LENOIR CITY COUNCIL
TUESDAY, AUGUST 21, 2018
6:00 P.M.

PRESENT: Mayor Gibbons presiding. Councilmembers present were Beal, Perdue, Perkins, Rohr, Stevens, Thomas and Willis. Also in attendance were City Manager Hildebran, City Attorney Blair and City Clerk Cannon.

I. CALL TO ORDER

A. The meeting was opened by a moment of silence followed by the Pledge of Allegiance led by Mayor Gibbons.

OATH OF OFFICE, BRENT PHELPS; CHIEF OF POLICE:

B. Mayor Gibbons administered the Oath of Office to Brent Phelps, Chief of Police.

A copy of the Oath of Office is hereby incorporated into these minutes by reference. (Refer to page 211).

On behalf of City Council, Mayor Gibbons stated the City was honored to have Chief Phelps serve in this position and commended him for all he has done for the City and the community. Mayor Gibbons also thanked him for his leadership and wished him all the best.

Chief Phelps stated it was an honor to accept this role and praised his Staff by commenting they were the ones working hard in the community to make sure what they do as a Police Department happens. Chief Phelps also recognized his wife, Tonya, along with his son and daughter, Jacob and Jamie, who were in the audience. Chief Phelps stated he cared about the men and women of the Police Department and the community and thanked City Council for their support.

At this time, Police Chaplain Terry Hunt along with the other three Police Chaplains prayed for Chief Phelps as he begins his new role.

II. MATTERS SCHEDULED FOR PUBLIC HEARINGS

FINANCING AGREEMENT; NC LOCAL GOVERNMENT COMMISSION:

A. A public hearing was held to receive public input regarding the City of Lenoir seeking approval from the North Carolina Local Government Commission (LGC) by resolution regarding approval of a construction loan for the new Lenoir Fire Station No. 3 to be located at 132 Tremont Park Drive.

A copy of the resolution is hereby incorporated into these minutes by reference.

(Refer to pages 212-213).

Mayor Gibbons opened the public hearing to receive public comments regarding the proposed new fire station.

There being no participation, Mayor Gibbons closed the public hearing and asked Council for action.

City Manager Hildebran explained that, prior to entering into an installment purchase contract involving construction, the LGC requires a public hearing must be held. In addition, he reminded Council that Blue Ridge Electric Membership Corporation (BREMC) submitted an application late last year to the USDA's Rural Economic Development Loan and Grant (REDLG) program for $1,300,000 to be used to assist the City in the construction of the proposed new fire station. Through the REDLG program, USDA provides zero-interest loans/grants to utilities that lend funds to local businesses/governments for projects to create and retain employment in rural areas. This $1.3 million loan will be for ten-years at 0% interest.

Mr. Hildebran also clarified the City will move forward with this project once the bid process has been completed.

Pursuant to N.C.G.S. §160A-20 and upon a motion by Councilmember Perdue, Council voted to 7 to 0 to approve a Resolution authorizing the filing of an application for approval of financing agreement to the NC Local Government Commission (LGC) as recommended by City Staff.

III. CONSENT AGENDA ITEMS

A. Upon a recommendation by City Manager Hildebran, the following Consent Agenda items were submitted for approval:

1. Minutes; Approval of City Council Meeting minutes of Tuesday, August 7, 2018 as submitted.
2. Tax Settlement Report: Staff recommends approval of the 2017 Tax Collector's Settlement and 2018 Tax Collection Charge as submitted. (A copy of the report by Donna Bean, Finance Director, requesting the submitted tax receipt charge be authenticated by the City Council for 2018 taxes is hereby incorporated into these minutes by reference. (Refer to pages 214-217). **Note:** A copy of the Unpaid Balance Report for FY2017-2018 is on file in the office of the Finance Director.

Councilmember Rohr requested that Item No. 3 be removed for further discussion.

Upon a motion by Mayor Pro-Tem Willis, Council voted 7 to 0 to approve Items No. 1 and 2 on the Consent Agenda as listed above and as recommended by City Manager Hildebran.

3. Change Order No. 2; Water Treatment Plant SRF Project: Staff recommends City Council approval of Change Order No. 2 as recommended by McGill Associates for the Water Treatment Plant Improvements project to reflect a net decrease in the contract amount of $43,996.68 and also to reflect an increase in the contract time of 58 calendar days. (A copy of the Change Order is hereby incorporated into these minutes by reference. Refer to page 218).

Councilmember Rohr asked why an increase of two months is being requested for this project.

Public Utilities Director Thomas informed Council that equipment delays and weather conditions have contributed to the delay of the project.

Upon a motion by Councilmember Rohr, Council voted 7 to 0 to approve Change Order No. 2 for the Water Treatment Plant improvements project as described above and as recommended by City Staff.

IV. REQUESTS AND PETITIONS OF CITIZENS

V. REPORTS OF BOARDS AND COMMISSIONS

VI. REPORT AND RECOMMENDATIONS OF THE CITY MANAGER

A. Items of Information

FOOTHILLS REGIONAL AIRPORT AUTHORITY:

1. The Foothills Regional Airport Authority will meet on Wednesday, August 29 at noon.

FABULOUS FILM NIGHT:

2. Fabulous Film Night is scheduled on Saturday, August 25 at 8:30 p.m. with the movie "Early Man" being shown on the square.

CANCELLED; PLANNING BOARD:

3. The Planning Board cancelled its regular scheduled meeting of Monday, August 27 at 5:30 p.m. The next meeting will be held on Monday, September 24 at 5:30 p.m.

COMMITTEE OF THE WHOLE:

4. The Committee of the Whole will meet on Tuesday, August 28 at 8:30 a.m. at City Hall, Third Floor, former Council Chambers.

HOLIDAY CLOSING:

5. City offices will be closed on Monday, September 3 in observance of Labor Day.

ANNUAL SCULPTURE FESTIVAL:

6. The annual Sculpture Festival will be held on Saturday, September 8 beginning at

9:00 a.m. at the T. H. Broyhill Walking Park.

CAROLINA TATOO & ARTS GATHERING EVENT:

7. The annual Carolina Tattoo and Arts Gathering event will be held on Friday, August 31 through September 2 at the historic W.E. Shaw Building located in downtown Lenoir.

B. ITEMS FOR COUNCIL ACTION

CONSULTING AGREEMENT; CONCRETE TESTING:

1. City Staff recommends approval to enter into a contract for engineering services for the Water Treatment Plant concrete repair work with SKA Consulting Engineers of Charlotte, NC.

   A copy of the consulting agreement is hereby incorporated into these minutes by reference. (Refer to pages 219-226).

   City Manager Hildebran stated McGill Associates recommends the City enter into this contract with SKA at an estimated cost of $29,000 to $32,000 depending upon the amount of work involved. He also reported $200,000 was included in the Project Budget for this project.

   Upon a motion by Councilmember Thomas, Council voted 7 to 0 to approve entering into a contract with SKA Consulting Engineers for engineering services for the Water Treatment Plant concrete repair work as recommended by McGill Associates and City Staff.

AUTHORIZING RESOLUTION; CROSSROADS SEWER REPLACEMENT PROJECT:

2. City Staff recommends approval of the submitted Resolution to authorize an application for state loan/grant assistance for the Crossroads Sewer Replacement Project.

   A copy of the resolution is hereby incorporated into these minutes by reference. (Refer to page 227).

   City Manager Hildebran reported this project has been listed on the City's Capital Improvements Project for several years and has now been transferred to the priority list. The estimated cost of the project is $2.43 million and will place the City of Lenoir in queue to begin the funding process for the project.

   Councilmember Rohr expressed his opposition to subsidized loans offered by the state.

   Upon a motion by Councilmember Stevens, Council voted 6 to 1 to adopt the Resolution authorizing the City to submit an application for state loan/grant assistance for the Crossroads Sewer Replacement Project as recommended by City Staff.

Councilmember Rohr voted against this project.

NCLM VOTING DELEGATES:

3. City Council will appoint a Delegate and an Alternate Delegate to represent the City of Lenoir at the North Carolina League of Municipalities (NCLM) Annual Business Meeting on Friday, September 21 at the Hickory Metro Convention Center. Attending are Mayor Gibbons, Mayor Pro-Tem Willis, Councilmembers Perdue and Perkins along with City Manager Hildebran.

   Upon a motion by Councilmember Thomas, Council voted 7 to 0 to appoint Councilmember Todd Perdue to serve as the Delegate and Councilmember Ike Perkins to serve as the Alternate Delegate at the North Carolina League of Municipalities Annual Business Meeting Friday, September 21 at the Hickory Metro Convention Center.

VII. REPORT AND RECOMMENDATIONS OF THE CITY ATTORNEY

VIII. REPORT AND RECOMMENDATIONS OF THE MAYOR

BOARD RE-APPOINTMENT; BOARD OF ADJUSTMENTS:

A. Mayor Gibbons recommended Richard Hedrick be re-appointed to serve a term on the Board of Adjustments. This re-appointment was announced at the August 7 City Council Meeting.

   Upon a motion by Councilmember Perdue, Council voted 7 to 0 to re-appoint Richard Hedrick to the Board of Adjustments as recommended by Mayor Gibbons.

   Mayor Gibbons also announced that two vacancies exist on the Parks and Recreation Advisory Board and applications are available online at www.cityoflenoir.com or may be picked up at City Hall.

IX. REPORT AND RECOMMENDATIONS OF COUNCILMEMBERS

X. ADJOURNMENT

A. There being no further business, the meeting was adjourned at 6:32 p.m.

Shirley M. Cannon, City Clerk

Joseph L. Gibbons, Mayor

LENOIR POLICE DEPARTMENT

(828) 757-2121 • Fax (828) 757-2103
1035 West Avenue NW
Lenoir, North Carolina 28645

211 Lenoir All-America City 2008

OATH OF OFFICE

I, **August Brent Phelps**, do solemnly swear (or affirm) that I will, well and truly, perform my assigned duties for the City of Lenoir and the State of North Carolina as Chief of Police, twenty-four hours per day, seven days per week, as determined by the Lenoir City Manager.

I, **August Brent Phelps**, do solemnly swear (or affirm) to obey and enforce the city ordinances for the City of Lenoir and the laws of the State of North Carolina, fairly and impartially, to the best of my knowledge and ability, so help me, God.

I, **August Brent Phelps**, do solemnly swear (or affirm) that I will be alert and vigilant to enforce the criminal laws of this State; that I will not be influenced in any matter on account of personal bias or prejudice; that I will support and maintain the Constitution and laws of the United States and the Constitution and laws of North Carolina, not inconsistent therewith; and that I will faithfully and impartially discharge and execute the duties of my office as Chief of Police for the City of Lenoir, according to the best of my skill, abilities, and judgment, so help me, God.

Signed by:

August Brent Phelps, Chief of Police

Administered by:

Joseph L. Gibbons, Mayor

8-21-2018
Date

Witnessed by:

Scott E. Hildebran, City Manager

8/21/2018
Date

NORTH CAROLINA, CALDWELL COUNTY

I certify that the following person(s) personally appeared before me this day, and I have personal knowledge of the identity of the principal(s); each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: **August Brent Phelps** as Chief of Police taking oath of office and administered by Joseph L. Gibbons as Mayor of the City of Lenoir.

8-21-2018
Date

Notary Public

My commission expires: 9-21-2019

CITY MANAGER
SCOTT E. HILDEBRAN

CITY OF LENOIR
NORTH CAROLINA

MAYOR
JOSEPH L. GIBBONS

CITY COUNCIL
J. T. BEAL
T. H. PERDUE
J. I. PERKINS
T. J. ROHR
D. F. STEVENS
C. D. THOMAS
B. K. WILLIS

RESOLUTION

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL OF A FINANCING AGREEMENT AUTHORIZED BY NORTH CAROLINA GENERAL STATUTE 160A-20

WHEREAS, the City of Lenoir, North Carolina desires to build Fire Station III (the "Project") to better serve the citizens of Lenoir. Fire Station III will allow for reduced response times for areas east of US 321, which include three public schools, because congestion at Smith Crossroads can slow the response time from the City's main fire station downtown.

WHEREAS, The City of Lenoir, North Carolina desires to finance the Project by the use of an installment contract authorized under North Carolina General Statute 160A, Article 3, Section 20; and

WHEREAS, findings of fact by this governing body must be presented to enable the North Carolina Local Government Commission to make its findings of fact set forth in North Carolina General Statute 159, Article 8, Section 151 prior to approval of the proposed contract;

NOW, THEREFORE, BE IT RESOLVED that the City Council of Lenoir, North Carolina, meeting in regular session on the 21st day of August, 2018, make the following findings of fact:

1. The proposed contract is necessary or expedient to decrease response time to areas east of US 321, which include three public schools. Congestion at Smith Crossroads can slow the response time from the City's main fire station downtown to this area.

2. The proposed contract is preferable to a bond issue for the same purpose because the cost of issuing a general obligation bond would be greater than financing the station through Blue Ridge Membership Corporation utilizing a zero-interest loan from the USDA Rural Economic Development Loan and Grant (REDLG) program in the amount of 1,300,000.00.

4. The sums to fall due under the contract are adequate and not excessive for the proposed purpose because the interest rate is zero-percent.

5. The City of Lenoir's debt management procedures and policies are sufficient because the debt management policies have been carried out in strict compliance with law and adequate debt management will continue to be provided as directed by the Local Government Commission.

6. The Rescue Readiness tax which the City of Lenoir began collecting in FY 2017-2018 will provide the necessary funds to meet the sums to fall due under the proposed contract. The rate will remain at .0085 cents per $100 valuation and is not deemed to be excessive.

7. The City of Lenoir, North Carolina is not in default in any of its debt service obligations.

8. The attorney for the City of Lenoir, North Carolina has rendered an opinion that the proposed Project is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of North Carolina.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Manager is hereby authorized to act on behalf of the City of Lenoir, North Carolina, in filing an application with the North Carolina Local Government Commission for approval of the Project and the proposed financing contract and other actions not inconsistent with this resolution.

This resolution is effective upon its adoption this 21st day of August, 2018.

SEAL

The motion to adopt this resolution was made by: Councilmember Todd Perdue

Seconded by: n/a

And passed by a vote of 7 to 0.

Joseph L. Gibbons, Mayor

ATTEST:

Shirley M. Cannon, City Clerk

This is to certify that this is a true and accurate copy of Resolution No. n/a Adopted by the

City Council of Lenoir, North Carolina on the 21st day of August, 2018.

Shirley M. Cannon, City Clerk

8-21-2018
Date

CITY MANAGER
SCOTT E. HILDEBRAN

CITY OF LENOIR
NORTH CAROLINA

MAYOR
JOSEPH L. GIBBONS

CITY COUNCIL
J. T. BEAL
T. H. PERDUE
J. I. PERKINS
T. J. ROHR
D. F. STEVENS
C. D. THOMAS
B. K. WILLIS

MEMORANDUM

TO: Lenoir City Council

FROM: Donna Bean, Finance Director

SUBJECT: 2017 Tax Collector's Settlement and 2018 Tax Collection Charge

DATE: August 16, 2018

Requires Board Action

In accordance with NCGS 105-373(a)(1), I respectfully submit the following Report:

Attached to this Report is a list of the persons owning real property whose taxes for 2017 remain unpaid, along with the principal amount owned by each person; and a list of the persons not owning real property whose personal property taxes for 2017 remain unpaid, along with the principal amount owed by each person.

In compliance with NCGS 105-373(a)(3), attached hereto is a Report entitled "Settlement for Current Taxes for Fiscal Year 2017-2018" dated June 30th, 2018 setting forth my full settlement for all taxes in my hands for collection for the fiscal year 2017-2018.

Further, I hereby certify that I have made diligent efforts to collect the taxes due from the persons listed in such a manner that is reasonably necessary.

.

2017 Outstanding Taxes

2017 Real & Personal Taxes	$ 328,535.29
Total 2017 Outstanding - Percentage	2.56%

A report of all taxes charged and collected is provided for your information.

Request this settlement be accepted and these outstanding taxes be charged back to the tax collector.

In accordance with NCGS 105-321 & 352 requests the attached tax receipt charge be authenticated by the City Council for 2018 taxes.

I, Donna Bean, do hereby affirm that this tax levy settlement sheet and tax receipt charge is a true and accurate report of the status of the tax levy for the City of Lenoir. Further, I affirm that diligent efforts have been made to collect all charged tax receipts.

Donna Bean
Donna Bean, Finance Director

NORTH CAROLINA, CALDWELL COUNTY

I, Shirley Cannon, Notary Public, do hereby certify that Donna Bean personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 16th day of August, 2018.

Shirley Cannon
Notary Public

My Commission Expires: 9-21-2019

State of North Carolina, City of Lenoir

To the Tax Collector of the City of Lenoir:

You are hereby authorized, empowered, and commanded to collect the taxes set forth in the tax records filed in the office of Tax Collector and in the tax receipts herewith delivered to you, in the amounts and from the taxpayers likewise therein set forth. Such taxes are hereby declared to be a first lien upon all real property of the respective taxpayers in the City of Lenoir, North Carolina, and this order shall be a full and sufficient authority to direct, require, and enable you to levy on and sell any real or personal property of such taxpayers, for and on account thereof, in accordance with law.

Witness my hand and official seal, this 16th day of August, 2018

(Seal)
Mayor, City of Lenoir

Attest:

Shirley M. Connor
Clerk, City of Lenoir

Settlement for Current Taxes for Fiscal Year 2017-2018

June 30, 2018

2017 Settlement	
Total Taxes Billed	$ 12,823,953.81
Demo Liens	$ 19,000.00
Penalties, Interest and Charges	$ 44,240.64
Releases	$ (10,913.91)
Veteran Exemptions	$ (10,328.37)
Overpayments/Negative Balances	$ (3,146.22)
Taxes Deferred	$ (23,537.85)
Discounts	$ (97,955.90)
Elderly Exemptions	$ (111,930.43)
Taxes Collected	$ (12,300,846.48)
Total Outstanding	$ 328,535.29

Prior Years Settlement	
Outstanding Taxes Ending Balance 6/30/2017	$ 2,095,456.92
Outstanding Taxes Ending Balance 6/30/2018	$ 1,765,848.70
Amount Collected	$ 329,608.22

EJCDC
ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE

Change Order No. 02

Date of Issuance:	July 25, 2018	Effective Date:	July 25, 2018
Owner:	City of Lenoir	Owner's Contract No.:	WIF-1875
Contractor:	Frizzell Construction Company, Inc.	Contractor's Project No.:	
Engineer:	McGill Associates, P.A.	Engineer's Project No.:	15.01103
Project:	Lenoir WTP Improvements	Contract Name:	

The Contract is modified as follows upon execution of this Change Order:

Description: Adjust the Contract Price and Contract time to include, as well as deduct various project work items as outlined in the attached Change Order Summary

Attachments: *Change Order Summary, with Contractor's change order request documentation*

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES *[note changes in Milestones if applicable]*
Original Contract Price: $ 4,415,000.00	Original Contract Times: Substantial Completion: 480 Ready for Final Payment: 510 days ~~or dates~~
[Increase] ~~[Decrease]~~ from previously approved Change Orders No. 1 to No. 1: $ 4,427,666.42	[Increase] ~~[Decrease]~~ from previously approved Change Orders No. 1 to No. 1: Substantial Completion: 485 Ready for Final Payment: 515 days
Contract Price prior to this Change Order: $ 4,427,666.42	Contract Times prior to this Change Order: Substantial Completion: 485 Ready for Final Payment: 515 days ~~or dates~~
~~[Increase]~~ [Decrease] of this Change Order: $ 43,966.28	[Increase] ~~[Decrease]~~ of this Change Order: Substantial Completion: 58 Ready for Final Payment: 58 days ~~or dates~~
Contract Price incorporating this Change Order: $ 4,383,700.14	Contract Times with all approved Change Orders: Substantial Completion: 543 Ready for Final Payment: 573 days ~~or dates~~

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By:	By:	By:
Engineer (if required)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Title: PRINCIPAL	Title City Manager	Title VP
Date: 8/16/18	Date 8/22/2018	Date 8/7/18

Approved by Funding Agency (if applicable)

By: _____ Date:

Title: _____

CHARLOTTE, NC Office
4651 Charlotte Park Drive, Suite 150
Charlotte, NC 28217-1191

SKA CONSULTING ENGINEERS

t: 704 424 9663
f: 704 242 9665
www.skaeng.com

July 30, 2018

City of Lenoir
PO Box 958
Lenoir, North Carolina 28645

Attention: Mr. Radford Thomas; Director of Public Utilities

c/o: Mr. Joel Whitford, PE; Project Manager
(via email: joel.whitford@mcgillengineers.com)
McGill Associates
1240 19th Street, Lane NW
Hickory, North Carolina 28601

Reference: Proposal for Engineering Design, Bidding and
Construction Contract Administration Services
Phase I: Flash Mixer Concrete and Waterproofing Repairs
City of Lenoir / George L. Bernhardt Sr. Rhodhiss Lake Water Treatment Facility
5474 Waterworks Road / Granite Falls, North Carolina 28630
SKA Proposal No. 2018-812-030; SKA Project No. 180098.1

Dear Mr. Thomas:

SKA Consulting Engineers, Inc. (SKA) respectfully submits this proposal to the City of Lenoir (COL) for Engineering Design, Bidding and Construction Contract Administration Services associated with Phase I: Flash Mixer Concrete and Waterproofing Repairs. This proposal includes background information, scope of work, summary of engineering tasks, engineering fees, schedule, limitations of service and authorization procedures.

Background Information

The subsequent background information is based on a conversation with Mr. Joel Radford, PE of McGill Associates (MA) on July 16, 2018 and our knowledge of the plant from previous conversations, and a condition assessment conducted in 2018 and detailed in a report dated June 22, 2018.

The George L. Bernhardt Sr. Rhodhiss Lake Water Treatment Facility includes two exterior primarily above ground reinforced concrete sedimentation/flocculation basin areas and two reinforced concrete flash mixers installed as part of an expansion circa 1974. Refer to the June 22, 2018 SKA report for the current condition, as well as, repair and service-life extension recommendations for the exterior sedimentation/flocculation basins, flash mixers and elevated bridges. Concrete at the plant is characteristically non-air-entrained and generally subjected to high levels of moisture, making it susceptible to damage from freezing and thawing cycles. Cracks, leaks, concrete surface corrosion/erosion, freezing and thawing-related deterioration, and corrosion of reinforcing steel were identified as part of the assessment.

SKA understands that COL would like to phase the design and construction of recommended concrete repairs and waterproofing. Phase I is to include repairs and resurfacing/waterproofing at the flash mixers. One or more separate and subsequent phases will address conditions at sedimentation/flocculation basins.

This proposal is associated with Phase I. Engineering services associated with subsequent phases will be governed under one or more separate agreements. The work applied to Phase I will be similar to expected work on subsequent phases. Significant effort will be required in this phase for specifications of materials and systems, as well as detailing that will govern subsequent phases. Design decisions, detailing progress and information gained during construction in this phase can be applied to subsequent phases.

Scope of Repair Work

1. Scope Area: Refer to Figure 1 for the area included as part of this Phase I Scope.

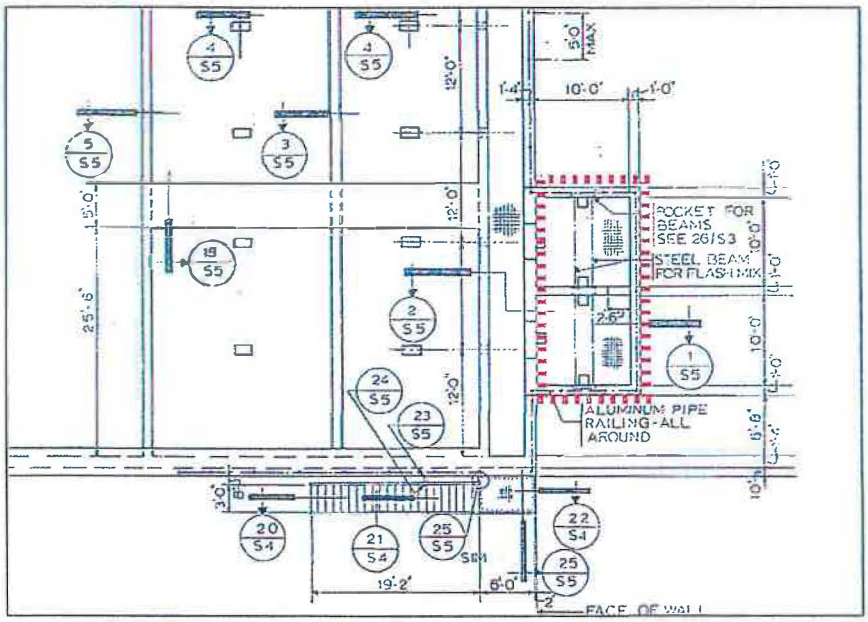

Figure 1: Scope area includes walls at flash mixers (indicated in red dotted lines).

2. Scope of Repairs: We understand that the following is the scope of work at the scope area:

   a. Structural concrete repairs

   b. Removal of deteriorated surface concrete and installation of low-permeability bonded cementitious overlay mortar with crystalline waterproofing additives made for water submersion in water treatment facilities on interior vertical wall surfaces

c. Below grade waterproofing at exterior wall surfaces

d. Crack injection

e. We understand that the flash mixers will be repaired sequentially so that operation can continue.

f. We understand the following are not included at this time:

1) Replacement of guard rails
2) Horizontal walking surfaces (bridges, wall tops, floors, etc.)
3) Exposed metal components
4) Mechanical, electrical, processing, systems or plumbing components
5) Coatings except as noted

Engineering Tasks

A. Design Services: SKA will provide the following design services associated with remediation outlined in the "Scope of Repair Work" above:

1. Review available original Construction Documents provided by COL.

2. Conduct site visits and on-site field work to gather information required for incorporation into the design documents. This will require that flash mixers be drained by others for brief review to confirm design parameters.

3. Prepare Bidding Documents that will include a defined scope of work, repair quantity estimates, repair drawings, administrative specifications and technical specifications. A sample contract will be provided. The Bidding Documents will include standard pre-prepared forms and documents by the American Institute of Architects (AIA).

   i. Supplementary General Conditions can be used to tailor the documents to the conditions of the project and your particular requirements. SKA will correspond with MA to incorporate information.

   ii. Unit prices will be used for some repairs to account for variability in the repair project.

4. Provide a ".PDF" of all documents to each pre-qualified bidder and the COL. Provide up to three hard copy sets of Bidding Documents to COL and MA.

5. Provide a list of prospective qualified general contractors, for the COL and MA approval, who could be provided Bidding Documents for pricing.

B. Bidding Assistance Services: SKA will provide the following bidding assistance services associated with remediation outlined in the "Scope of Repair Work" above:

1. Solicit and assist COL and MA in pre-qualifying a select list of not less than four contractors.

2. Conduct a pre-bid conference with selected bidders and designated representatives of COL and MA. The special conditions of this project and questions from the contractors about the project will be discussed at this meeting.

3. Prepare pre-bid meeting minutes and distribute to meeting attendees.

4. Issue Addenda to supplement and/or modify Bidding Documents, if warranted.

5. Assist with receipt and opening of bid proposals. Review the bids and prepare a bid tabulation.

6. Assist the designated representatives of COL and MA with the evaluation of the bid proposals and provide recommendations.

C. Construction Contract Administration Services: SKA will provide the following construction contract administration services associated with remediation outlined in the "Scope of Repair Work" above:

1. Prepare and assist in final execution of the Owner-Contractor Agreement.

2. Issue Notice to Proceed letter.

3. Issue final sealed Construction Documents.

4. Conduct pre-construction meeting(s) to discuss details of the project with the Contractor and COL.

5. Review submittals, shop drawings, schedule and construction phasing and pay applications.

6. Provide a representative to perform weekly site visits to the site during the work. The purpose of our site visits will be to review the contractor's work for conformance to the construction documents, to participate in field mockups, to review repair quantities, and to resolve various field/construction issues. Observations are limited to visible portions of the work and will not include observation of all work. This proposal assumes four to six site visits, each approximately five hours in duration during an anticipated six week construction schedule. If construction activities do not warrant that level of on-site involvement, or warrant additional on-site involvement, our time on site and associated fees can be modified to correspond with the work in progress.

7. Submit field reports after each site visit, with representative photographs, summarizing our weekly site visit observations.

8. Provide engineering opinions regarding the resolution of disputes that may arise.

9. Coordinate with the contractor and various manufacturer's representatives to observe and review various installation mockups required by the Contract Documents.

10. Review and comment on quality control/quality assurance test reports associated with the work.

11. Attend progress meetings in conjunction with site visits. Review and comment on meeting minutes prepared by the contractor.

12. Review monthly payment requests.

13. Review and process field change directives and change orders, if necessary.

14. Participate in COL and MA teleconferences and meetings to review and discuss project updates and requirements.

15. Perform one final completion inspection and submit a list of punch list items.

16. Review the contractor's closeout documents, including record drawings.

17. Issue a final completion letter following successful completion of the project by the contractor.

Engineering Fee and Terms of Payment

Engineering Task A: Design Services

SKA will provide our Design Services summarized in Engineering Task A (Items 1-5) for a lump sum fee of $12,500.

Additional meetings, redesign or work associated with requests outside the remediation scope of work outlined herein will be billed as additional fees to the lump sum fee and will be subject to the rates and reimbursable expenses provided on the attached SKA 2018 Charge and Billing Rates Schedule, which is updated annually on January 1.

The lump sum fee does not include costs associated with bidding and construction contract administration during the remedial construction.

SKA CONSULTING ENGINEERS

Engineering Task B: Bidding Assistance Services

SKA will provide our Bidding Assistance Services summarized in Engineering Task B (Items 1-6) above for a fee equal to the sum of SKA's employees' time expended in providing the services multiplied by the employees' standard billing rates (2018 Billing Rate Schedule attached), plus reimbursable expenses. SKA estimates that the cost to perform the described task items scope items may be $2,500. The actual cost of our services will be determined based on the actual time required to perform the work, multiplied by SKA's standard hourly billing rates, plus reimbursable expenses. Rates are subject to increase on January 1 of each year. This estimate assumes one bid period. If requested, SKA can schedule and attend meetings with the designated representatives of COL and MA and the two lowest bidders to assist COL in selection of a contractor. Additional bid periods, meeting with contractors and changes in scope after the final drawings are issued will be billed in accordance with our standard Rates.

Engineering Task C: Construction Contract Administration Services

SKA will provide our construction contract administration services summarized in Engineering Task C Items (1-17) above for a fee equal to the sum of SKA's employees' time expended in providing the services multiplied by the employees' standard billing rates (2018 Billing Rate Schedule attached), plus reimbursable expenses. Based on the estimated six week construction duration, we estimate the cost of our services, including expenses, to be on the order of $14,000 to $18,000. This includes about five hours a week of office time and five hours a week of site time (for reports, submittals, review, etc.). The actual cost of our services will be determined based on the actual time required to perform the work, multiplied by SKA's standard hourly billing rates, plus reimbursable expenses. Invoices will be submitted on a monthly basis. Rates are subject to increase on January 1 of each year. This estimate assumes one construction phase.

Estimated Schedule

Based on current workload, we anticipate that Bidding Documents can be provided within six weeks from the time of authorization.

Limitations

The following limitations apply to our work under this proposal:

1. All services provided by SKA are subject to SKA's General Conditions of Service (Attached hereto). If there is a conflict between SKA's General Conditions of Service and any other part of the Proposal, the provisions of SKA's General Conditions of Service shall take precedence.

2. No services are included for any other components or areas except as noted. Other areas and components are excluded. Mechanical, electrical, processing systems, exposed metals, plumbing and maintenance coatings are excluded. Hidden and unknown conditions are excluded.

SKA CONSULTING ENGINEERS

3. The lump sum fee for design services includes one design period to occur within the 2018 calendar year. The estimate for bidding assistance services includes one bid period and the estimate for construction contract administration services includes one construction phase.

4. The fees described herein are for SKA services associated with the Scope of Repair Work described in this proposal and include work within a single phase. The fees may increase if the scope of the construction is altered. Value engineering, inclusion of alternative scopes of work, phasing or redesign caused by additional or changing requirements, will be billed by SKA on an hourly basis consistent with SKA's standard billing rates.

5. SKA is not qualified to perform any services necessary to identify or evaluate the existence or presence of hazardous materials. We understand that hazardous materials testing has been conducted. Results will be required for inclusion into Bidding Documents.

6. Special inspections, if required by the specifications, are excluded from this contract.

7. SKA has not established a construction budget for the scope of repair work and is not responsible for bid costs that exceed the established construction budget.

8. SKA will not be responsible for events or conditions that alter, delay, or extend the schedule for the proposed services. Schedules are established in good faith. Available resources are used to meet established schedules; however, SKA cannot be responsible for damages incurred due to exceeding estimated schedules.

9. SKA is not the construction manager on this project.

10. SKA specifically disclaims any responsibility for conditions that were not included in the Scope of Repair Work.

11. Cementitious bonded overlays appear as concrete and color variations may occur. Bonded overlays can reflect cracking that is sealed in the substrate as part of the project. Bonded overlay materials with crystalline waterproofing technology have reported crack-healing properties. However, sealing of cracks that could form in the bonded overlay over areas where through-wall cracking is sealed as part of this project may be required after the project.

Authorization

If this scope of services is satisfactory, please authorize us to proceed by signing the attached ***Proposal Acceptance*** and returning a complete copy of this Agreement to our office.

SKA appreciates the opportunity to provide this proposal and look forward to assisting you on this project. If you have any questions regarding this proposal, please contact Dave Tepke at 843-900-8108.

Sincerely,

SKA Consulting Engineers, Inc.

David G. Tepke, PE
Manager, Charleston Building Solutions Group

Jeffrey S. Miller, PE
Director, Building Solutions Services

Attachments: Proposal Acceptance (Below)
SKA 2018 Charge and Billing Rates Schedule
SKA General Conditions of Service

cc: LeAnn Rasmusson; SKA Greensboro
Tracy Scott; SKA Greensboro

Proposal Acceptance

The Terms and Conditions of this Agreement (SKA Proposal No. 2018-812-030) and the attached General Conditions of Service are acceptable to The City of Lenoir:

Signature: _____

Printed Name: Scott E. Hildebran

Title: City Manager

Date: 8/22/2018

Please return one executed copy of this Agreement to our office. This proposal is valid for sixty (60) days from the time of issue.

RESOLUTION BY CITY OF LENOIR CITY COUNCIL

WHEREAS, The Federal Clean Water Act Amendments of 1987 and the North Carolina the Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of a wastewater collection system project, and

WHEREAS, The **City of Lenoir** has need for and intends to construct a wastewater collection system project generally described as the Crossroads Sewer Replacement project, and

WHEREAS, The **City of Lenoir** intends to request state loan or grant assistance for the project,

NOW THEREFORE BE IT RESOLVED, BY THE CITY OF LENOIR CITY COUNCIL:

That **City of Lenoir**, the **Applicant**, will arrange financing for all remaining costs of the project, if approved for a State loan or grant award.

That the **Applicant** will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the governing body of the **Applicant** agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the **City of Lenoir** to make scheduled repayment of the loan, to withhold from the **City of Lenoir** any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That Scott Hildebran, City Manager, the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a (loan or grant) to aid in the construction of the project described above.

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the 21st day of August, **2018** at Lenoir, North Carolina.

Joseph L. Gibbons, Mayor

CERTIFICATION BY RECORDING OFFICER

The undersigned duly qualified and acting City Clerk of the City of Lenoir does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the City Council of the City of Lenoir duly held on the 21st day of August, 2018; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this 21st day of August, 2018.

Shirley M. Cannon

Shirley M. Cannon, City Clerk