funding sources for the construction of water and sewer lines to the proposed property.

- We have submitted a “pre-application” for a \$406,900 Public Infrastructure grant from the NC Rural Economic Development Center and we are preparing a \$407,250 Community Development Block Grant Program grant request from the NC Department of Commerce for the “public portion” of this project:
- The County will be required to provide \$40,900 to match these funds. The total project budget will be \$855,050.
- On September 7, 2012, we received an invitation from the NC Rural Economic Development Center to submit a full application. We were notified that \$406,900 has been awarded for our project, conditioned on receipt of a full application and a performance agreement being submitted.
- The attached resolution is one of the requirements of the full application. It grants authority to complete the application and provide necessary information, and stipulates that we will comply with all federal, State and local laws, rules, regulations and ordinances concerning this project.

**RESOLUTION #2013-14:
RESOLUTION AUTHORIZING THE LINCOLN COUNTY MANAGER TO FILE
A FORMAL APPLICATION FOR THE NC RURAL CENTER, ECONOMIC
INFRASTRUCTURE GRANTS PROGRAM FOR \$406,900 FOR PUBLIC
WATER AND SEWER IMPROVEMENTS RELATED TO THE DENVER
GLOBAL PRODUCTS, Inc.
PROJECT**

WHEREAS, the North Carolina Rural Economic Development Center, Inc. (Rural Center) has authorized the awarding of grants from appropriated funds to aid eligible units of government in financing the cost of infrastructure activities needed to create jobs; and

WHEREAS, Lincoln County needs assistance in financing an infrastructure project that may qualify for Rural Center funding; and

WHEREAS, Lincoln County intends to request grant assistance for the Denver Global Products, Inc. project from the Economic Infrastructure Grants Program;

NOW THEREFORE BE IT RESOLVED, BY THE LINCOLN COUNTY BOARD OF COUNTY COMMISSIONERS:

That Lincoln County will arrange financing for all remaining costs of the project, if approved for a grant.

That George Wood, County Manager and successors so titled, is hereby authorized to execute and file an application on behalf of Lincoln County with the NCREDC (Rural Center) for a grant to assist in the above named infrastructure project.

That George Wood, County Manager and successors so titled, is hereby authorized and directed to furnish such information as the Rural Center may request in connection with an application or with the project proposed; to make assurances as contained in the application; and to execute such other documents as may be required in connection with the application.

That Lincoln County has substantially complied or will substantially comply with all federal, state, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

That Lincoln County will provide for efficient operation and maintenance of the project and completion of construction thereof.

Adopted this date _____ at Lincoln County, North Carolina.

Alex Patton
Chairman, Lincoln County Board of County
Commissioners

ATTEST:

Clerk (Seal)

UPON MOTION by Commissioner Robinson, the Board voted unanimously to adopt Resolution #2013-14: Resolution Authorizing The Lincoln County Manager to file a Formal Application for the NC Rural Center, Economic Infrastructure Grants Program For \$406,900 For Public Water And Sewer Improvements Related To The Denver Global Products, Inc. Project.

Motion to Approve Ordinance #2013-9: Capital Project Ordinance Related To Capital Improvements For The Denver Global Products Inc. Project (Category A Public Infrastructure) Martha Lide presented the following:

It is recommended that the Board approve the budget and the attached Capital Project Ordinance concerning public water and sewer improvements related to the Denver Global Products, Inc. project. The total budget for this project is \$855,050, which includes a \$406,900 Rural Economic Development Center Grant, a \$407,250 grant from the NC Department of Commerce, CDBG Grant program and a \$40,900 County match from the Lincoln County Water and Sewer Funds. Approval of this Ordinance is a requirement of the grant funding agencies.

**CAPITAL PROJECT ORDINANCE RELATED TO
CAPITAL IMPROVEMENTS FOR THE DENVER GLOBAL
PRODUCTS INC. PROJECT
(CATEGORY A PUBLIC INFRASTRUCTURE)**

BE IT ORDAINED by the Board of County Commissioners of Lincoln County, North Carolina, that, pursuant to North Carolina General Statute Section 159-13.2, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is the construction of a water and sewer infrastructure to be financed by a grant from the North Carolina Economic and Rural Center Economic Infrastructure Grants Program, a Community Development Block Grant and funds from the Lincoln County Water and Sewer Fund.

Section 2. The County Manager is hereby directed to proceed with the capital project within the terms of the grant documents, and the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete this project:

NC Rural center EIF Grant	\$406,900
NC Department of Commerce CDBG Grant	407,250
Local Match – CIP	40,900
Total	\$855,050

Section 4. The following expenditures are appropriated for the project:

Water Improvements	\$377,040
Sewer Improvements	283,000
Administration	30,000
Engineering	46,203
Permitting and Contingency	118,807
Total	\$855,050

Section 5. The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal regulations.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7. The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

Section 8. The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Board.

Section 9. Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted _____ of March 2013

Denver Global Products, Inc. Project
Public Infrastructure

UPON MOTION by Commissioner Klein, the Board voted unanimously to approve Ordinance #2013-9: Capital Project Ordinance Related to Capital Improvements for the Denver Global Products, Inc. Project (Category A Public Infrastructure).

Motion to Approve of Performance Agreement Required by North Carolina Rural Center Grant for Denver Global Products, Inc. (Category A – Public Infrastructure) - Martha Lide presented the following:

It is recommended that the Board approve the Performance Agreement with Denver Global Products, Inc. concerning public property water and sewer improvements, which will be made using NC Rural Economic Development Center Category A Public Infrastructure funds. This agreement is required by the NC Rural Center as a condition of receiving the grant funds.

- The Lincoln Economic Development Association has been working to attract Denver Global Products, Inc. to come to Lincoln County. They identified a property just west of Airlie Business Park that was suitable, but there was no water and sewer infrastructure. We have identified possible grant funding sources for the construction of water and sewer lines to the proposed property.
- We are submitting an application for \$406,000 for the “public portion” of this project from the Rural Center Category A funds. One requirement of that application is an executed Performance Agreement between Lincoln County and Denver Global Products, Inc.
- The performance agreement requires Denver Global Products, Inc. to:
 1. Repay Lincoln County funds if job creation goals are not met so that Lincoln County can then repay the NC Rural Center.
 2. Requires Denver Global Products, Inc. to create 41 jobs within 2 years of the date of contract execution.
 3. Requires them to repay the County \$10,000 per job created according to a formula contained in the agreement if the jobs are not created.
 4. Requires them to maintain required records and reports.

UPON MOTION by Commissioner Mitchem, the Board voted unanimously to Approve Performance Agreement Required by North Carolina Rural Center Grant for Denver Global Products, Inc. (which is hereby incorporated by reference and held in the office of the Clerk)

Motion to Approve Memorandum of Understanding between Lincoln County and the NC Rural Economic Development Center Concerning Grant Funds for the Denver Global Products, Inc. Project: Martha Lide presented the following:

It is recommended that the Board approve the Memorandum of Understanding between Lincoln County and the NC Rural Economic Development Center concerning grant funds we are applying for related to the Denver Global Products, Inc. project.

This Memorandum of Understanding is related to the \$406,900 Category A Public Infrastructure grants for which Lincoln County is applying. It concerns our administrative and reporting responsibilities related to grant.

UPON MOTION by Commissioner Martin, the Board voted unanimously to approve the Memorandum of Understanding between Lincoln County and the NC Rural Economic Development Center Concerning Grant funds for the Denver Global Products, Inc. Project, which is hereby incorporated by reference and held in the office of the Clerk.

Motion to Adopt Resolution #2013-15: Resolution Authorizing the Lincoln County Manager to file a Formal Application for the NC Rural Center, Economic Infrastructure Grants Program for \$46,250 for Private Water and Sewer Improvements Related to the Denver Global Products, Inc. Project: Martha Lide presented the following:

It is recommended that the Board approve the attached resolution which authorizes the County Manager to execute and file an application on behalf of Lincoln County with the NC Rural Economic Development Center for Category B – private property water and sewer improvements related to Denver Global Products, Inc. project.

- o The Lincoln Economic Development Association has been working to attract Denver Global Products, Inc to come to Lincoln County. They identified a property just west of Airlie Business Park that was suitable, but there was no water and sewer infrastructure. We have identified possible grant funding sources for the construction of water and sewer lines to the proposed property.

- o We submitted a “pre-application” grant for \$46,250 for the “private portion” of this project from the Rural Center Category B funds. The purpose of these grant funds is to support infrastructure improvements on private property, which are necessary to attract new businesses and jobs to North Carolina communities.

- o The County will be required to provide \$4,625 to match these funds.
- o On September 7, 2012, we were notified that the grant has been awarded for our project conditioned on receipt of a full application and a performance agreement being submitted by February 22, 2013. The Rural center has given us a one month extension of this deadline.
- O The attached resolution is one of the requirements of the full application. It grants authority to complete the application and provide necessary information, and stipulates that we will comply with all federal, State and local laws, rules, regulations and ordinances concerning this project.

RESOLUTION #2013-15: RESOLUTION AUTHORIZING THE LINCOLN COUNTY MANAGER TO FILE A FORMAL APPLICATION FOR THE NC RURAL CENTER, ECONOMIC INFRASTRUCTURE GRANTS PROGRAM FOR \$46,250 FOR PRIVATE WATER AND SEWER IMPROVEMENTS RELATED TO THE DENVER GLOBAL PRODUCTS, INC. PROJECT

WHEREAS, the North Carolina Rural Economic Development Center, Inc. (Rural Center) has authorized the awarding of grants from appropriated funds to aid eligible units of government in financing the cost of infrastructure activities needed to create jobs; and

WHEREAS, Lincoln County needs assistance in financing an infrastructure project that may qualify for Rural Center funding; and

WHEREAS, Lincoln County intends to request grant assistance for the Denver Global Products, Inc. project from the Economic Infrastructure Grants Program;

NOW THEREFORE BE IT RESOLVED, BY THE LINCOLN COUNTY BOARD OF COUNTY COMMISSIONERS:

That Lincoln County will arrange financing for all remaining costs of the project, if approved for a grant.

That George Wood, County Manager and successors so titled, is hereby authorized to execute and file an application on behalf of Lincoln County with the NCREDC (Rural Center) for a grant to assist in the above named infrastructure project.

That George Wood, County Manager and successors so titled, is hereby authorized and directed to furnish such information as the Rural Center may request in connection with an application or with the project proposed; to make assurances as contained in the application; and to execute such other documents as may be required in connection with the application.

That Lincoln County has substantially complied or will substantially comply with all federal, state, and local laws, rules, regulations, and ordinances applicable to the project

and to the grants pertaining thereto.

That Lincoln County will provide for efficient operation and maintenance of the project and completion of construction thereof.

Adopted this date _____ at Lincoln County, North Carolina.

Alex Patton
Chairman, Lincoln County Board of County
Commissioners

ATTEST:

Clerk (Seal)

UPON MOTION by Commissioner Mitchem, the Board voted unanimously to adopt Resolution #2013-15: Resolution Authorizing the Lincoln County Manager to file a Formal Application for the NC Rural Center, Economic Infrastructure Grants Program for \$46,250 for Private Water and Sewer Improvements Related to the Denver Global Products, Inc. Project.

Motion to Approve the Owner Loan/Performance Agreement Required by North Carolina Rural Center Grant for Denver Global Products, Inc. (Category B – Private Infrastructure): Martha Lide presented the following:

Ms. Lide recommended that the Board approve the Owner Loan/Performance Agreement with Denver Global Products, Inc. concerning private property water and sewer improvements which will be made using NC Rural Economic Development Center – Category B Private Infrastructure funds. This agreement is required by the NC Rural Center as a condition of receiving the grant funds.

- The Lincoln Economic Development Association has been working to attract Denver Global Products, Inc. to come to Lincoln County. They identified a property just west of Airlie Business Park that was suitable, but there was not water and sewer infrastructure. We have identified possible grant funding sources for the construction of water and sewer lines to the proposed property.
- We are submitting an application for \$46,250 for the “private portion” of this project from the Rural Center Category B funds. One requirement of that application is an executed Owner Loan/Performance Agreement between Lincoln County and Denver Global Products, Inc.
- The attached agreement
 1. Loans \$46,250 to Denver Global Products, Inc. to make the private infrastructure improvements outlined in the grant application. This is the same amount of the grant award from the NC Rural Center.

2. Requires Denver Global Products, Inc. to repay Lincoln County funds if job creation goals are not met so that Lincoln County can then repay the NC Rural Center.
3. Requires Denver Global Products, Inc. to create 10 jobs within 24 months of the award date of the grant (August 22, 2012). It also requires them to repay the county \$5,000 per job not created according to a formula in the agreement if the jobs are not created.
4. Requires them to maintain required records and reports.

UPON MOTION by Commissioner Robinson, the Board voted unanimously to approve the Owner Loan/Performance Agreement Required by North Carolina Rural Center Grant for Denver Global Products, Inc. (Category B – Private Infrastructure), which is hereby incorporated by reference and held in the office of the Clerk.

Motion to Approve Modification to Denver Global Products, Inc., Economic Incentive Grant Agreement to include \$4,625 in Local Matching Funds for NC Rural Economic Development Center – Category B Private Infrastructure Funds:
Martha Lide presented the following:

It is recommended that the Board approve the attached Resolution and Modified Economic Incentive Grant Agreement with Denver Global Products, Inc. The Agreement is the same agreement that was approved by the Lincoln County Board of County Commissioners on September 17th 2012 except that now includes a \$4,625 required local match payment to the NC Rural Center related to a \$46,250 grant for private infrastructure water and sewer improvements and the date to begin construction has been changed from March 31, 2013 to July 31, 2013. The total cost of the private infrastructure improvements is estimated to be \$92,500, of which \$46,250 will come from the NC Rural Center, \$41,625 will come from Denver Global Products, Inc. and \$4,625 will be the local match. Funding for the local match will be from the Capital Improvement Fund Contingency.

**RESOLUTION TO ADOPT ECONOMIC INCENTIVE
GRANT AGREEMENT WITH DENVER GLOBAL PRODUCTS, INC. PROJECT**

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, **DENVER GLOBAL PRODUCTS, INC.** has developed plans for developing a distribution, research and office complex facility 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, and **DENVER GLOBAL PRODUCTS, INC.**
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 18th day of March, 2013.

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 18th day of March 2013, by and between LINCOLN COUNTY, a body corporate and politic (hereinafter referred to as “the County”), and Denver Global Products, Inc., a North Carolina corporation (hereinafter referred to as “DGP”).

WITNESSETH:

WHEREAS, DGP has developed plans for the construction of a new manufacturing facility and to install manufacturing equipment 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 DGP 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 July 31, 2013, DGP shall begin construction of a new manufacturing facility and installation of equipment and machinery in Lincoln County, North Carolina (said construction date being referred to herein as the "Effective Date").
2. Within four years of the Effective Date, DGP shall make an investment upon such site in machinery and equipment of \$30,265,000.00, of which \$26,990,500.00 will qualify for incentives under the Lincoln County Industrial Incentive Grant Policy.
3. Within four years of the Effective Date, DGP shall provide at such site at least 300 new jobs paying average annual wages of \$31,000.00.
4. In consideration of the performance of the aforesaid obligations by DGP, the County will provide cash grants to DGP of \$153,333.00, 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 DGP within 30 days after DGP 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 IV grant under the Lincoln County Industrial Development Incentive Grant Policy for New and Existing Industries. The County shall also pay \$4,625 for the local match required on a NC Rural Center Category B Grant for infrastructure improvements on the Denver Global site.
5. DGP shall on a no less than annual basis provide evidence satisfactory to the County of how many jobs (as provided in Paragraph 3 herein) it has maintained.
6. In the event that the value of the investment actually made by DGP 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.
7. DGP 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, DGP 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.

DENVER GLOBAL PRODUCTS, INC.

By: _____

President

LINCOLN COUNTY

By: _____

Alex E. Patton, Chairman

Board of Commissioners

ATTEST:

Amy S. Atkins

Clerk to the Board of Commissioners

UPON MOTION by Commissioner Robinson, the Board voted unanimously to approve Modification to Denver Global Products, Inc., Economic Incentive Grant Agreement to include \$4,625 in Local Matching Funds for NC Rural Economic Development Center – Category B Private Infrastructure funds.

Mr. Wood commended Martha Lide for her tremendous amount of hard work, as well as Don Chamblee, Cliff Brumfield, and Crystal Gettys.

Public Comments: Chairman Patton opened public comments.

Robert Avery, 843 Newton Lane, spoke concerning a survey for taxpayers.

Being no additional speakers, Chairman Patton closed public comments.

Finance Officer's Report: Deanna Rios presented the Finance Officer's Report.

County Manager's Report: Mr. Wood presented the County Manager's Report.

Vacancies/Appointments: **UPON MOTION** by Commissioner Robinson, the Board voted to make the following appointments:

**Lincoln County
Board of Commissioners
Board Vacancies/Appointments
March 18, 2013**

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
- Board of Adjustment – 2 Alternate positions
- Centralina Economic Development Commission (CEDC)
- Local Fireman’s Relief Fund:
 - o Boger City
 - o South Fork
 - o North 321
 - o North Brook
 - o Ore Bank Pumpkin Center

Appointments:

Historic Properties Commission

- Bill Beam
- John Lineberger III

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

Amy S. Atkins, Clerk
Board of Commissioners

Alex E. Patton, Chairman
Board of Commissioners