

**MINUTES**  
**LINCOLN COUNTY BOARD OF COMMISSIONERS**  
**MONDAY, NOVEMBER 20, 2006**

The Lincoln County Board of County Commissioners met in regular session on  
November 20, 2006, at the James W. Warren Citizens Center, Commissioners Room,  
115 West Main Street, Lincolnton, North Carolina,  
the regular place of meeting at 6:30 p.m.

Commissioners Present:

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

Others Present:

Stan B. Kiser, County Manager  
Jeffrey A. Taylor, County Attorney  
Amy S. Atkins, Clerk to the Board  
Kelly Atkins, Director of B&LD  
Randy Hawkins, Zoning Administrator  
Andrew Bryant, Associate Planner  
Candi Cornwell, Associate Zoning Administrator  
Andrew Bryant, Associate Planner  
Steve Gilbert, Director of Public Works  
Leon Harmon, Director of Finance

**Call to Order:** Chairman Anderson called the November 20, 2006 meeting of the Lincoln County Board of Commissioners to order.

**Invocation – Ola Mae Foster, President of Coalition of Churches:** Ola Mae Foster gave the invocation.

**Pledge of Allegiance:** Commissioner Funderburk led in the Pledge of Allegiance.

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

**AGENDA**  
**LINCOLN COUNTY BOARD OF COMMISSIONERS**  
**NOVEMBER 20, 2006**

6:30 PM      Call to Order

- |     |         |  |
|-----|---------|--|
|     | 6:31 PM | Invocation – Ola Mae Foster,<br>President of Coalition of Churches   |
|     | 6:34 PM | Pledge of Allegiance   |
| 1.  | 6:35 PM | Adoption of Agenda   |
| 2.  | 6:37 PM | Consent Agenda <ul style="list-style-type: none"><li>- Approval of Minutes<ul style="list-style-type: none"><li>- November 6, 2006</li><li>- June 6, 2006</li><li>- June 12, 2006</li></ul></li><li>- Tax Requests for Refunds – More than \$100<ul style="list-style-type: none"><li>- October 30 – November 5, 2006</li></ul></li><li>- Letter of Credit No. 50 – Cottonwood Village Phase I</li><li>- Waived fees (or Sponsored Group Status)<ul style="list-style-type: none"><li>- The Greater Moore’s Chapel AME Zion Church</li></ul></li><li>- 2007 Meeting Schedule</li><li>- Agreement with Lincoln Economic Development Association</li></ul> |
| 3.  | 6:40 PM | Public Comments  |
| 4.  | 6:55 PM | Planning Board Recommendations <ul style="list-style-type: none"><li>• CUP #278 Doug Ehmann, applicant</li><li>• SOA #28 Lincoln County, applicant</li><li>• ZMA #540 Land Carolina LLC, applicant</li><li>• ZMA #541 Parallel Path Investments LLC, applicant</li><li>• CUP #279 Duane McAlister, applicant</li><li>• PCUR #36A Smithstone Properties LLC, applicant</li><li>• PCUR #146 Rutherford Electric Membership Corp., applicant</li><li>• PCUR #147 Westport Lakeside Development, LLC, applicant</li><li>• PCUR #148 Environmental Management of Denver, applicant</li></ul>  |
| 5.  | 7:40 PM | Bids to Install Tube Settlers at Water Treatment Plant – Steve Gilbert   |
| 6.  | 7:45 PM | Capital Project Reports – Steve Gilbert  |
| 7.  | 7:50 PM | Finance Officer’s Report   |
| 8.  | 7:55 PM | County Manager’s Report  |
| 9.  | 8:00 PM | County Commissioners’ Report   |
| 10. | 8:05 PM | County Attorney’s Report   |

11. 8:10 PM Calendar
12. 8:15 PM Vacancies/Appointments
13. 8:20 PM Public Hearing – Industrial Development Incentive Grant
14. 8:25 PM Auditor's Report - Bryan Starnes, Martin Starnes & Associates, CPA's, P.A.
15. 8:40 PM Other Business

Adjourn

**UPON MOTION** by Commissioner Funderburk, the Board voted unanimously to approve the agenda with the following items added under Other Business – Memo From Sheriff Pickens Concerning Retirement, Repairs of Roof for Academy Street Building, and under Consent Agenda the Board is considering Sponsored Group Status for The Greater Moore's Chapel AME Zion Church.

**Consent Agenda:**

- Approval of Minutes
  - November 6, 2006
  - June 6, 2006
  - June 12, 2006
- Tax Requests for Refunds – More than \$100
  - October 30 – November 5, 2006

LINCOLN COUNTY TAX DEPARTMENT  
MOTOR VEHICLES

**REQUEST FOR REFUNDS**

PERIOD COVERED (October 30, 2006-November 5, 2006)

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

NAME	YEAR	DIST	A/C#	AMOUNT
Albano, Nancy L.	2005	CITY	0155422	162.75

**TOTAL \$162.75**

- Letter of Credit No. 50 – Cottonwood Village Phase I
- Sponsored Group Status
  - The Greater Moore's Chapel AME Zion Church
- 2007 Meeting Schedule
- Agreement with Lincoln Economic Development Association

**UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to adopt the Consent Agenda.

**Public Comments:** Chairman Anderson advised that this was the time the Board of Commissioners would open the floor to receive public comments from citizens regarding any matter they desired to address.

Robert Avery, 843 Newton Lane, Lincolnton, asked Board to consider adopting the same policy that the Gaston County Commissioners adopted concerning Illegal Aliens.

Being no additional speakers, Chairman Anderson declared the Public Comments session closed.

**Planning Board Recommendations:**

**Conditional Use Permit No. 278 – Doug Ehmann, applicant:** The Planning Board voted 6-0 on 10/02/06 to table request until traffic evaluation and erosion control plan are submitted. On 11/06/06, the Planning Board voted 4-3 to recommend approval, but found fact 1 in the negative by a 5-2 vote.

**FINDINGS OF FACT**

1. The use will not materially endanger the public health and safety if located where proposed and developed according to plan. YES \_\_\_\_ NO X  
Factual reason cited: Higher density and higher traffic than allowed by right compounds existing problem.  
A MOTION by Commissioner Patton to find this fact in the negative.  
VOTE: 4 – 1 (Funderburk against)

Chairman Anderson announced that Conditional Use Permit No. 278 has been denied.

**Subdivision Ordinance Amendment No. 28 - Lincoln County, applicant:** The Planning Board voted 7-0 to recommend approval.

**UPON MOTION** by Commissioner Moore, the Board voted unanimously to approve SOA#28 to approve based on the recommendation of the Planning Board.

**Zoning Map Amendment No. 540 - Land Carolina LLC, applicant:** The Planning Board voted 7-0 to recommend approval.

Case No: ZMA #540  
Applicant: Land Carolina, LLC  
Parcel ID#: 02645 and 34179  
Location: West side of Little Egypt Road about 3,200 feet north of Hwy. 73  
Proposed  
Amendment: Rezone from R-T to R-SF

This proposed amendment is consistent with the Lincoln County Comprehensive Land Use Plan and other adopted plans in that this property is not located in an area designated

as suitable for commercial development, meaning it is suitable for residential development.

This proposed amendment is reasonable and in the public interest in that R-SF is a more restrictive district in terms of permitted uses. Property zoned R-SF is located within 1,500 feet to the south, east and west. County water and sewer are available at this location.

**UPON MOTION** by Commissioner Moore, the Board voted unanimously to accept the Recommendation of the Planning Board and Statement of Reasonableness and Consistency for Zoning Map Amendment No. 540 – Land Carolina, LLC.

**Zoning Map Amendment No. 541 - Parallel Path Investments LLC, applicant:** The Planning Board voted 7-0 to recommend approval.

Case No: ZMA #541  
Applicant: Parallel Path Investments, LLC  
Parcel ID#: 12767  
Location: Northwest corner of Hwy. 27 and Hauss Road  
Proposed  
Amendment: Rezone from R-SF to B-N

This proposed amendment is consistent with the Lincoln County Comprehensive Land Use Plan and other adopted plans in that this property is located in an area designated as a commercial and employment center.

This proposed amendment is reasonable and in the public interest in that this property is adjoined on two sides by property zoned B-N. This property is located on a major highway at an intersection.

**UPON MOTION** by Commissioner Patton, the Board voted unanimously to approve Zoning Map Amendment No. 541 – Parallel Path Investments LLC, applicant, based on the Planning Board’s recommendation and statement of consistency and reasonableness.

**Conditional Use Permit No. 279 - Duane McAlister, applicant:** The Planning Board voted 7-0 to recommend approval with the conditions that the applicant maintain the wooded buffer on this property and adhere to the site plan.

**UPON MOTION** by Commissioner Funderburk, the Board voted unanimously to accept the Planning Board’s findings of fact and condition as presented.

**UPON MOTION** by Commissioner Funderburk, the Board voted unanimously to approve Conditional Use Permit No. 279 – Duane McAlister, applicant.

### **FINDINGS OF FACT**

1. The use will not materially endanger the public health and safety if located where proposed and developed according to plan. YES ☒ NO ☐

Factual reason cited: Property has been cleaned up; real improvement to community.

2. The use meets all required conditions and specifications. YES ☒ NO ☐

Factual reason cited: Based on site plan.

3. The use will not substantially injure the value of adjoining or abutting property unless the use is a public necessity. YES ☒ NO ☐

Factual reason cited: Based on neighbors speaking in favor of it.

4. The location and character of use, if developed according to the plan as submitted and approved, will be in harmony with the area in which it is to be located and will be in general conformity with the Land Use Plan for the area in question. YES ☒ NO ☐

Factual reason cited: Property is already zoned B-N and adjoins property zoned B-N.

**Parallel Conditional Use Request No. 36A - Smithstone Properties LLC, applicant:**

The Planning Board voted 7-0 to recommend approval with the conditions that the emergency access road be paved and that sidewalks be provided per the original site plan.

Commissioner Moore asked if any of the issues have been addressed. Randy Hawkins stated that sidewalks was one issue, and this issue has been resolved. The developer also agreed to pave the emergency exit. It appears the issues with deeds have been cleared up.

**UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to approve the findings of fact and condition as presented.

**UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to approve Conditional Use Permit No. 36A – Smithstone Properties LLC, applicant.

**FINDINGS OF FACT**

1. The use will not materially endanger the public health and safety if located where proposed and developed according to plan. YES ☒ NO ☐

Factual reason cited: Plan improves safety for this phase.

2. The use meets all required conditions and specifications. YES ☒ NO ☐

Factual reason cited: Based on prior approval; only change is entrance.

3. The use will not substantially injure the value of adjoining or abutting property unless the use is a public necessity. YES ☒ NO ☐

Factual reason cited: Will not have an impact on adjoining property.

4. The location and character of use, if developed according to the plan as submitted and approved, will be in harmony with the area in which it is to be located and

will be in general conformity with the Land Use Plan for the area in question.  
YES ☒ NO ☐  
Factual reason cited: Is in conformity with the Land Use Plan and is in harmony with the area.

**Parallel Conditional Use Request No. 146 - Rutherford Electric Membership Corp., applicant:** The Planning Board voted 7-0 to recommend approval.

**UPON MOTION** by Commissioner Patton, the Board unanimously to accept the findings of fact and statement of consistency and reasonableness as presented by the Planning Board.

**UPON MOTION** by Commissioner Patton, the Board voted unanimously to approve Parallel Conditional Use Rezoning 146.

Case No: PCUR #146  
Applicant: Rutherford Electric Membership Corp.  
Parcel ID#: 55245 and 70324  
Location: West side of Finger Mill Road about 2,800 feet north of Maiden Hwy.  
Proposed  
Amendment: Rezone from R-R and I-G to CU B-G to permit a propane storage and distribution site

This proposed amendment is consistent with the Lincoln county Comprehensive Land Use Plan and other adopted plans in that this property is located in an area designated as a commercial and employment center.

This proposed amendment is reasonable and in the public interest in that this property is adjoined by property zoned industrial. The Lincoln county Industrial park is located to the north of this property. An electrical substation is located adjacent to this property. The nearest residence is approximately 1,000 feet from the proposed site.

### **FINDINGS OF FACT**

1. The use will not materially endanger the public health and safety if located where proposed and developed according to plan. YES ☒ NO ☐  
Factual reason cited: Little or no health or safety issue; regulated by Department of Agriculture.
2. The use meets all required conditions and specifications. YES ☒ NO ☐  
Factual reason cited: Does meet all conditions and specifications.
3. The use will not substantially injure the value of adjoining or abutting property unless the use is a public necessity. YES ☒ NO ☐  
Factual reason cited: Based on location right at Industrial Park.
4. The location and character of use, if developed according to the plan as submitted and approved, will be in harmony with the area in which it is to be located and

will be in general conformity with the Land Use Plan for the area in question.  
YES ☒ NO ☐

Factual reason cited: Land Use Plan calls for commercial and employment center;  
adjoins industrial property.

**Parallel Conditional Use Request No. 147 - Westport Lakeside Development LLC,**  
**applicant:** The Planning Board voted 6-0 to recommend approval with the following conditions:

- 1) The developer shall obtain a sewer flow acceptance letter and a water availability letter from Lincoln County Public Works for allowable capacity each year.
- 2) The developer shall be responsible for any road improvements required by NCDOT.

Randy Hawkins stated that they have received word from DOT that they concur with the traffic study that was submitted as part of the application and would require what is recommended in the traffic study, which is a deceleration lane at the proposed entrance on Hwy. 16 and a left turn lane for traffic coming south on Hwy. 16.

Chairman Anderson asked about an eastbound turn lane off of Fairfield Forest Road onto Golf Course Drive. He asked if this is part of DOT's recommendations as well. Mr. Hawkins stated that the recommendation was just the lanes on Hwy. 16, the traffic study did recommend an eastbound turn lane on Fairfield Forest Road, which was warranted under background conditions, not even considering this development.

Chairman Anderson stated that it is his understanding that this will have to come back before the Board for approval for a high density option. Mr. Hawkins stated that this is correct.

### **FINDINGS OF FACT**

1. The use will not materially endanger the public health and safety if located where proposed and developed according to plan. YES ☒ NO ☐  
Factual reason cited: Turn lanes recommended by traffic study; new road will alleviate traffic on Fairfield Forest Road.  
A MOTION by Commissioner Patton to accept finding number one with the factual reason cited. Vote: 4-1 (Moore against)
2. The use meets all required conditions and specifications. YES ☒ NO ☐  
Factual reason cited: Meets all required conditions and specifications.  
UPON MOTION by Commissioner Moore, the Board voted unanimously to accept the Planning Board's recommendation for fact number two.
3. The use will not substantially injure the value of adjoining or abutting property unless the use is a public necessity. YES ☒ NO ☐  
Factual reason cited: Will increase value of adjoining property.  
UPON MOTION by Commissioner Moore, the Board voted unanimously to accept the Planning Board's recommendation for fact number three.
4. The location and character of use, if developed according to the plan as submitted



and approved, will be in harmony with the area in which it is to be located and will be in general conformity with the Land Use Plan for the area in question.  
YES   X   NO       

Factual reason cited: Will be in harmony with the area and will be in conformity with the Land Use Plan.

UPON MOTION by Commissioner Patton, the Board voted unanimously to accept the Planning Board's finding number four for the factual reason cited.

**UPON MOTION** by Commissioner Moore, the Board voted unanimously to accept condition 1 as presented by the Planning Board: 1) The developer shall obtain a sewer flow acceptance letter and a water availability letter from Lincoln County Public Works for allowable capacity each year.

**UPON MOTION** by Commissioner Patton, the Board voted unanimously to accept condition 2 as presented by the Planning Board: 2) The developer shall be responsible for any road improvements required by NCDOT.

**UPON MOTION** by Commissioner Moore, the Board voted unanimously to add Condition 3: Pursuant to the traffic that an eastbound left turn lane off Fairfield Forest Road onto Golfcourse Drive will be added with a 100' stacking lane.

**UPON MOTION** by Commissioner Patton, the Board voted unanimously to accept the Planning Board's Statement of Consistency and Reasonableness as presented.

**UPON MOTION** by Commissioner Moore, the Board voted unanimously to approve Parallel Conditional Use Permit No. 147.

**Parallel Conditional Use Request No. 148 - Environmental Management of Denver, applicant:** The Public hearing was canceled under a 10/30/06 court order.

**Bids to Install Tube Settlers at Water Treatment Plan – Steve Gilbert:** Mr. Gilbert stated that Public Works has received bids from three contractors to install the tube settlers at the Water Treatment Plant. The Board previously approved the purchase of these tube settler units. Delivery of the units is expected in a week or two, and the installation can begin as soon as the contractor can schedule the work. The bids are as follows:

Kemp, Inc.	\$22,450.00
S.L. Wilson, Inc	\$39,000.00
Laughlin-Sutton Contractors	\$46,000.00

Based on the bids submitted, Mr. Gilbert recommended the installation contract be awarded to Kemp, Inc., of Sherrill's Ford, NC, in the amount of \$22,450.00. With the Board's approval, installation is expected to be complete in plenty of time to perform the pilot study of the settling efficiency of the tube settlers that should allow increased treatment capacity at the plant.

**UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to approve the bid of Kemp Inc in the amount of \$22,450.00.

**Capital Project Reports – Steve Gilbert:** Steve Gilbert presented the following Capital Project Reports: Westport Water Line Replacement – Phase 1; Indian Creek Industrial Park Infrastructure Study; NC 73/NC 16 Water Lines; Forney Creek WWTP Upgrade; Industrial Park Wastewater Facilities; New WWTP – 1.68 (3.35) MGD; Pump Station & Force Main Upgrades; West Lincoln Booster Pump Relocation.

Chairman Anderson thanked Representative Joe Kiser for his attendance at the meeting.

**Finance Officer's Report:** Leon Harmon presented the budget performance report for October 2006. He presented the figures from the lottery funds and the amount the county loses because we are under the average tax rate.

**UPON MOTION** by Commissioner Patton, the Board voted unanimously that if additional bids cannot be received by the end of November for the Cultural Center restrooms, the Finance Officer be authorized to proceed with the price from a local contractor.

**County Manager's Report:** Stan Kiser presented the County Manager's Report. He presented a request from Kelly Atkins for an additional Building Inspector due to the fact that they are going to dual trades and a request from the Register of Deeds to close their office Friday, December 1 and Monday, December 4 due to the office relocation.

**UPON MOTION** by Commissioner Funderburk, the Board voted unanimously to approve the building inspector position for BALD.

**UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to approve the request from the Register of Deeds.

**County Commissioners' Report:** Commissioner Funderburk reported from the Carolina Land and Lakes RC&D meeting where the Farmer's Market was accepted as a project.

**County Attorney's Report:** Jeff Taylor presented the County Attorney's Report. He reported on the Interbasin Transfer.

**Calendar:** Chairman Anderson presented the December calendar.

**Vacancies/Appointments:** Commissioner Funderburk presented the following vacancies and appointments.

Vacancies:

Centralina Workforce Development Board	1
Nursing and Adult Care Home Advisory Committee	4
Council on Aging	2

Appointments:

Council on Aging

Appoint: Rev. Douglas L. McClain

LNRC

Appoint: Leigh Guth (Extension office)  
Gerald Park (Homebuilder's Association Rep.)

Board of Health

Appoint: Maricel Soto (recommended by Health Board, filled unexpired term of Cheryl Lineberger)

Planning Board

Reappoint: Jerry Geymont  
Louis McConnell

Board of Adjustment

Reappoint: Louis McConnell

Commissioner Moore asked when the terms expire. Commissioner Funderburk said that they end 12/31/06.

**UPON MOTION** by Commissioner Funderburk, the Board voted 4 – 1 (Moore against) to make the appointments.

**Public Hearing – Industrial Development Incentive Grant:** Barry Matherly presented the following Incentive Grant for Calico Technologies, Incorporated. Calico is going into a new industrial park in Denver. Under this agreement, Calico shall make an investment of \$1,500,000, of which \$1,455,000 will qualify for incentives. Calico will receive cash grants of \$5,769.08 per year for a five-year period.

Chairman Anderson opened the public hearing.

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

**UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to approve the incentive grant for Calico Technologies, Incorporated.

**RESOLUTION TO ADOPT ECONOMIC INCENTIVE  
GRANT AGREEMENT WITH CALICO TECHNOLOGIES, INCORPORATED**

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, Calico has developed plans for a new manufacturing 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 Calico.
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 20<sup>th</sup> day of November, 2006.

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Thomas R. Anderson, Chairman  
Lincoln County Board of Commissioners

ATTEST:

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Amy S. Atkins, Clerk to the Board

## **LINCOLN COUNTY INCENTIVE GRANT AGREEMENT**

NORTH CAROLINA

LINCOLN COUNTY

THIS AGREEMENT is made and entered into as of the 20<sup>th</sup> day of November, 2006, by and between LINCOLN COUNTY, a body corporate and politic (hereinafter referred to as "the County"), and CALICO TECHNOLOGIES, INCORPORATED, a North Carolina corporation (hereinafter referred to as "Calico").

WITNESSETH:

WHEREAS, Calico has developed plans for a new manufacturing facility in the Balsom Ridge Business Park (hereinafter referred to as the "Park"); and

WHEREAS, Calico will purchase certain real property in the Park and will construct a new facility on such property to be occupied by Calico; 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 Calico 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 February 1, 2007, Calico shall purchase certain real estate and begin construction of a manufacturing facility on such site for occupancy by Calico.
2. Within two years of the date of this agreement, Calico shall make an investment upon such site in building and equipment of \$1,500,000, of which \$1,455,000 will qualify for incentives under the Lincoln County Industrial Incentive Grant Policy.
3. In consideration of the performance of the aforesaid obligations by Calico, the County will provide cash grants to Calico of \$5,769.08 per year for a five-year period. One full year after the project's completion, such cash grants will be paid to Calico 30 days after their tax payment for the then current year has been received by Lincoln County and after the company has notified Lincoln Economic Development Association their taxes have been paid. This amount represents a Level I grant under the Lincoln County Industrial Development Incentive Grant Policy for New and Existing Industries.
4. In the event that the value of the investment actually made by Calico 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.
5. Calico 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, Calico 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.

CALICO TECHNOLOGIES, INCORPORATED

By: \_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary (Corporate seal)

LINCOLN COUNTY

By: \_\_\_\_\_  
Thomas R. Anderson  
Board of Commissioners

ATTEST:

\_\_\_\_\_  
Amy S. Atkins  
Clerk to the Board of Commissioners

NORTH CAROLINA

LINCOLN COUNTY

I, the undersigned Notary Public of the County and State aforesaid, certify that \_\_\_\_\_ personally came before me this day and acknowledged that \_\_\_\_he is the \_\_\_\_\_ of Calico, a North Carolina corporation, and that by authority duly given and as the act of such entity, \_\_\_\_he signed the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

My Commission Expires: \_\_\_\_\_  
Notary Public

NORTH CAROLINA

LINCOLN COUNTY

This the \_\_\_\_ day of \_\_\_\_\_, 2006, personally came before me Amy S. Atkins, Clerk to the Board of Commissioners 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 Thomas R. Anderson, who is the Chairman of the Board of Commissioners of Lincoln County, North Carolina, and that she, the said Amy S. Atkins, is the Clerk to the Board of Commissioners 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 Amy S. Atkins, 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

**Auditor's Report – Bryan Starnes, Martin Starnes & Associates, CPA's, P.A.:** Brian Gantt and Bryan Starnes, with Martin Starnes and Associates, gave a PowerPoint presentation of the Auditor's Report. The total fund balance is \$18,361,348, or a decrease of \$1,979,668 from last year. Bryan Starnes talked about the advantages of having a Fund Balance Policy.

**Other Business:**

**UPON MOTION** by Commissioner Moore, the Board voted unanimously to declare the weapon for Ronnie Matthews surplus and award it to him as recognition of his years of service.

**UPON MOTION** by Commissioner Patton, the Board voted unanimously to approve the bid of Gastonia Sheet Metal, with Alternate Bid 2 for a total cost of \$34,810.

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

\_\_\_\_\_  
Amy S. Atkins, Clerk  
Board of Commissioners

\_\_\_\_\_  
Thomas R. Anderson, PE, Chairman  
Board of Commissioners