

1. Agenda Packet

Documents:

[AUGUST 7, 2018 AGENDA PACKET.PDF](#)

2. Meeting Materials



More photos are posted on Flickr.

Documents:

[AFTER ACTION MEMORANDUM.PDF](#)

AGENDA



**CITY OF LENOIR
CITY COUNCIL MEETING
CITY/COUNTY CHAMBERS
905 WEST AVENUE
TUESDAY, AUGUST 7, 2018
6:00 P.M.**



I. CALL TO ORDER

- A. Moment of Silence & Pledge of Allegiance
- B. Special Recognition; Water Treatment Plant: Ms. Kimberly Barnett, NC Department of Water Quality, Asheville Office, will present Radford Thomas, Public Utilities Director, and Kevin Matheson, Water Treatment Plant Superintendent, the Area-Wide Optimization Program Water Award for 2017.
- C. Special Recognition; American Legion Post 29: Mr. Irv Eurto, 1st Vice Commander, Post 29 American Legion, will honor and recognize the Firefighter of the Year and Police Officer of the Year for the City of Lenoir as selected by Post 29.

II. MATTERS SCHEDULED FOR PUBLIC HEARINGS

III. CONSENT AGENDA ITEMS

- A. Minutes: Approval of the minutes of the City Council Meeting of Tuesday, June 19, 2018 as submitted.
- B. Minutes: Approval of the minutes of the Committee of the Whole Meeting of Tuesday, June 26, 2018 as submitted.
- C. Resolution; Surplus Property; Police Department: Staff recommends approval of a resolution commending former Police Chief Scott Brown for his service to the City of Lenoir and declaring his badge and service weapons as surplus property.
- D. Resolution; Water Shortage Response Plan: Staff recommends adoption of a resolution approving the City of Lenoir's Water Shortage Response Plan as required by the state of North Carolina.
- E. Financing Agreement; N.C. Local Government Commission: Pursuant to N.C.G.S. §160A-20, Staff recommends Council call for a public hearing to be held on Tuesday, August 21, 2018 to seek approval from the Local Government Commission (LGC) regarding approval of a construction loan for the new Lenoir Fire Department No. 3 to be located at 132 Tremont Park Drive.

IV. REQUESTS AND PETITIONS OF CITIZENS

V. REPORTS OF BOARDS AND COMMISSIONS

VI. REPORT AND RECOMMENDATIONS OF THE CITY MANAGER

A. Items of Information

1. August Calendar: The calendar for the month of August will be presented to City Council listing various committee meetings and upcoming events.
2. The Lenoir Tourism Development Authority will meet on Thursday, August 9 at 4:00 p.m. at City Hall, Third Floor, former Council Chambers.
3. The Lenoir Business Advisory Board will meet on Thursday, August 9 at 6:00 p.m. at City Hall, Third Floor, former Council Chambers.
4. The Bryan Anderson and Toni Carlton Uptown Jazz Show is scheduled for Friday, August 10 from 7:00 p.m. – 10:00 p.m. on the uptown plaza.
5. Fabulous Film Night is scheduled on Saturday, August 11 at 8:30 p.m. with the movie “Sherlock Gnomes” being shown on the square.
6. The City/County Services Committee will meet on Monday, August 13 at 11:45 a.m.
7. The Caldwell County Economic Development Commission will meet on Tuesday, August 14 at 8:00 a.m.
8. The Parks & Recreation Advisory Board will meet on Monday, August 20 at 6:00 p.m. at the Optimist Clubhouse.

B. Items for Council Action

1. Bid Award; Annual Paving Contract: Following review of bids submitted for this contract, Staff recommends awarding the City’s paving contract to J. T. Russell & Sons, Inc., for a unit price of \$93.00 per ton. J.T. Russell & Sons, Inc. is the lowest, responsive, responsible bidder, is appropriately licensed in the state of North Carolina, and is adequately equipped to perform work of this nature. **Note:** J.T. Russell & Sons, Inc.’s bid included the required bid (security bond) and an escalator clause for unit price adjustment based on liquid asphalt price fluctuation.
2. Speed Limit; Connelly Springs Road: Staff recommends that Council formally adopt a 45 MPH speed limit throughout the five-lane section of Connelly Springs Road between Hickory Boulevard and Southwest Boulevard, as recommended by NCDOT. **Note:** The City’s Code of Ordinances, Traffic, Section 118, will be amended to include this request.
3. Assignment of Lease and Interim Trail Use/Rail Banking Agreement: Staff recommends approval of the Assignment of Lease and Interim Trail Use/Rail Banking Agreement from Caldwell County Pathways to the City of Lenoir as submitted.
4. Authorizing Resolution; Caldwell UNC Health Care: If Council wishes to proceed with the grant submittal; Council should adopt the enclosed Authorizing Resolution for a North Carolina Department of Commerce Rural Hope Grant for the Caldwell UNC Health Care Behavioral Health Facility project. The City of Lenoir will provide the required 5% local government match for \$25,000 to comply with the Rural Hope Grant regulations.

VII. REPORT AND RECOMMENDATIONS OF THE CITY ATTORNEY

VIII. REPORT AND RECOMMENDATIONS OF THE MAYOR

- A. Announcements of Re-Appointments; Authorities/Boards/Commissions: Mayor Gibbons will announce the following individuals will be considered for re-appointment to the following Authorities/Boards/Commissions at the City Council meeting scheduled for Tuesday, August 21 at 6:00 p.m.

1. Richard Hedrick Board of Adjustments 2-year Term
2. Joel Kincaid Parks & Recreation Advisory Board 3-year Term

IX. REPORT AND RECOMMENDATIONS OF COUNCILMEMBERS

X. ADJOURNMENT

**LENOIR CITY COUNCIL
TUESDAY, JUNE 19, 2018
6:00 P.M.**

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

ABSENT: Councilmember Perdue.

I. CALL TO ORDER

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

**SYMPATHY EXTENDED;
BETH MCMAHAN:**

- B. On behalf of City Council and the City of Lenoir, Mayor Gibbons extended sincere sympathy to Beth McMahan, Administrative Assistant for Public Works & Public Utilities, upon the recent loss of her husband, Steve McMahan.

II. MATTERS SCHEDULED FOR PUBLIC HEARINGS

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 the minutes of City Council Meeting of Tuesday, June 5, 2018 as submitted.
 2. Budget Amendment 2018-01: Approval of budget Amendment 2018-01 to allocate funding for Economic Development Grants received for building reuse in the amount of \$69,760.03. Funds were received in this fiscal year. (A copy of the budget amendment is hereby incorporated into these minutes by reference. Refer to page 178).
 3. Budget Amendment 2018-02: Approval of Budget Amendment 2018-02 to amend the original budget request for FY2017-2018. The appropriations will have no impact on the fund balance. (A copy of the budget amendment is hereby incorporated into these minutes by reference. Refer to page 179).
 4. Capital Project Budget Ordinance; North Main Street Beautification Project: Approval of the Capital Project Budget Ordinance in the amount of \$215,875 for the North Main Street Beautification Project in order to appropriate funds. (A copy of the capital project budget ordinance is hereby incorporated into these minutes by reference. Refer to page 180).

Upon a motion by Councilmember Thomas, Council voted 6 to 0 to approve the above listed items on the Consent Agenda as recommended by City Manager Hildebran.

IV. REQUESTS AND PETITIONS OF CITIZENS

COMMENDED; CITY STAFF:

A. Mrs. Linda Haas, 2316 Lakeside Terrace, addressed City Council and expressed her appreciation to Public Works Director Jared Wright and former Public Works Director Charles Beck for their assistance during the winter months with snow removal from her street due to City trucks not being able to travel safely down the street due to weather conditions. Mrs. Haas stated Director Wright was very considerate and concerned about the citizens of the community.

Mrs. Haas further commended Terrence Banner, Grounds and Cemetery Superintendent, and Elizabeth Woody, Customer Service Representative, Blue Ridge Memorial Park, for their great customer service in assisting her with clarification of a plot number that was unreadable on her cemetery deed.

V. REPORTS OF BOARDS AND COMMISSIONS

VI. REPORT AND RECOMMENDATIONS OF THE CITY MANAGER

A. Items of Information

SUMMER MUSIC

CONCERTS: 1. The Night Move Band will perform on the square from 7:00 p.m. – 10:00 p.m. on Friday, June 22. The Chad Triplett Band will perform on Friday, June 29 and the Tre-King Band on Friday, July 6.

FABULOUS FILM

NIGHT: 2. Fabulous Film Night is scheduled for Saturday, June 23 with the movie “Star Wars The Last Jedi” being shown at 8:30 p.m. on the square.

PLANNING

BOARD: 3. The Planning Board will meet on Monday, June 25 at 5:30 p.m.

COMMITTEE OF THE WHOLE:

4. The Committee of the Whole will meet on Tuesday, June 26 at 8:30 a.m. at City Hall, Third Floor, former Council Chambers.

CANCELLED; FOOTHILLS REGIONAL AIRPORT AUTHORITY:

5. The Foothills Regional Airport Authority has cancelled its meeting of Wednesday, June 27 and will also not meet in July.

ABC BOARD: 6. The ABC Board will meet on Thursday, June 28 at 2:00 p.m. at Lenoir Store #1 located at 115 ABC Court.

HOLIDAY

CLOSING: 7. City offices will be closed on Wednesday, July 4 in observance of Independence

Day.

ANNUAL 4TH OF JULY

CELEBRATION; MULBERRY RECREATION CENTER:

8. The annual 4th of July Celebration Event is scheduled for Wednesday, July 4 from 5:00 p.m. until 10:00 p.m. at Mulberry Recreation Center. A fireworks display will begin promptly at 9:30 p.m. at Optimist Park.

**CANCELLED; CITY/COUNTY
SERVICES COMMITTEE:**

9. The City/County Services Committee has cancelled its meeting of Monday, July 9.

CALDWELL COUNTY ECONOMIC DEVELOPMENT

- COMM:** 10. The Caldwell County Economic Development Commission will meet on Tuesday, July 10 at 8:00 a.m.

LENOIR TOURISM DEVELOPMENT

- AUTHORITY** 11. The Lenoir Tourism Development Authority will meet on Thursday, July 12 at 4:00 p.m.

LENOIR BUSINESS ADVISORY

- BOARD:** 12. The Lenoir Business Advisory Board will meet on Thursday, July 12 at 6:00 p.m. at City Hall, Third Floor, former Council Chambers.

**CANCELLED; CITY COUNTY
MEETING & COMMITTEE OF THE**

- WHOLE:** 13. The City Council meeting of Tuesday, July 3 has been cancelled due to the holiday week. The July 17 City Council meeting may be cancelled due to no agenda items. The Committee of the Whole meeting for July has also been cancelled.

ANNUAL BLACKBERRY

- FESTIVAL:** 14. The annual Blackberry Festival will be held on Saturday, July 14 beginning at 9:00 a.m. in downtown Lenoir. Events will also be held Thursday through Sunday in downtown Lenoir.

B. ITEMS FOR COUNCIL ACTION

**ORDER OF ABATEMENT;
337 ARLINGTON CIRCLE:**

1. City Staff recommends adoption of the submitted Order of Abatement Ordinance directing Staff to proceed with the demolition and removal of the structure located at 337 Arlington Circle, NCPIN#284-0818-422, and parcel ID#09-25-1-28. The property is listed at No. 6 on the Minimum Housing List. This item was continued from the June 5 meeting in order to allow Staff to post notice of the proposed demolition on the property.

A copy of the Order of Abatement and notification of posting is hereby incorporated into these minutes by reference. (Refer to pages 181-183).

Upon a motion by Councilmember Beal, Council voted 6 to 0 to adopt the Order of Abatement directing Staff to demolish the structure for property located at 337 Arlington Circle as recommended by City Staff.

**AUTHORIZING RESOLUTION; NEW BIOSOLIDS
HANDLING FACILITY:**

2. City Staff recommends approval of a resolution to authorize the acceptance of state loan/grant assistance for the design and construction of a new Biosolids Handling Facility at the Lower Creek Wastewater Treatment Plant. City Council adopted an authorizing resolution in February 2018, but due to a change in funding source, the City is required to resubmit revised Offer and Acceptance documents to reflect the new compliance requirements related to the Connect NC Bonds being used for this project.

A copy of the authorizing resolution is hereby incorporated into these minutes by reference. (Refer to pages 184).

Councilmember Rohr expressed his philosophical opposition to grant funding by stating state government and taxpayers subsidize these types of programs.

Upon a motion by Mayor Pro-Tem Willis, Council voted 5 to 1 to adopt the authorizing resolution for the design and construction of a new Biosolids Handling Facility as described above and as recommended by City Staff. Councilmember Rohr voted against this motion.

VII. REPORT AND RECOMMENDATIONS OF THE CITY ATTORNEY

VIII. REPORT AND RECOMMENDATIONS OF THE MAYOR

IX. REPORT AND RECOMMENDATIONS OF COUNCILMEMBERS

X. ADJOURNMENT

- A. There being no further business, the meeting was adjourned at 6:19 p.m.

Shirley M. Cannon, City Clerk

Joseph L. Gibbons, Mayor

2017-2018 Fiscal Year

178

Budget Amendment Ordinance 2018-01 June 19th, 2018

Request for amendment to be made to the annual budget ordinance for the fiscal year ending June 30, 2018 as follows:

Section 1. To amend the General Fund - the appropriations are to be changed as follows:

Item 1: Allocate funding for Economic Development Grants received for building reuse. Funds were received in this fiscal year.

ACCOUNT	TYPE	AMOUNT OF INCREASE
Rural Center Grant	Revenue	69,760.03
Legislative	Expenditure	69,760.03
FUNDING FOR THE FOLLOWING BUILDING REUSE GRANTS:		
White Tire		32,500.00
Exela Pharma Sciences		37,260.03
		69,760.03

2017-2018 Fiscal Year Budget Amendment Ordinance 2018-02 Tuesday, June 19, 2018

Request for amendments to be made to the annual budget ordinance for the fiscal year ending June 30, 2018 as follows:

Item 1: Adjustments to the General Fund with a zero net effect.

Department	AMOUNT
LEGISLATIVE	106,000.00
ADMINISTRATIVE	8,000.00
FINANCE	14,000.00
PLANNING & STORMWATER	(98,500.00)
POLICE	(108,000.00)
FIRE	(190,768.00)
RECREATION	(28,501.00)
PUBLIC WORKS ADMIN	55,000.00
CEMETERIES	41,000.00
BUILDING MAINTENANCE	(35,000.00)
SANITATION	(40,000.00)
STREETS	264,769.00
VEHICLE SERVICES	12,000.00
NET GENERAL FUND IMPACT	-

Item 2: Adjustments to transfer funds to Main Street Fund.

TRANSFER FROM GENERAL FUND	12,000.00
MAIN STREET	12,000.00

North Main Street Beautification Project

BE IT ORDAINED by the City Council Members of the City of Lenoir, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1: The project authorized activities for the North Main Street Beautification Project to include the expenditure of general funds for design, construction, and project administration. The project is to be funded by local funds.

Section 2: The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

Section 3: The following amounts are appropriated for the project:

Construction	\$ 207,209
Project Planning, Administration & Engineering	\$ 8,666
Total Expenditures	\$ 215,875

Section 4: The following revenues are anticipated to be available to complete this project:

Local funding	\$ 215,875
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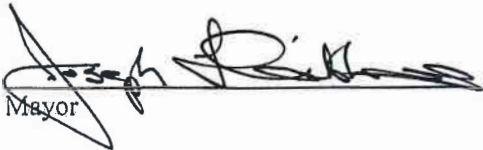
Section 5: The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the Project Ordinance.

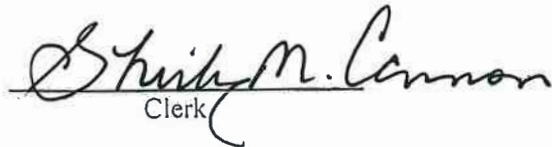
Section 6: The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 3.

Section 7: 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 8: Copies of this capital project ordinance shall be furnished to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this 19th day of June, 2018.


Mayor


Clerk

AN ORDINANCE DIRECTING THE MINIMUM HOUSING INSPECTOR TO REMOVE OR DEMOLISH THE PROPERTY HEREIN DESCRIBED AS UNFIT FOR HUMAN HABITATION AND DIRECTING THAT A NOTICE BE PLACED THEREON THAT THE SAME MAY NOT BE OCCUPIED.

WHEREAS, the City Council of the City of Lenoir finds that the dwelling described herein is unfit for human habitation under the City Housing Standards, and that all of the procedures of the Minimum Housing Standards have been complied with; and

WHEREAS, this dwelling should be removed or demolished, as directed by the Minimum Housing Inspector, and should be placard thereon the notice prohibiting use for human habitation; and

WHEREAS, the owner of this dwelling, **Robert Lee Ferguson, C/O Courtney Ferguson**, has been given a reasonable opportunity to bring the dwelling into compliance with the Minimum Housing Standards accordance with G.S. 160A-443 (5) pursuant to an order issued by the Minimum Housing Inspector on October 11, 2017 and the owner has failed to comply with the order;

NOW THEREFORE BE IT ORDAINED BY the City Council of the City of Lenoir that:

Section 1. The Minimum Housing Inspector is hereby authorized and directed to place a placard containing the following:

"This building is unfit for human habitation; the use or occupation of this building for human habitation is prohibited and unlawful."

on the building located at the following address: **337 Arlington Cir.**
Lenoir, North Carolina.
Parcel-ID 09 25 1 28
NCPIN 2840818422

Section 2. The Minimum Housing Inspector is hereby authorized and directed to proceed to remove or demolish the described above dwelling in accordance with this Order, and in accordance with the City of Lenoir Minimum Housing Code, and NCGS Chapter 160A, Article 19, Part 6.

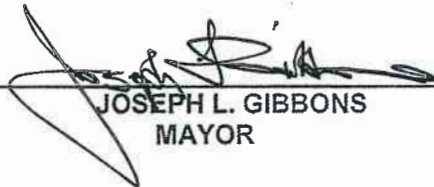
Section 3. The cost of demolition and improvement of the lot shall be a tax lien on the real property as provided by G.S. 160A-443 (6).

Section 4. It shall be unlawful for any person to remove or cause to be removed the placard from any building to which it is affixed. It shall be likewise unlawful for any person to occupy or to permit the occupancy of any building therein declared to be unfit for human habitation.

Tuesday, June 19, 2018

Section 5. A copy of this ordinance shall be recorded in the Register of Deeds of Caldwell County, North Carolina, and indexed in the name of the property owner or owners in the grantor index. 182

Adopted this the 19th day of June, 2018.



JOSEPH L. GIBBONS
MAYOR

ATTEST:



SHIRLEY M. CANNON
CITY CLERK

APPROVED AS TO FORM:



EDWARD H. BLAIR, JR
CITY ATTORNEY

CITY OF LENOIR, NC
CHARTERED
JANUARY 28, 1851

SEAL



CITY MANAGER
SCOTT E. HILDEBRAN

CITY OF LENOIR
NORTH CAROLINA

CITY CLERK
JOSEPH L. GIBBONS

CITY COUNCIL
K. P. EDWARDS
T. H. PEROUX
J. L. PERKINS
T. J. ROHR
D. E. STEVENS
C. D. THOMAS
D. H. VALLIS

June 6, 2018

To whom it may concern:

This dwelling is in violation of the City of Lenoir Minimum Housing Standards and has been classified as dilapidated. The property owners have failed to abate the violations as specified in the order to abate notice. The City will be submitting an ordinance to City Council, as described below for the demolition of the dwelling located at 337 Arlington Cir. The City Council will consider this ordinance for adoption at the June 19, 2018 City Council Meeting, held in the County Chambers at 905 West Ave in Lenoir. Upon adoption of the ordinance the dwelling will be demolished and removed from the site. All expenses acquired during this abatement process will be placed as a lien against the property.

Upon failure of the owner of the dilapidated dwelling to comply with an order of the inspector within the time specified therein, the inspector may submit to the City Council an ordinance ordering the inspector to cause such dwelling to be removed or demolished, as provided in the original order of the inspector. The amount of the cost of vacating and closing, or removal or demolition caused to be made or done by the inspector shall be a lien against the real property upon which such cost was incurred. Such lien shall be filed, have the same priority, and be enforced and the costs collected as the lien for special assessment.

Sincerely,

Zach Clark
Zoning and Housing Inspector
City of Lenoir Planning Department
(828) 757-2212

**COMMITTEE OF THE WHOLE
CITY HALL, THIRD FLOOR
TUESDAY, JUNE 26, 2018
8:30 A.M.**

PRESENT: Mayor Pro-Tem Willis presiding. Committee members Beal, Gibbons, Perkins, Perdue, Rohr, and Stevens.

City Manager Hildebran, City Clerk Cannon, Public Information Officer Harris, Police Chief Brown, Fire Chief Hair, Main Street Coordinator Case, Finance Director Bean, Recreation Director Story, Planning Director Wheelock, Public Utilities Director Thomas, Public Works Director Wright, Police Captain Phelps and Bryce Carter, Summer Intern.

ABSENT: Councilmember Thomas and Economic Development Director Horn.

OTHERS: Virginia Annable, *News-Topic*.

I. CALL TO ORDER

A. Mayor Pro-Tem Willis welcomed everyone and called the meeting to order.

II. CITIZEN COMMENT PERIOD

III. COMMITTEE ITEMS

A. Public Utilities/Public Works

1. Public Utilities Director Radford Thomas along with City Council recognized Robert Gilbert, Superintendent, Water Treatment Plant, upon his upcoming retirement from the City of Lenoir following 30+ years of dedicated service to the citizens. Director Thomas commended Mr. Gilbert for his cost saving measures and stated he keeps the plant and operations working well. On behalf of City Council, Mayor Gibbons thanked him for his service.

Mr. Gilbert thanked City Council for the recognition.

2. A meeting is scheduled on Thursday, June 28 with Meter Sys officials to determine the types of meters that will be purchased by the City for this replacement project.
3. Asset Inventory Assessment Grant (AIA) Project is ongoing.
4. The 3rd filter will be online at the Water Treatment Plant this week. A field trip to view the water treatment plant projects is tentatively scheduled for Tuesday, August 28 for City Councilmembers.
5. A Brownfields Committee meeting is scheduled today to further discuss this project.
6. Bryce Carter, Summer Intern, is currently developing a Brownfields website.

B. Public Works Director Jared Wright reported on the following items:

1. Director Wright reported Ramey and Kemp, who presented a recent study regarding two-way traffic in downtown Lenoir, may need additional input from Council and Staff before they can submit a revised study that addresses the turning issue in front of Fire Station No. 1 and changing to one-way traffic on Boundary Street.
2. The paving scheduled for FY2017-2018 is complete with 5,500 tons of asphalt being used for this project. Director Wright shared he will receive bids for the City's annual paving contract next week and will present a recommendation to City Council at an August Council meeting.
3. A public meeting will be held on Wednesday, July 25 from 4:00 p.m. – 6:00 p.m. at the Caldwell County Library to receive input regarding acquiring the right-of-ways for the Hospital Avenue Sidewalk project.
4. Public Utilities Director Thomas and Public Works Director Wright met with Paula Clark, Large Business Account Executive, Duke Energy, to review rates for municipalities regarding replacing current street lighting with LED lights. It was noted the cost for this project is \$6,400 which equals to \$40 per light. He stated Staff checks for outages on a quarterly basis and pointed out this would not be a cost savings project.

IV. COMMUNITY DEVELOPMENT

- A. Lenoir Tourism Development Authority: The Lenoir Tourism Development Authority (LTDA) met on Thursday, June 14. Kyle Case, Main Street Coordinator, reported the Board has reviewed several grant applications and mentioned the annual Blackberry Festival will be held on Saturday, July 14.

In addition, Mr. Case reported that Liz Parham, NC Main Street Director, recently visited Lenoir and toured several downtown sites. He remarked Ms. Parham was impressed with what has been accomplished in the downtown area.

- B. Lenoir Business Advisory Board: The Lenoir Business Advisory Board (LBAB) did not meet in June.
- C. Planning Board: The Planning Board cancelled its meeting of Monday, June 25 due to inclement weather. Planning Director Jenny Wheelock presented the following two items for Council's consideration:

1) Sidewalk Café Permit-reported the annual Sidewalk Café Permit for Pour House is due to be renewed and asked for Council's consideration of approval. Councilmember Perdue led a brief discussion regarding allowing Staff the authority to renew these types of permits. Director Wheelock reported guidelines for these permits are included in the City's Code of Ordinances, but indicated she could submit a proposal to amend that requirement for Council's consideration.

City Manager Hildebran explained the sidewalk café is located on leased city-owned property and that is the reason for the annual permit. He advised he would consult with City Attorney Ed Blair to see if there could be an abbreviated process.

Motion

Upon a motion by Councilmember Perdue, Council voted 6 to 0 to continuing approval of Pour House Sidewalk Café permit.

2) Update; Rails to Trails-Director Wheelock referred to the successful rail banking of the Rails to Trails project and reported they were currently working with Western Piedmont Council of Governments to obtain the necessary environmental permits for this project. She shared that Caldwell County Pathways does not have funding to build out the trail. It was noted the City will need a formal arrangement with Pathways for future use of the trail. City Manager Hildebran pointed out the City needs more control if Council chooses to fund this project.

The Caldwell County Railroad Commission will consider this issue at their June 27 meeting. This item may be placed on the City Council meeting agenda for August for consideration of approval by Council.

- D. Parks & Recreation Advisory Board: The Parks & Recreation Advisory Board did not meet in June. The next meeting will be held on Monday, August 20 at Optimist Park Clubhouse. Kenny Story, Recreation Director, presented the following report.

- 1) Update; J. E. Broyhill Park Improvements Projects – restrooms are complete with the exception of power being turned on. The asphalt has been poured for the new basketball court and new goals will be installed. A 12-foot high fence that has a walk in gate will be installed around the court. The parking lot will also be paved and sidewalk repairs will complete this project.
- 2) The Firecracker 10-K Race & Fun Run is scheduled for Saturday, June 30. The annual Fourth of July celebration will be held on Wednesday, July 4 from 5:00 p.m. – 10:00 p.m. A brief discussion was held regarding handling traffic for the fireworks display especially from the former Lenoir Mall. It was noted the public will be informed of the traffic flow pattern from the mall site prior to the event.
- 3) The Summer Music Festival will be held on Saturday, June 30 from 6:00 p.m. – 11:00 p.m. at the Martin Luther King, Jr. Center.
- 4) The annual Harambee Festival begins on Saturday, August 4 through Friday, August 10 at the Martin Luther King, Jr. Facility.
- 5) Additional cameras will be installed at all of the recreation facilities in order to better monitor the City's parks. Funding for this project will be provided by the Police Department and Parks & Recreation.

- E. Financial Summary; May 2018: Finance Director Bean reviewed the Financial Summary for May 31, 2018. The over/under balance in the General Funds is \$2,198,024.31, Downtown District (\$154,160.02), and Water & Sewer Fund \$1,729,765.33. Director Bean reported that 104% of the budgeted revenue and 87.86% of tax collection has been collected to date. In addition, she mentioned the Water Fund met their goal for revenue for FY2017-2018 and tax collection is up by 3.6%.

A copy of the May financial summary is attached to these minutes as information.

- F. Purchasing Policy: Finance Director Bean reviewed the draft Purchasing Policy for City Council and noted it was modeled after the School of Government's policy.

A copy of the purchasing policy is attached to these minutes as information.

Director Bean reported the policy has been reviewed by the Department Directors and everyone's goal is to utilize City resources in the most effective manner. The City's current policy has not been revised since 1991. City Manager Hildebran expressed approval of the proposed purchasing policy by stating it was a sound policy.

Councilmember Perdue questioned the section regarding vendor selection by pointing out the lowest bidder may not always be the best choice.

Director Bean explained the policy addresses this issue.

Motion

Upon a motion by Councilmember Beal, Council voted 6 to 0 to approve the proposed Purchasing Policy for the City of Lenoir as presented by Finance Director Bean. This policy will become effective on July 1, 2018.

- G. FY2018-03 Budget Amendment: Staff recommends approval of the FY2018-03 Budget Amendments to appropriate \$107,105 from the General Fund for the Hospital Avenue Sidewalk Project and \$137,337 from the Enterprise Fund to Capital Projects for the following projects: \$20,000, Bernhardt Water Treatment Plant; \$95,337 for the Steel Street/College Avenue Sewer (ARC); and \$22,000 for the Asset Inventory Project.

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

Director Bean stated funds were included in the FY2017-2018 budget to pay for these expenses, but explained the auditor has recommended allocating the money from the City's Fund Balance and then replacing it for accounting purposes.

Motion

Upon a motion by Councilmember Stevens, Council voted 6 to 0 to approve the FY2018-03 Budget Amendment to appropriate funding as described above and as recommended by Finance Director Bean.

- H. Update: Public Communications: Joshua Harris, Public Information Officer, reviewed the highlights of the Communications Report as of May 2018. Activity included 215 social posts, 110 photos, 13 news releases and 12 videos. In addition, he stated there are 980 new followers and the website has experienced 31,673 views. Mr. Harris stated that Parks & Recreation remains the most viewed City website. In addition, he mentioned the employee portal will be online in the near future.

- I. Meeting Cancellation: City Staff recommended that Council consider cancelling the July 17 City Council meeting due to no agenda items.

Motion

Upon a motion by Councilmember Perkins, Council voted unanimously to cancel the City Council Meeting of Tuesday, July 17. The next meeting is scheduled for Tuesday, August 7 at 6:00 p.m. at the City Council Chambers.

- J. Informational Items: City Manager Hildebran reminded Council the City has changed insurance providers and reported the employee informational meetings went well.

Mr. Hildebran also reported the City has received from the North Carolina Clean Water Management Trust Fund the City's net grant amount of \$657,675 after expenses.

VI. PUBLIC SAFETY

- A. Police Department: Police Chief Scott Brown updated City Council on the following items:

- 1) Reported the Department hired two new officers.
- 2) Reported Staff approved the draft policy for the Department's new drone, but elected not to change the designee from Chief or the reporting requirements as suggested by Council at the May Committee of the Whole meeting. He pointed out the drone will only be utilized when public safety and/or officer safety is necessary and their standard policy is to notify the public in advance whenever feasible when the drone will be flown. This step will be accomplished via the City's website.

It was the consensus of City Council that this was a good departmental policy.

In addition, Chief Brown reported two officers have completed FAA training in order to become certified to fly the drone. He noted the drone will be a good tool for the Department and reiterated officers may use it for a public safety purpose.

Councilmember Perdue suggested naming the drone Rohr 1, "Rapid Overhead Response Unit". Chief Brown and City Council were in consensus with this request.

- 3) On behalf of City Council, Mayor Gibbons commended Chief Brown upon his upcoming retirement effective August 1, 2018. He stated it was a pleasure working with him and thanked him for all he has done for the community and its citizens. A retirement celebration for Chief Brown is scheduled for Wednesday, July 19 from 4-6:00 p.m. at the J. E. Broyhill Civic Center.

- A. Fire Department: Fire Chief Ken Hair reported on the following items:

- 1) The Department responded to twenty-six calls during the heavy rain storm on Monday.
- 2) A ceremony will be held on Tuesday, July 17 at Fire Station No. 1 to recognize the individuals who have been recently promoted to Battalion Chief, Captain or Lieutenant within the Department.
- 3) The Fire Service has asked the County Fire Departments to work with the City regarding initializing teams to delegate one person to be responsible for calling for assistance when needed during an emergency. Chief Hair clarified the City would be receiving help in lieu of giving it and stated the City would not incur any cost for this service.
- 4) Chief Hair reported the Department now is piggybacking with other Fire Departments to purchase “fire shelters” at a cost of \$385 each. He explained these fire retardant shelters are like tents that can be placed over firefighters in the event they become trapped during a fire.
- 5) Chief Hair commended the Customer Service Team for distributing bottled water to outside City workers during the summer season.
- 6) Chief Hair stated Jesse Plaster, Architect, informed him he is working with local construction companies regarding future bids for Fire Station No. 3.

V. OTHER

- A. July Calendar: By consensus of the Council, the calendar for the month of July was approved by Council listing various meetings and events.

VI. Adjourn:

There being no further business, the meeting was adjourned at 9:52 a.m.

Attachments

Financial Summary, May 2018

Budget Amendments

Purchasing Policy

Drone Policy

2017-2018 Fiscal Year
Budget Amendment Ordinance 2018-03
Friday, June 22, 2018

Request for amendments to be made to the annual budget ordinance for the fiscal year ending June 30, 2018 as follows:

General Fund - Transfer to Capital Projects - Appropriated Fund Balance

Project	Amount
North Main	215,873.23
Hospital Avenue	200,000.00
Total	415,873.23

Enterprise Fund - Transfer to Capital Projects - Appropriated Fund Balance

Project	Amount
Bernhardt Water Treatment Plant	20,000.00
Steel/College Ave. Sewer (ARC)	95,337.00
Asset Inventory Project	22,000.00
Total	137,337.00



**City of Lenoir
Financial Summary
As of May 31, 2018**



General Fund					
	2017-2018 Budget	5/31/2018	% of Budget	Change from Previous Year	5/31/2017
Total Revenue	\$ 16,605,509.00	\$ 17,079,644.07	103%	\$ (110,394.46)	\$ 17,190,038.53
Expenditures	\$ 16,605,509.00	\$ 14,881,619.76	90%	\$ 485,309.42	\$ 14,396,310.34
Over/Under	\$ -	\$ 2,198,024.31		\$ (595,703.88)	\$ 2,793,728.19

Downtown District					
	2017-2018 Budget	5/31/2018	% of Budget	Change from Previous Year	5/31/2017
Revenues	\$ 183,827.00	\$ 25,002.37	14%	\$ (17,678.36)	\$ 42,680.73
Expenditures	\$ 183,827.00	\$ 179,162.39	97%	\$ 19,370.46	\$ 159,791.93
Over/Under	\$ -	\$ (154,160.02)		\$ (37,048.82)	\$ (117,111.20)

Water/Sewer Fund					
	2017-2018 Budget	5/31/2018	% of Budget	Change from Previous Year	5/31/2017
Revenues	\$ 8,239,307.00	\$ 8,210,763.62	100%	\$ 345,223.28	\$ 7,865,540.34
Expenditures	\$ 8,239,307.00	\$ 6,480,998.29	79%	\$ (472,632.08)	\$ 6,953,630.37
Over/Under	\$ -	\$ 1,729,765.33		\$ 817,855.36	\$ 911,909.97

Tax Collections					
	2017-2018 Budget	Collections As Of 5/31/2018	Percentage of Change	Change from Previous Year	Collections As Of 5/31/2017
Ad Valorem Tax Collection - % of Budget		104%			104%
Sales Tax (with adjustment for HB97)		\$ 3,159,630.56	3.68%	\$ 112,143.26	\$ 3,047,487.30
Sales Tax (without adjustment for HB97)		\$ 2,970,738.83	3.52%	\$ 100,942.38	\$ 2,869,796.45
Sales Tax adjustment for HB97					
	2017-2018 Budget	Collections As Of 5/31/2018***	Percentage Collected YTD		
Sales Tax adjustment for HB97	\$ 215,000.00	\$ 188,891.73	87.86%		

***10 months collections

PURCHASING POLICY

DRAFT



Revised June 19, 2018

**City of Lenoir, North Carolina
Purchasing Policy Manual**

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GLOSSARY

Bid: a multi-step process required of the City by North Carolina General Statutes. Quotes from three separate vendors are required during any bid process unless the good or service to be supplied is produced by only one vendor.

Informal Bid: A bid on items \$30,000.00 to \$90,000.00. Request for quotes are not required to be advertised to the public. Purchases in this category do not need to be approved by City Council.

Formal Bid: A bid on items \$90,000.00 and above or on services \$500,000.00 and above. Public advertisement of the request for quote and bid process must be made, bids must be opened in public forum, and City Council must approve the winning bid.

Quote: a price provided by a vendor on a provided good or service.

Informal Quote: a quote received via verbal communication, email, website, catalog, or fax.

Formal Quote: A price quote received via U.S. Mail, email, fax, or hand delivery.

Requisition: input into the financial system by a department to request the generation of a purchase order by the Finance Department prior to a purchase.

Purchase Order (PO): authorization for the purchase of goods sent by the Finance Department to a vendor prior to the purchase.

Request for Written Quotation (RFQ): A request sent to a vendor for a written quote on a certain good or service.

Encumbering: to commit a given amount of money to the payment of an order.

Purchasing/ Procurement: interchangeable, how the City obtains needed goods and services.

Department Head: The individual authorized to make purchasing decisions on behalf of his/ her department.

Vendor: provider of a good or service.

I. FORWARD

This purchasing policy is intended for use as a guide to the City of Lenoir's purchasing methods and practice. When used properly, the policies and procedures established herein will enable the City to obtain needed goods and services efficiently and economically. The goal of this policy is to give structure to the City of Lenoir's procurement methods and to set guidelines for City departments.

The City of Lenoir engages in a number of varied activities while providing municipal services for its residents. A great variety of equipment, supplies and services must be purchased for the departments and divisions performing these services. These purchases are processed through the Purchasing Agent who is a member of the Finance Department. In accordance with the City of Lenoir's moral and legal obligations, every effort should be put forth to assure that minority and small business enterprises are given equal business opportunity to participate in all phases of its operation.

The understanding and cooperation of all employees is essential in order for the City to maximize the value of each taxpayer dollar spent. While this manual does not answer all procurement related questions, it provides a sound foundation for City procurement methods.

The goals of the City's purchasing program are as follows:

1. To comply with legal and ethical requirements of public purchasing and procurement.
2. To assure vendors that impartial and equal treatment is afforded to all who conduct business with the City.
3. To receive maximum value for money spent by awarding purchase orders to the lowest responsible, responsive bidder, taking into consideration quality, performance, support, delivery schedule, previous performance, business location, and other relevant factors.
4. To provide City departments the required goods and services in a timely manner in the proper quantity and quality while providing necessary information to the City Finance Department.
5. To professionally administer the search for sources of supplies, the development of new sources, the selection of suppliers, negotiations, commitments, follow-ups, and adjustments.
6. To promote healthy business relationships through informed and fair purchasing practice and maintenance of ethical standards.
7. To maximize the standardization of products used by all departments in order to minimize stock levels and obtain better prices for necessary goods and services.

If the procedures and guidelines established in this manual are followed, each department will be capable of managing, controlling, and planning available resources to meet present and future needs in order to help the City meet set goals. Any questions or concerns about this manual or the established procedures should be directed to the Finance Department.

This manual is effective immediately following City Council adoption and supersedes all previous purchasing or procurement instructions or directives.

II. GENERAL GUIDELINES

2.1 Local Buying

It is the desire of the City of Lenoir to contract with vendors within the City whenever possible. The City has a responsibility to its citizens and local businesses; however, the City must ensure taxpayer money is spent with prudence. The City **does not** make purchasing decisions based exclusively on the location of the vendor; however, every effort will be made to encourage qualified local vendors and suppliers to compete for City business.

2.2 Planning

It is imperative that all City departments take time to properly plan purchases. Purchasing plans should be made for goods and services to be purchased in both the near and distant future; thereby minimizing small orders and last minute purchases. Planning is of highest importance to the City because proper planning reduces unnecessary clerical and supervisory time costs associated with the procurement process.

2.3 Buying Proper Quality

Quality and service are as important as price when considering goods for purchase; it is the duty of the requesting department to secure the most cost-effective good or service that will meet but not exceed the requirements for which the goods or services are intended. In some instances the lowest price does not necessarily mean the lowest cost. A higher price, higher quality product may save the City from excess expenses in the future. The requesting department should take this into consideration when making a purchase.

2.4 Authorization – For Purchases Not Governed by Uniform Guidance

Department Heads have been delegated the authority to approve purchases made under \$2,500.00. Department Heads should only authorize purchases for necessary goods when proper documentation is provided and funds are available to make the purchase. The Department Head or his designee must authorize each invoice with signature and date before forwarding to Finance for payment. This authorization verifies that the goods and or services have been received, the budgeted funds are available and the invoice has been coded to the proper account number.

NOTE: All purchases, regardless of the amount, for the following items must have the approval of the appropriate division head to insure that the item is appropriate for the intended purpose.

Items	Approval Required
Equipment	Vehicle Services Director
Facility Related Items/Improvements	Building Maintenance Director
Technology	IT Director

All purchases of supplies, equipment, and contractual services, except professional services, where the cost exceeds \$29,999.00 are purchased on the basis of formal, competitive, sealed bids (see chart). Construction or repair work requiring the estimated expenditure of \$50,000.00 or more also requires the use of the formal, sealed bid procedure.

Purchases of \$20,000.00 or less are made on an informal bid basis. Whenever possible, these purchases are based on a minimum of three informal quotations. Quotations may be solicited by mail, telephone or personal visits by salesmen or vendor representatives.

In case of emergency, and with the consent of the Purchasing Agent, department heads may purchase necessary supplies, materials or equipment without an informal bid. This may be done only when it is essential that such purchases be made in order to safeguard City property or to provide services which virtually affect the life, health or convenience of the citizens of Lenoir. The reason for the emergency purchase and along with the proper approvals should be noted on the invoice.

PURCHASING FLOW CHART

How much is the Purchase?				
Below \$2,500.00	\$2,500.00 and above			
Up to \$2,499.00	\$2,500.00- \$4,999.99	\$5,000.00- \$29,999.99	\$30,000.00-\$89,999.99	\$90,000.00 and above/\$500,000 and above for construction and repairs
Compare costs	Departments obtain Informal quotes – Minimum of 3 (yearly on routine items)	Departments obtain formal quotes – Minimum of 3 (yearly on routine items)	Informal Bid Process	Formal Bid Process
Check budget	Department will process requisition using the lowest cost, most suitable vendor	Department will process requisition using the lowest cost, most suitable vendor	Departments obtains Informal quotes – Minimum of 3 written bids	Issue request for quote (RFQ)
Make purchase	Finance Department issues purchase order to Vendor upon approval	Finance Department issues purchase order to Vendor upon approval	Department will process requisition using the lowest cost, most suitable vendor	Public advertisement
	Department makes purchase	Department makes purchase	Finance Department issues purchase order to Vendor upon approval	Formal bid opening
			Department makes purchase	Council approval
				Department will process requisition using the approved bidder
				Finance Department issues purchase order to Vendor upon approval
				Department makes purchase

3.1 Purchases less than \$2,500.00

Purchases less than \$2,500.00 do not require a Requisition or a Purchase Order (PO) and may be made upon the approval of the department head. In order to meet the pre-audit requirements of GS. 159-28 each department shall be appointed a deputy finance director for purchases less than \$2,500. These purchases may be made by utilizing a check requests, credit card transaction, or vendor accounts. Every purchase should follow a cost comparison to ensure a competitive price and quality for each good and service purchased. Issues that may override the price comparison process may include delivery time and material specifications. Overrides should be documented.

ALL PURCHASES \$2,500.00 AND ABOVE REQUIRE A REQUISITION AND PURCHASE ORDER (PO).

3.2 Purchases between \$2,500.00 and \$4,999.99

Purchases in this price range may be obtained by the requesting department(s) through an informal quote process. It is encouraged that every attempt is made to acquire at least three (3) quotes. The informal quotes may be received through verbal communications, email, or fax. Verbal quotes must be noted in typed or hand written form documenting price, date quoted, name of vendor, and name of the individual representative of the vendor. Quotes are to be scanned and submitted with the purchase requisition prior to purchase; after the purchase order is issued and approved, a purchase may be made. For routine monthly purchases, a minimum of three(3) quotes should be obtained yearly.

3.3 Purchases between \$5,000.00 and \$29,999.99

Purchases in this price range are obtained through the formal quote process. In the formal quote process, the requesting department is required to receive at least three (3) quotes via U.S. Mail, email, fax, or hand delivery. The required three written quotes are to be scanned and submitted with/ attached to the purchase requisition prior to purchase; after the purchase order is issued and approved, a purchase may be made.

3.4 Purchases between \$30,000.00 and \$89,999.99

Purchases in this range must be obtained through informal bids. Departments are responsible for sending a request for quote (RFQ) and will allow vendors sufficient time to respond to the request based on the complexity of the request. RFQs in the informal bid range may or may not be advertised to the public. A minimum of three (3) vendors will receive the RFQ. Quotes in the informal bid range may be submitted through U.S. Mail, email, fax, or hand delivery. No verbal quotes are acceptable in the informal bid price range. Purchases in the informal bid range do not require City Council approval. In this range, a no bid may be accepted as a bid. In accordance with N.C.G.S. § 143- 131, a Request for Written Quotation will be used for purchases of \$30,000 to formal limits (3.2a) with or without advertising. The required three written informal bids are to be scanned and submitted with/ attached to the purchase requisition prior to purchase; after the purchase order is issued and approved, a purchase may be made.

3.5 Purchases \$90,000.00 and above/Services \$500,000.00 and above

Purchases in this range must be obtained through formal bids. Departments are responsible for sending a request for quote (RFQ) and will allow vendors sufficient time to respond to the request based on the complexity of the request. Every effort will be made to obtain at least three (3) bids. A newspaper advertisement must run at least seven (7) days prior to the bid opening. Written bids in this range must be submitted in a sealed envelope and must be opened at a public bid opening. Purchases in the formal range require City Council approval. In accordance with N.C.G.S. § 143-129, invitation for formal bids will be used for purchases of \$90,000 and greater (\$500,000 and greater for construction and repairs). This will include advertising in the local newspaper and/ or other advertising media as deemed appropriate and receiving sealed bids. The supporting documentation and all bids received are to be scanned and submitted with/ attached to the purchase requisition prior to purchase; after the purchase order is issued and approved, a purchase may be made.

3.6 Purchases funded by Federal grant or loan funds

Contracts funded with federal grant or loan funds must be procured in a manner that conforms with all applicable Federal laws, policies, and standards, including those under the Uniform Guidance (2 C.F.R. Part 200).

III. VENDOR SELECTION

4.1 Selection Policy

Vendors will be selected on a competitive basis. Formal bids and informal bids will be solicited by the requesting department. Bid awards, purchase orders and/ or contracts will be issued to the lowest, responsive, responsible bidder. The City of Lenoir will not use vendors who have been debarred by Federal, State, or Local governments.

4.2 Gifts and Gratuities

City employees are prohibited from soliciting or accepting any rebate, money, costly entertainment, gift, or gratuity (with the exception of mementos and novelties of nominal value) from any person, company, firm or corporation to which any purchase order or contract is, or might be awarded.

A. Conflicts of Interest: In addition to the prohibition against self-benefiting from a public contract under G.S. 14-234, no officer, employee, or agent of the City of Lenoir may participate directly or indirectly in the selection, award, or administration of a contract supported by a local, state or federal award if he or she has a real or apparent conflict of interest. A real or apparent conflict exists when any of the following parties has a financial or other interest in or receives a tangible personal benefit from a firm considered for award of a contract:

1. the employee, officer, or agent involved in the selection, award, or administration of a contract;
2. any member of his or her immediate family;
3. his or her partner; or

Tuesday, June 4, 2014 2:08pm organization which employs or is about to employ any of these parties.

Any officer, employee, or agent with an actual, apparent, or potential conflict of interest as defined in this policy shall report the conflict to his or her immediate supervisor. Where applicable, any such conflict shall be disclosed in writing to the award agency or pass-through entity in accordance with applicable local state and federal awarding agency policy.

B. Gifts In addition to the prohibition against accepting gifts and favors from vendors and contractors under G.S. 133-32, officers, employees, and agents of the City of Lenoir are prohibited from accepting or soliciting gifts, gratuities, favors, or anything of monetary value from contractors, suppliers, or parties to subcontracts other than items of nominal value which fall into one of the following categories may be accepted:

1. promotional items;
2. honorariums for participation in meetings; or
3. meals furnished at banquets.

Any officer, employee or agent who knowingly accepts an item of nominal value allowed under this policy shall report the item to his or her immediate supervisor.

C. Violation: The City will not tolerate circumstances that produce, or reasonably appear to produce, conflicts between the personal interests of an employee and the interests of the City. The City may also take disciplinary action against a City employee who solicits or accepts gifts or gratuities. Employees violating this policy will be subject to discipline up to and including termination. Accordingly, the City may terminate, at no charge to the City, any purchase order contract if it is found that gifts or gratuities were offered to a City employee. Contractors violating this policy may not be eligible for future contract awards.

IV. SPECIAL PROCUREMENT PROCEDURES

5.1 Blanket Purchase Order

Blanket purchase orders will be issued to selected vendors for the procurement of certain items after competitive pricing has been completed and if budgeted funds are available. Blanket purchase orders are intended to expedite the procurement of frequently needed and repetitious supplies. Blanket purchase orders should be made for goods and services when the amount of clerical or administrative work otherwise involved is impractical. Examples of items procured through a blanket purchase order include: janitorial services, maintenance service contracts, chemicals, temporary personnel services, automotive parts, and others. Blanket purchase orders will encumber the requesting department's funds for any amounts remaining on the purchase order.

Requisition for blanket purchase orders must include all required information along with the following additional information:

1. Time period the purchase order is valid (Maximum of one year – new bids should be

(Items obtained yearly.)

2. Items covered by the blanket purchase order
3. The Not to Exceed (NTE) amount
4. A listing of all personnel approved to purchase from the blanket purchase order

All vendor delivery tickets must be signed by an authorized City employee indicating receipt of the goods and/ or services. All delivery tickets from blanket purchase orders must be scanned and forwarded to Accounts Payable as supporting documentation for invoice processing.

5.2 Emergency Purchases

In cases of emergencies, the Department Head or his/ her designee may purchase directly from any vendor the supplies or services whose immediate procurement is essential to prevent delays in work which may affect the life, health, safety, or convenience of City of Lenoir employees or citizens.

The user department shall exercise good judgment and use established vendors if possible when making emergency purchases. Always obtain the best possible price and limit purchases to those items emergency related. Not anticipating needs does not constitute an emergency situation. First, determine if a true emergency does exist. Second, anticipate needs and avoid emergency situations whenever possible. Emergency orders are always costly. Vendors usually charge top prices if supplies or services must be obtained on an emergency basis.

During working hours, follow standard purchasing procedure as usual as soon as time and the situation permits.

After working hours, the following procedure should be used for emergency purchases: verify funds are available and if needed complete a Request to Transfer Funds form and forward immediately to the Budget office. The packing slip or invoice received should be coded with the account(s) to be charged and signed, scan/ attach a brief explanation of the nature of the emergency and forward to Accounts Payable with the invoice. Emergency purchases, although sometimes necessary, are costly both in time and money. The use of emergency procedures should be limited and be monitored for abuse.

5.3 Sole Source of Supply

In the event there is only one vendor capable of providing a particular good or service, the competitive pricing procedures outlined in this manual may be waived by the Finance Director. Whenever a Department Head decides to purchase goods from a sole source, he/ she shall document on the requisition why only one company or individual is capable of providing the goods required. The provisions of N.C.G.S. § 143-129 will be followed requiring Council approval for sole source exception for all purchases made at or above statute levels.

5.4 Single Brand Convenience

The City recognizes in certain scenarios it is efficient to purchase items from a single provider rather than a variety of vendors. In such cases exceptions may be made to standard purchasing procedure; given proper documentation is provided. The purchaser should note reasons buying from a certain vendor will be more efficient in the long run and attach such documentation to

Example: One brand of printer City-wide would allow the same type of ink cartridge to be ordered and reduces time cost related to finding multiple brands. This also allows the City to buy ink cartridges in bulk from a single provider, further reducing cost.

5.5 State of North Carolina Purchase Contract

All Departments may use the State of North Carolina Department of Administration Purchase and Contract Division whenever possible for procurement of capital and non-capital items. It shall be the responsibility of Department Heads to familiarize themselves with this purchasing method and to check for needed goods and services which are available through this resource at a lower cost than many other vendors offer. This system expedites the purchase of goods, offers pricing compatible with quotes received from formal and informal bids, and satisfies North Carolina General Statutes. Examples of goods on State Contract are: law enforcement vehicles, office furniture, copiers, janitorial supplies, copier paper, light bulbs, etc. Contact the Purchasing Agent with questions regarding goods on State Contract. The following are resources for local government purchasing.

The State of North Carolina Interactive Purchasing System can be found on the web at www.ips.state.nc.us/ips/Default.aspx.

The North Carolina E-Procurement System can be found on the web at <http://eprocurement.nc.gov/>

The North Carolina Sheriff's Association can be found on the web at <https://ncsheriffs.org/procurement>

The North Carolina League of Municipalities preferred vendor list can be found on the web at <https://www.nclm.org/marketplace/preferred-partners>

The US Communities Government Purchasing Alliance can be found on the web at <http://www.uscommunities.org/>

The Houston-Galveston Area Council can be found on the web at <http://www.h-gac.com/coop/default.aspx>

5.6 Piggybacking

The department head may use the piggybacking process whenever necessary to purchase apparatus, supplies, materials, and equipment. Contracts in the informal range can be used as a tool to solicit additional bids, but no Council action is necessary. For purchases of \$90,000 and above, the provisions of N.C.G.S. § 143-129 will be followed.

5.7 Professional Services

Normal competitive procedures are difficult to use in securing professional services such as

attorneys, planners, and other professionals who, in keeping with the standards of their discipline, will not enter into a competitive bidding process. When an agreement between a professional service company and the City is established, a purchase order with the proposed amount shall be issued to satisfy accounting and statutory requirements. Purchases from professionals shall otherwise follow N.C.G.S. § 143-64.31 and 64.32.

5.8 Service Contracts

All service contracts, for which the contractor will perform work while on City property, must be accompanied by a standard contract form. The contract must follow all signature procedures and contain all necessary insurance and payment options. The completed and signed contract must be reviewed by the City Attorney, signed by the City Manager, pre-audited by the Finance Director, and be filed in the office of the City Clerk. The executed contract should be scanned and attached to the department requisition that is forwarded to the Finance Department. The City will not enter into contractual agreements that are subject to automatic renewal and will attempt to structure contracts to coincide with the fiscal year.

Contracts authorized by City Council through direct award or budget authorization may be executed by the City Manager. Subsequent orders changing the original contract, which do not exceed the approved cost of the contract, will be executed by the City Manager.

City Council must approve all contracts that meet any of the following criteria:

1. Contracts subject to statutory bid thresholds
2. Contracts with terms greater than one year
3. Contracts exceeding budgetary approval, which require a budget amendment
4. Contracts suggesting a significant policy change as determined by the City Manager.

5.9 Vendors with City Accounts

The City should have accounts with certain vendors where possible in order to expedite the purchasing process for frequently needed minor items. In the event the City has an account with a certain vendor, City employees should not use credit cards to obtain goods or services from the vendor. Proper purchasing procedures should be followed and only authorized purchases should be charged to City accounts.

V. DELIVERY AND PERFORMANCE

A completed and accepted purchase order by the parties concerned must produce the intended results or objectives before it can be considered a successful or completed purchase. The terms and conditions must clearly define the delivery and performance requirements of the services, supplies, or equipment.

The importance of the delivery schedule will be emphasized to the vendor. Delivery requirements will be clearly written and fully understood by all vendors. If several items are required by the purchase order, there may be a different delivery schedule for each item. It is necessary to clearly indicate the delivery location on the requisition.

6.1 Partial Deliveries

Some purchase orders may list several items. It is possible the vendor may complete timely delivery on some items, which is referred to as "partial delivery". Upon receipt of a partial delivery, photocopy the purchase order; attach a copy of the signed delivery receipt and forward to the Finance Department along with the vendor invoice indicating which lines of the purchase order are to be paid.

6.2 Non-Performance

If a vendor fails to meet any requirements(s) of the specifications or terms and conditions of the contract or purchase order, the vendor can be cited for non-performance. The seriousness of non-performance will be evaluated based upon the circumstances of each violation.

VI. INSPECTION AND TESTING

Life and safety as well as successful operation of expensive equipment and supplies may depend upon how well a purchased item meets design and performance specifications.

Goods and materials should be checked at the time of receipt for damage or defects. The inspection shall include assuring goods comply with the specifications. If damage is found or the goods fail to comply with the specifications, the item(s) shall be rejected as outlined below.

7.1 Rejection

In order to protect the City's rights in the event of rejection, for whatever reason, the vendor shall be informed immediately. Reasons for the rejection must be documented in memo form, attached to a copy of the purchase order and forwarded to the Finance Department in a timely manner.

7.2 Damaged Goods

One of the major reasons for immediately inspecting the goods or materials upon receipt is to detect any visible damage. It is necessary that all damage including evidence of concealed damage shall be documented by memo, attached to a copy of the purchase order, forwarded to the Finance Department, reported to the vendor as soon as possible, and informs the vendor of the damaged goods. When it is apparent that the extent of the damage causes the goods to be worthless, they will not be accepted.

7.3 Latent Defects

Latent defects may be the result of damage in transit or failure of the manufacturer to conform to specifications. Consequently, it is often difficult to fix responsibility for the defective material. If specific liability for the defect cannot be determined between the carrier, the vendor, or the manufacturer, the City may file a claim against all parties. A memo attached to a copy of the purchase order must be forwarded to the Finance Department.

VII. VENDOR RELATIONS

Good vendor relations are valuable business assets established through mutual confidence and satisfactory business communication between buyer and seller. An important contribution toward promoting and preserving these relations is a clear understanding of the method of contract between buyer and seller. Any conflicts which may arise should be reported to the Finance Department.

VIII. SALE OF CITY PROPERTY

The City Manager has been authorized by the Lenoir City Council to declare as surplus single asset or property or a group of items, to set its fair market value, and to convey title to the property and to advertise electronically the sale of any personal property. The City Manager shall sign the Sale of Property Authorization form prior to the sale or disposal of any City property. The Finance Department shall keep all approved forms, which will record a description of the property sold or exchanged, and the amount of money or other considerations received for each sale or exchange. All surplus items are to be listed on Govdeals in accordance with City of Lenoir Resolution No. 6-2007, N.C.G.S. § 160A-270 and N.C.G.S. § 160A-270(c) which should be referenced before the sale of any City property in order to ensure statutes and procedure are followed properly.

IX. FUEL CARDS

Fuel cards will be assigned to City owned vehicles and are required to be used to purchase fuel for City vehicles, or in some instances, to purchase fuel for other job-related equipment such as: weed-eaters, lawn mowers, leaf-blowers, etc. It is not appropriate for City employees to use fuel cards to purchase fuel for any other vehicle or equipment other than which the card was issued. Fuel cards are required to remain with the assigned vehicle and any missing cards should be reported immediately. Employees are required to use their user ID# and PIN # when purchasing fuel. Any unauthorized use of a PIN not assigned to the employee will result in disciplinary action up to and including termination.

11.1 Employee Responsibilities

No purchase over \$2,500.00 shall be made using the credit card system without a purchase order. Credit cards assigned to employees may have approval limits set by Department Heads below the \$2500.00 policy threshold. If an employee needs to make a purchase above the limit set by the Department Head, the employee should consult with the Department Head before making a transaction.

1. The credit card that each cardholder receives shall only be used by the cardholder or a designee. No other person is authorized to use this card. The cardholder may make transactions on behalf of others in their department/ division; however, the cardholder is responsible for all purchases charged to their card.
2. The total value of a transaction shall not exceed a cardholder's single purchase limit. Payment for a purchase shall not be split into multiple transactions to stay within the single purchase limit.
3. The cardholder is responsible for maintaining receipts of all card transactions and submitting with the card statement monthly. Receipts are required for all purchases. Failure to attach receipts and return in a timely manner may result in the cardholder losing the privilege of using a City credit card.

11.2 Receipts and Receipt Submission

Receipts should be collected and kept for all transactions. If a detailed receipt is not obtained from the vendor, a Lost/ Missing Receipt Form and a detailed list of what was purchased will be required with the receipt. Repeated lost or missing receipts may result in a cardholder losing the privilege associated with a City credit card. A detailed receipt should be provided for all purchases.

11.3 Unauthorized Purchases

Certain items should not be purchased by City employees. Any of the following items listed below have been deemed inappropriate for purchase by City employees:

1. Personal purchases or for personal identification
2. A single purchase that exceeds the cardholder's single purchase limit
3. Cash advances
4. Gift Cards
5. Alcoholic beverages
6. Purchase of in-room movies during a hotel/ motel stay while on City business

11.4 Consequences of Improper Use

A cardholder who makes unauthorized purchases or carelessly uses a purchase card will be liable to the City of Lenoir for the total dollar amount of such purchases plus any administrative fees charged by the bank or card company in connection with the misuse. The cardholder's employment may also be terminated and will be subject to legal action.

Cardholders are expected to obtain the best prices available on purchases. Purchase of an item above market prices where the vendor gives the employee any form of gift, bonus, or premium whether in the form of cash or merchandise is considered a kickback, is illegal, and can result in disciplinary action up to and including termination of employment and lawful prosecution. City policy strictly forbids anything in exchange for making a purchase.

X. FRINGE BENEFITS

Any item purchased for an employee must be a valid business expense and not considered wages to the individual. Clothing, non-monetary awards, meals, travel, and other items may be considered wages depending on circumstances. Awards of cash or cash equivalents are always considered wages regardless of the amount awarded. All awards and purchases considered wages to an employee must be processed through payroll and will be subject to all applicable taxes. Please contact the Finance Department with any questions.

Any award of cash or cash equivalents must be pre-approved by the City Manager.

XI. EXHIBITS

Exhibit A. Items Not Requiring a Purchase Order

Exhibit B. Vendor Performance Evaluation

Exhibit C. Purchase Order/ Quote Form

Exhibit D. Surplus Form

EXHIBIT A

Items Not Requiring a Purchase Order

1. Advertising: legal ads, radio announcements, etc.
2. Specified chemicals
3. Dues
4. Claim payments (Citizens filing for damages/reimbursement)
5. Insurance
6. Medical examinations
7. Medical supplies (Fire and Rescue)
8. Land purchases & easements
9. Petty cash & replenishing funds
10. Postage
11. Refunds
12. Building rental
13. Tuition or other fees for approved educational purposes
14. Utilities (electricity, water, sewer, cable, internet, natural gas, trash, etc.)
15. Lease purchase payments, debt service payment
16. Approved travel arrangements and accommodations
17. Uniforms (Upon Request)
18. Bullet Proof Vests (Upon Request)

City of Lenoir

VENDOR PERFORMANCE EVALUATION

EXHIBIT B

Please take a moment to complete this vendor performance evaluation and return it to the City Finance Department.

Vendor Name: _____ Purchase Order #: _____

Date Promised: ____/____/____ Actual Delivery Date: ____/____/____

Details or Remarks: _____

Check all of the following that apply about the vendor & goods or services purchased:

- ____ Suggests Cost-Saving Possibilities
- ____ Competitive Pricing:
- ____ Knowledge of Products and Industry
- ____ Prompt & Accurate Technical Assistance
- ____ Advises of any Potential Trouble
- ____ Replaces Rejected Items in a Timely Manner
- ____ Courteous & Helpful
- ____ Handles Complaints Promptly
- ____ Expedites and Handles All Courteously
- ____ Delivers on or Before Specified Time

Quality of Item: _____ Delivery: _____

Service: _____ Comments: _____

PURCHASE ORDER QUANTITIES ARE OVER OR SHORT: _____

Overall Rating: Please rate the vendor for this purchase on a scale of 1-10 with (1) indicating unacceptable performance and (10) indicating extreme satisfaction with the vendor.

OVERALL RATING: _____

City of Lenoir

PURCHASE ORDER/QUOTE FORM

EXHIBIT C

Employee Name:	Department:
----------------	-------------

DATE QUOTES OBTAINED:	DATE GOODS ARE REQUIRED:	☐ DEPT WILL PICK UP ☐ EMERGENCY ORDER
-----------------------	--------------------------	--

	VENDOR 1 NAME	VENDOR 2 NAME:	VENDOR 3 NAME:
VENDOR #:			
CONTACT:			
PHONE #:			
TOTAL QUOTE:			

ACCOUNT #	QTY	ITEM DESCRIPTION	UNIT	TOTAL

REASON(S) QUOTES NOT OBTAINED /EXPLANATION OF SOLE SOURCE OR EMERGENCY:

REQUEST TO SURPLUS CITY PROPERTY



Department Requesting Disposal of Surplus Property	
Date of Request	
Department Name	
Contact Name	
Phone	

ITEM	QTY	CODE*	SERIAL / VIN #	MAKE	MODEL / YEAR	MILEAGE/ MACHINE HOURS	REASON FOR REQUEST	CURRENT LOCATION OF THE ITEM	ORIGINAL PURCHASE PRICE	DATE OF PURCHASE	ESTIMATED SALVAGE VALUE	ITEM IN WORKING ORDER Y/N	APPROVED TO LIST ON GOVDEALS
													☐
													☐
													☐
													☐
													☐
													☐

*Please enter one CODE per item: (S1) Obsolete (S2) Too Costly to Maintain (S3) Beyond Repair (S4) Cannibalized (S5) Employee Retirement

APPROVED BY	DATE

ITEM	DATE OF SALE	SELLING PRICE	DATE OF DEPOSIT	BUDGET CODE FOR DEPOSIT	DATE ITEM REMOVED FROM INVENTORY		BY WHOM - SIGNATURE	DATE ITEM REMOVED FROM INSURANCE	BY WHOM - SIGNATURE	DATE TAG CANCELLED OR TRANSFERRED	BY WHOM - SIGNATURE
-											
-											
-											
-											

ALL SURPLUS ITEMS ARE LISTED ON GOVDEALS IN ACCORDANCE WITH CITY OF LENOIR RESOLUTION NO. 6-2007, NC GENERAL STATUTES 160A-270 AND NCGS 160A-270 (c)



Lenoir Police Department

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



Yuneec H520

DIMENSIONS 20.5 x 17.9 x
11.6 inches

FLIGHT TIME 28 Min

WEIGHT 3.6 lbs

MAXIMUM ALTITUDE
500 m

**MAXIMUM FLIGHT
DISTANCE** 1 MILE

Capable flight in High Wind

*Capable flight in rainy
conditions*

*Neither flight data nor
images, videos or log files
are forwarded to external
servers and remain in your
possession. Thus, your data
is optimally protected.*



Intended Uses

- Scene Documentation ie;
 - Crash Scene
 - Crime Scene
 - Natural or Man-Made Disaster
- Critical Incident Assessment
- Search and Rescue
 - Silver Alerts
 - Amber Alerts
 - Other Search and Rescue Missions
- Other City Department Assistance where Public Safety Concern Exists

Training

- In house training of operators on 05/23/2018 by Yuneec
- Applicable Operators to acquire proper FAA Licensing
- Documented Quarterly sUAS Team Training

Projected Readiness

- June 2018

Lenoir Police Department Standard Operations Manual**Policy Number _____****Section Title: SMALL UNMANNED AIRCRAFT SYSTEMS****Effective Date: June 1, 2018****Department Policy**

It is the policy of the Lenoir Police Department to utilize Small Unmanned Aircraft Systems (*sUAS*) in the safe collection of additional digital evidence, which is often made possible through elevated unmanned positions. Duly trained and authorized agency personnel may deploy sUAS when such use is appropriate in the performance of their official duties, and where such deployment and collection of any digital evidence originating from or generated by the sUAS comply with the policy provisions provided herein, as well as federal, state, and local laws and/or regulations.

Small Unmanned Aircraft Systems (*sUAS*) under the control of the Lenoir Police Department shall not be used as covert surveillance tools or for the purpose of gathering advanced intelligence related to criminal investigations, unless life-threatening situations exist, and only then with approval of the Chief of Police.

I. PURPOSE

This policy is intended to provide assigned and authorized personnel with mandates and guidelines for the proper law enforcement and public safety utilization of sUAS technology and the information it provides.

II. DEFINITIONS

Although some of these terms may not be specific to this policy, they are relevant to the understanding, operation, and management of unmanned aircraft.

Digital Media Recordings (DMR): Digital recording of images, sounds, and associated data.

Model Aircraft: A remote controlled aircraft used by hobbyists that is built, produced, manufactured, and operated for the purposes of sport, recreation, and/or competition.

Unmanned Aircraft (UA) or Unmanned Aerial Vehicle (UAV): An aircraft that is intended to navigate in the air without an on-board pilot. Also commonly referred to as Remotely Piloted Aircraft (RPA), Remotely Operated Vehicle (ROV), or Drone.

Unmanned Aircraft System (UAS): A system that includes the necessary equipment, network, and personnel to control an unmanned aircraft.

Small Unmanned Aircraft Systems (sUAS): UAS systems that utilize UAVs weighing less than 55 pounds and are consistent with Federal Aviation Administration (FAA) regulations governing model aircraft.

sUAS Flight Crewmember: A pilot, visual observer, payload operator or other person assigned duties for a sUAS for the purpose of flight or training exercise.

Unmanned Aircraft Pilot: A person exercising control over a UA/UAV/UAS/sUAS during flight.

III. PROCEDURES

A. Administration

All deployments of sUAS must be specifically authorized by the Chief of Police or his/her designee. This agency has adopted the use of sUAS to provide an aerial visual perspective when responding to emergency situations involving articulable and exigent public safety circumstances, and for the following objectives:

1. Scene Documentation: To document a crime scene, crash scene, accident scene, or other major incident scene (*e.g., natural or man-made disaster, large-scale forensic scene investigation, etc.*).
2. Situational Awareness: To assist decision makers (*e.g., incident command staff, emergency management personnel, event planners, etc.*) in understanding the nature, scale, and/or scope of an incident or event and planning and/or coordinating a safe and effective response.

3. Search and Rescue: To assist in missing person investigations, AMBER Alerts, Silver Alerts, and other search and rescue missions.
4. To assist other City of Lenoir Departments when such requests involve a documented public safety purpose.

B. Procedures for sUAS Utilization

1. The Lenoir Police Department will obtain applicable authorizations, permits, and/or certificates required by the Federal Aviation Administration (*FAA*) prior to deploying or operating the sUAS. All such authorizations, permits, and/or certificates shall be maintained and current at all times.
2. The sUAS will be operated only by authorized personnel (*pilots and crew members*) who have been trained and certified in the operation of the Lenoir Police Department system(s).
3. sUAS-certified personnel shall conduct standardized inspections and tests on sUAS equipment prior to each deployment to verify the proper functioning of all equipment and the airworthiness of the device.
4. The sUAS equipment is the responsibility of assigned individual officers and will be used with reasonable care to ensure proper functioning. Equipment malfunctions or maintenance needs shall be brought to the attention of the appropriate Division Commander as soon as possible so that repairs and/or maintenance can be procured.
5. The sUAS equipment and all data, images, video, and metadata captured, recorded, or otherwise produced by the equipment is the sole property of the Lenoir Police Department.
6. All flights will be documented on a form or database designed for that purpose, and all flight time shall be accurately recorded. In addition, each deployment of the sUAS shall include information regarding the reason for the flight; the date, time, and location of the flight; the names of the supervisor approving the deployment and the staff assigned; and a summary of the activities covered, actions taken, and outcomes from the deployment. Documentation shall be forwarded through the chain of command to the Chief of Police for review.

7. Advanced public notification of sUAS flight shall be made in coordination with the City of Lenoir Public Information Officer. Exceptions to this requirement for instances where officer safety or investigation could be jeopardized, or where such notification is neither reasonable nor practical, must be approved by the Chief of Police or his/her designee.
8. sUAS shall not be used as a covert surveillance tool or to gather advanced intelligence related to criminal investigations. However, when authorized use involves specific and articulable grounds to believe that the sUAS will collect evidence of criminal wrongdoing and the sUAS will be used in a manner that is likely to intrude upon reasonable expectations of privacy, the agency will obtain a search warrant prior to conducting the flight.

C. Restrictions on sUAS Utilization

1. The sUAS shall be utilized only in support of official law enforcement duties, public safety missions, and upon requests of other City of Lenoir departments when a public safety purpose exists.
2. The sUAS shall not be operated in an unsafe manner or in violation of FAA rules.
3. The sUAS shall not be equipped with weapons of any kind.
4. The sUAS shall not be utilized for personal reasons.

D. Digital Media Recordings (DMR) Retention and Management

1. All DMR shall be handled in accordance with existing policy on data and record retention, as applicable.
2. All DMR shall be securely downloaded at the completion of each mission. The sUAS-certified operators will record information for each file that shall include the date, time, location, and case reference numbers or other mission identifiers, and identify all sUAS personnel involved in the mission.
3. Officers shall not edit, alter, erase, duplicate, copy, share, or otherwise distribute, in any manner, any sUAS DMR without prior written authorization and approval of the Chief of Police or his/her designee.

4. All access to sUAS DMR must be specifically authorized by the Chief of Police or his/her designee, and all access is to be audited to ensure that only authorized users are accessing the data for legitimate and authorized purposes.
5. Files shall be securely stored in accordance with agency policy and state records retention laws.

E. sUAS Supervision and Reporting

1. sUAS supervisory personnel shall manage all deployments and uses of sUAS to ensure that officers equipped with sUAS devices utilize them in accordance with the policy and procedures defined herein.
2. An authorized sUAS supervisor or administrator will audit flight documentation at regular intervals. The results of the audit will be documented and filed. Any changes to the flight time counter will be documented.
3. The Chief of Police shall publish quarterly and annual reports documenting the agency's deployment and use of sUAS devices. These reports, at a minimum, will include deployment dates, times, general locations, specific purposes, number of officers involved, and general summaries of results and outcomes.

F. Training

1. Police personnel who are assigned sUAS must complete an agency-approved training program to ensure proper use and operations. Such training will be based on current standards and best practices as determined by professional institutions such as the Federal Aviation Administration (*FAA*), the International Association of Chiefs of Police (*IACP*), the Police Executive Research Forum (*PERF*), the University of North Carolina School of Government (*UNC SOG*), and the North Carolina Justice Academy (*NCJA*), as well as manufacturer's recommendations. Additional training shall be required at periodic intervals to ensure the continued safe and effective operation of the equipment and to incorporate changes, updates, or other revisions in policy and equipment.
2. All agency personnel with sUAS responsibilities, including command level officers, shall be trained in local, state, and federal laws and regulations, as well as policies and procedures governing the deployment and use of sUAS.

Acknowledgment

This document was developed with assistance from the International Association of Chiefs of Police (IACP) Law Enforcement Policy Center in cooperation with the IACP Aviation Committee.

**CITY OF LENOIR
COUNCIL ACTION FORM**

- I. Agenda Item: Adoption of Resolution Recognizing Chief Scott Brown on His Retirement from the Lenoir Police Department and Declaring His Badge and Service Weapons as Surplus Property**

II. Background Information:

As is our custom when a police officer retires from the Lenoir Police Department with at least 20 years of service, the City Council declares that officer's badge and firearm(s) as surplus property. Instead of disposing these items in our normal procedure, the City Council provides the badge and service weapon(s) to the retiring officer.

Enclosed you will find a resolution commending Chief Scott Brown for his service to the Lenoir Police Department and declaring his badge and service weapons as surplus property.

III. Staff Recommendation:

Recommend approval of a resolution commending Chief Scott Brown for his service to the Lenoir Police department and declaring his badge and service weapons as surplus property.

IV. Reviewed By:

City Attorney:

Police Chief:

City Manager:



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

WHEREAS, the City of Lenoir, North Carolina, City Council desires to dispose of certain surplus property of the City of Lenoir to be awarded to Chief Scott Brown upon his retirement from the Lenoir Police Department and Declaring his badge and service weapons as Surplus Property

NOW, THEREFORE BE IT RESOLVED,

- 1) the Mayor and City Council of the City of Lenoir acknowledges Chief Scott Brown's loyal and dedicated service to the citizens of Lenoir, and
- 2) the Mayor and City Council declare the following police weapon and police badge of Chief Scott Brown, upon retirement, as surplus and no longer have any additional use to the City of Lenoir {Sig Sauer Model P220R .45 caliber (Serial # 37B052405)}; and {Smith & Wesson, Model M4 Rifle .223 caliber (Serial # SW69325)}
- 3) the Mayor and City Council authorize the City Manager to proceed with the procedures as outlined in N.C.G.S. §20-187.2 regarding the service side arms of retiring members of City law enforcement agencies.

NOW, THEREFORE BE IT FURTHER RESOLVED that, I, Joseph L. Gibbons, Mayor of the City of Lenoir, and on behalf of the Lenoir City Council and all the citizens, do hereby wish the very best for Police Chief Scott Brown in his retirement and commend him for the outstanding example he has set as a dedicated public servant.

Adopted this the 7th day of August, 2018.

SEAL

Joseph L. Gibbons, Mayor

ATTEST:

Shirley M. Cannon, City Clerk



CITY OF LENOIR
COUNCIL ACTION FORM

- I. **Agenda Item:** Consideration of a Resolution to Adopt the Lenoir Water Shortage Response Plan (Revised)
- II. **Background Information:** The City of Lenoir is required by NCGS 143-355(l) to develop and implement water conservation measures to respond to drought and other water shortage conditions. These measures are set out in a Water Shortage Response Plan adopted by the City Council. The current plan has recently been reviewed by the NCDEQ Division of Water Resources and it has determined that the plan meets the minimum criteria established in the statute. The plan cannot be considered compliant until a new adopted resolution is received by the DWR.
- III. **Staff Recommendation:** Staff recommends City Council approval of the Resolution to approve the Water Shortage Response Plan for the City of Lenoir.
- IV. **Reviewed by:**

City Attorney: _____

Finance Director: _____

Public Works/Public Utilities Director: _____

City of Lenoir, North Carolina

Water Shortage Response Plan

I. Definitions

(a.) Water Shortage

The term "water shortage" shall be defined as any condition or situation which threatens the safety or supply of either treated or potable water within the water supply, treatment or distribution systems of the city or within the systems of the municipal, commercial or industrial customers. The City Manager or his designee shall determine whether specific situations are considered to be water shortages, after consultation with the Director of Public Utilities. Water shortage situations shall include, but are not limited to, drought, or periods of insufficient raw water supply, and fires of a magnitude, such that system integrity is threatened.

(b.) Drought Management Advisory Group (DMAG) / Low Inflow Protocol (LIP)

The Drought Management Advisory Group (DMAG) is a team of owners of large water intakes in the Catawba River Basin, state agencies, and Duke Energy, tasked with formulating a basin wide response to low flow conditions, as defined in the Low Inflow Protocol (LIP). Low Inflow Protocol (LIP) means prescribed levels of escalating response to drought conditions based on trigger points for use during periods of low inflow to the reservoirs on the Catawba River.

II. Authorization

The Lenoir City Manager shall enact the following water shortage response provisions whenever the trigger conditions outlined in section IV are met. In his or her absence, the Utility Director will assume this role.

Mr. Scott Hildebran, Lenoir City Manager – Phone: (828) 757-2200 – E-mail: shildebran@ci.lenoir.nc.us

Mr. Radford L. Thomas, Lenoir Utility Director- Phone: (828) 757-2219 –E-mail: rlthomas@ci.lenoir.nc.us

III. Notification

The following notification methods will be used to inform water system employees and customers of a water shortage declaration: employee e-mail announcements, notices at municipal buildings, notices in water bills and on the City of Lenoir website (<http://www.ci.lenoir.nc.us/>). Required water shortage response measures will be communicated through *The Lenoir News Topic*, PSA announcements on local radio and cable stations and on the City of Lenoir website. Declaration of emergency water restrictions or water rationing will be communicated to all customers by telephone through use of reverse 911.

IV. Levels of Response

Five levels of water shortage response are outlined in the table below. The five levels of water shortage response are: voluntary reductions, mandatory reductions I and II, emergency reductions and water rationing. A detailed description of each response level and corresponding water reduction measures follow below.

Stage	Response	Description
1	Voluntary Reductions	Water users are encouraged to reduce their water use and improve water use efficiency; however, no penalties apply for noncompliance. Water supply conditions indicate a potential for shortage.
2	Mandatory Reductions I	Water users must abide required water use reduction and efficiency measures; penalties apply for noncompliance. Water supply conditions are significantly lower than the seasonal norm and water shortage conditions are expected to persist.
3	Mandatory Reductions II	Same as in Stage 2
4	Emergency Reductions	Water supply conditions are substantially diminished and pose an imminent threat to human health or environmental integrity.
5	Water Rationing	Water supply conditions are substantially diminished and remaining supplies must be allocated to preserve human health and environmental integrity.

In Stage 1, Voluntary Reductions, all water users will be asked to reduce their normal water use by 5%. Customer education and outreach programs will encourage water conservation and efficiency measures including: irrigating landscapes a maximum of one inch per week; preventing water waste, runoff and watering impervious surfaces; watering plants deeply to encourage root growth; washing only full loads in clothes and dishwashers; using spring-loaded nozzles on garden hoses; and identifying and repairing all water leaks.

In Stage 2, Mandatory Reductions I, all customers are expected to reduce their water use by 10% in comparison to their previous month's water bill. In addition to continuing to encourage all voluntary reduction actions, the following restrictions apply: irrigation is limited to a half inch per week between 8PM and 8AM; outdoor use of drinking water for washing impervious surfaces is prohibited; and all testing and training purposes requiring drinking water (e.g. fire protection) will be limited.

In Stage 3, Mandatory Reductions II, customers must continue actions from all previous stages and further reduce water use by 20% compared to their previous month's water bill. All non-essential uses of drinking water are banned and garden and landscape irrigation must be reduced to the minimum amount necessary for survival. Additionally, in Stage 3, a drought surcharge of 1.5 times the normal water rate applies.

In Stage 4, Emergency Reductions, customers must continue all actions from previous stages and further reduce their water use by 25% compared to their previous month's water bill. A ban on all use of drinking water except to protect public health and safety is implemented and drought surcharges increase to 2 times the normal water rate.

The goal of Stage 5, Water Rationing, is to provide drinking water to protect public health (e.g. residences, residential health care facilities and correctional facilities). In Stage 5, all customers are only permitted to use water at the minimum required for public health protection. Firefighting is the only allowable outdoor water use and pickup locations for distributing potable water will be announced according to Lenoir's Emergency Response Plan. Drought surcharges increase to 5 times the normal water rate.

V. Triggers

Lenoir's source of water is Lake Rhodhiss. Lenoir will abide by the triggers identified by Duke Power in accordance with the drought stage triggers incorporated into the Low Inflow Protocol.

Return to Normal

When water shortage conditions have abated and the situation is returning to normal, water conservation measures employed during each phase should be decreased in reverse order of implementation. Permanent measures directed toward long-term monitoring and conservation should be implemented or continued so that the community will be in a better position to prevent shortages and respond to recurring water shortage conditions.

VI. Enforcement

The provisions of the water shortage response plan will be enforced by City of Lenoir utility department and police personnel. Violators may be reported on the City's phone line or the e-mail contact listed on the City's website. Citations are assessed according to the following schedule depending on the number of prior violations and current level of water shortage.

Water Shortage Level	First Violation	Second Violation	Third Violation
Voluntary Reductions	N/A	N/A	N/A
Mandatory Reductions (Stages 2 and 3)	Warning	\$250	Discontinuation of Service
Emergency Reductions	\$250	Discontinuation of Service	Discontinuation of Service
Water Rationing	\$500	Discontinuation of Service	Discontinuation of Service

Drought surcharge rates are effective in Stages 3, 4 and 5.

VII. Public Comment

Customers will have multiple opportunities to comment on the provisions of the water shortage response plan. First, a draft plan will be available at City Hall for customers to view. A notice will be included in customer water bill notifying them of such. Also a draft plan will be published in *The Lenoir News Topic* and on the City of Lenoir website. A public hearing will be scheduled with notice printed in all customer water bills to collect comments on the draft. All subsequent revisions to the draft plan will be published at least 30 days prior to an adoption vote by Lenoir's City Council.

VIII. Variance Protocols

Applications for water use variance requests are available from the City of Lenoir website and City Utility Office. All applications must be submitted to the Utility Office for review by the Utility Director or his or her designee. A decision to approve or deny individual variance requests will be determined within two weeks of submittal after careful consideration of the following criteria: impact on water demand, expected duration, alternative source options, social and economic importance, purpose (i.e. necessary use of drinking water) and the prevention of structural damage.

IX. Effectiveness

The effectiveness of the Lenoir water shortage response plan will be determined by comparing the stated water conservation goals with observed water use reduction data. Other factors to be considered include frequency of plan activation, any problem periods without activation, total number of violation citations, desired reductions attained and evaluation of demand reductions compared to the previous year's seasonal data.

X. Revision

The water shortage response plan will be reviewed and revised as needed to adapt to new circumstances affecting water supply and demand, following implementation of emergency restrictions, and at a minimum of every five years in conjunction with the updating of our Local Water Supply Plan. Further, a water shortage response planning work group will review procedures following each emergency or rationing stage to recommend any necessary improvements to the plan to Lenoir's City Council. The City of Lenoir Utility Director is responsible for initiating all subsequent revisions.



CITY MANAGER
SCOTT E. HILDEBRAN

CITY OF LENOIR
NORTH CAROLINA

MAYOR
JOSEPH L. GIBBONS

CITY COUNCIL
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D. F. STEVENS
C. D. THOMAS
B. K. WILLIS

**RESOLUTION FOR APPROVING
WATER SHORTAGE RESPONSE PLAN**

WHEREAS, North Carolina General Statute 143-355 (l) requires that each unit of local government that provides public water service and each large community water system shall develop and implement water conservation measures to respond to drought or other water shortage conditions as set out in a Water Shortage Response Plan and submitted to the Department for review and approval; and

WHEREAS, as required by the statute and in the interests of sound local planning, a Water Shortage Response Plan for the City of Lenoir, has been developed and submitted to the Mayor and City Council for approval; and

WHEREAS, the Mayor and City Council finds that the Water Shortage Response Plan is in accordance with the provisions of North Carolina General Statute 143-355 (l) and that it will provide appropriate guidance for the future management of water supplies for the City of Lenoir, as well as useful information to the Department of Environmental Quality for the development of a state water supply plan as required by statute;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Lenoir that the Water Shortage Response Plan entitled, Lenoir Water Shortage Response Plan dated July 15, 2018, is hereby approved and shall be submitted to the Department of Environmental Quality, Division of Water Resources; and

BE IT FURTHER RESOLVED that the Mayor and City Council intend that this plan shall be revised to reflect changes in relevant data and projections at least once every five years or as otherwise requested by the Department, in accordance with the statute and sound planning practice.

This the ____ day of August, 2018.

SEAL

Joseph L. Gibbons, Mayor

ATTEST:

Shirley M. Cannon, City Clerk



CITY OF LENOIR
COUNCIL ACTION FORM

- I. Agenda Item:** Request Calling for a Public Hearing as required by the NC Local Government Commission for Financing of Lenoir Fire Station #3 on 132 Tremont Park Drive.
- II. Background Information:** Financing for the Lenoir Fire Department #3 (LFD3) will be obtained by installment purchase. This project will require the approval of the NC Local Government Commission (LGC). There are specific steps to follow in obtaining LGC approval, including adoption of a resolution authorizing the filing of an application for approval of a financing agreement.

As you are aware, Blue Ridge Electric Membership Corporation (BREMC) made 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 a 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. The City plans to construct LFD3 at 132 Tremont Park Drive, on property City Council purchased in 2015. Our preliminary estimates place the construction costs of the new station at around \$1.65 million.

Prior to entering into an installment purchase contract involving construction loans, the LGC requires a public hearing must be held. A notice of the public hearing shall be published at least 10 days before the date fixed for the hearing. The Publisher's Affidavit and certified copy of the minutes of the hearing shall be provided by the City Clerk.

- III. Staff Recommendation:** Recommend calling for a public hearing to be held on August 21, 2018, for financing of Lenoir Fire Station #3 on Tremont Park Drive, as authorized by N.C.G.S. 160A-20.

IV. Reviewed By:

City Attorney:

City Manager:

**NOTICE OF
PUBLIC HEARING
CITY OF LENOIR**

Notice is hereby given that a public hearing will be held on Tuesday, August 21 at 6:00 p.m., in the City/County Chambers, 905 West Avenue, NW, Lower Level, at which time City Council will receive citizen input on an application to the Local Government Commission (LGC) for the financing of a construction loan for the proposed new Fire Station No. 3 to be located at 132 Tremont Park Drive, Lenoir, NC. Blue Ridge Electric Membership (BREM) made an application late last year to the USDA's Rural Economic Development Loan and Grant (REDLG) program for \$1,300,000 to assist the City in the construction of a new fire station. The preliminary estimates place the construction costs of the new station at around \$1.65 million.

Any person with a disability needing special accommodations should contact the City Clerk's office at least 48 hours prior to the time scheduled for the public hearing.

Individuals may contact the City Clerk's office at (828) 757-2205 for additional information.

**City of Lenoir
Shirley M. Cannon, MMC, NCCMC
City Clerk**

Please publish on Friday, August 10 and Friday, August 17.

August 2018

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2 5:30 p.m. - 9:30 p.m. Employee Celebration Event (Bo's Entertainment Ctr.)	3 7:00 p.m. - 10:00 p.m. King Bees Band & Alligators Band (on Square)	4 11:00 a.m. Family Fun Day & 7:00 p.m. Jazz Show (MLK Center) 4:00 p.m. Cruise-In
5 4:00 p.m. Gospel Singing Event (MLK Center) Harambee Festival Wk.	6	7 6:00 p.m. City Council	8 9:00 a.m. Staff Mtg.	9 4:00 p.m. Lenoir Tourism Dev. Authority 6:00 p.m. Lenoir Business Adv. Board	10 7:00 p.m. - 10:00 p.m. Uptown Jazz Show Bryan Anderson & Toni Carlton	11 8:30 p.m. Fabulous Film Night "Sherlock Gnomes" (on Square)
12	13 11:45 a.m. City/County Services Committee	14 8:00 a.m. EDC	15	16	17	18
19	20 6:00 p.m. Parks & Recreation Adv. Board (Optimist Clubhouse)	21 6:00 p.m. City Council	22 9:00 a.m. Staff Mtg. Noon - Foothills Regional Airport Authority	23	24	25 8:30 p.m. Fabulous Film Night "Early Man" (on Square)
26	27 5:30 p.m. Planning Board	28 8:30 a.m. Committee of the Whole	29	30	31	
Notes for September						
City offices will be closed on Monday, September 3 in observance of Labor Day.						

CITY OF LENOIR
COUNCIL ACTION FORM

I. Agenda Item:

Bid Award: 2018-2020 Asphalt Resurfacing Contract

II. Background Information:

On July 9th, 2018, seven (7) bid packets for the 2018-2020 Asphalt Resurfacing Contract were mailed to potential bidders. Public Works staff held a *Pre-Bid Meeting* to discuss bidding and project execution requirements on July 17, 2018, in which three (3) bidders attended. Minutes from the Pre-Bid Meeting and Addendum No. 1 were distributed following the meeting. Bids were received, publicly opened, and read aloud on July 26, 2018 at 2:00pm. A total of three (3) bids were received. A signed bid tabulation is included for Council's review.

Attachments: *Public Advertisement, Signed Bid Tab, Liquid Asphalt Price Trend Graph*

III. Staff Recommendation:

Following review of bids submitted for this contract, staff recommends awarding the contract to J.T. Russell & Sons, Inc., for a unit price of \$93.00/ton. J.T. Russell & Sons, Inc. is the lowest, responsive, responsible bidder, is appropriately licensed in the state of North Carolina, and is adequately equipped to perform work of this nature. J.T. Russell & Sons, Inc.'s bid included the required bid security (bond) and an escalator clause for unit price adjustment based on liquid asphalt price fluctuation.

IV. Reviewed by:

City Attorney: _____

Finance Director: _____

Public Works/Public Utilities Director:  _____

Advertisement for Bids

City of Lenoir, NC

Pursuant to N. C. General Statute 143-129, sealed proposals endorsed: 3,000+/- Tons of S9.5C Asphalt Concrete delivered in place each year for a two-year period beginning July 1, 2018 and ending June 30, 2020, to be furnished to the City of Lenoir, NC will be received by Mr. Jared Wright, Public Works Director, at the City of Lenoir, Public Works Center, 510-B Greer Circle, SW, Lenoir, NC 28645 until 2:00 PM, Thursday, July 26, 2018. No bids will be accepted after that time and date. All received bids shall be publicly opened on Thursday, July 26, 2018 at 2:00 PM at the Public Works Center. All bidders and the public are invited to attend the bid opening.

A pre-bid meeting will be held on Tuesday, July 17, 2018 at 2:00P.M. at the City of Lenoir Public Works Center, 510-B Greer Circle, SW, Lenoir, NC 28645. Attendance at this meeting is NOT mandatory, but is strongly encouraged. This contract will be subject to N. C. General Statutes 44A-26 and 143-129 and will require a Bid Deposit or Bond, Performance Bond, and Payment Bond, as required by the statutes.

Proposals that are mailed should be sent to Mr. Jared Wright, Public Works Director, P. O. Box 958, Lenoir, NC 28645-0958. The envelope should be marked with "Asphalt Bid" on the front of the envelope. Bidders are encouraged to contact Mr. Wright prior to the bid opening to review the proposed resurfacing projects for the two-year period.

Proposals that are sent by UPS, FedEx, or hand delivered should be sent to the Public Works Center, 510-B Greer Circle, SW, Lenoir, NC 28645. Mr. Wright's phone number is (828) 757-2183. Instructions for submitting bids, specifications, and proposal forms may be obtained in Lenoir City Hall, Purchasing Office, 801 West Avenue, NW, Lenoir, NC 28645, during regular business hours, 8:30AM-5:00PM., Mon.- Fri., Phone (828) 757-2217. The City of Lenoir reserves the right to reject any and all bids. E-Verify use Required. No contract can be awarded by the City of Lenoir unless the contractor and the contractor's subcontractors comply with the requirements of Article 2 of Chapter 64 of the N.C. General Statutes.

The City of Lenoir encourages minority-owned businesses to submit proposals. The City of Lenoir awards contracts without regard to race, religion, color, creed, national origin, sex, age, or handicapping condition.

James R. Noggle

Purchasing

Published July 13, 2018

Lenoir News Topic



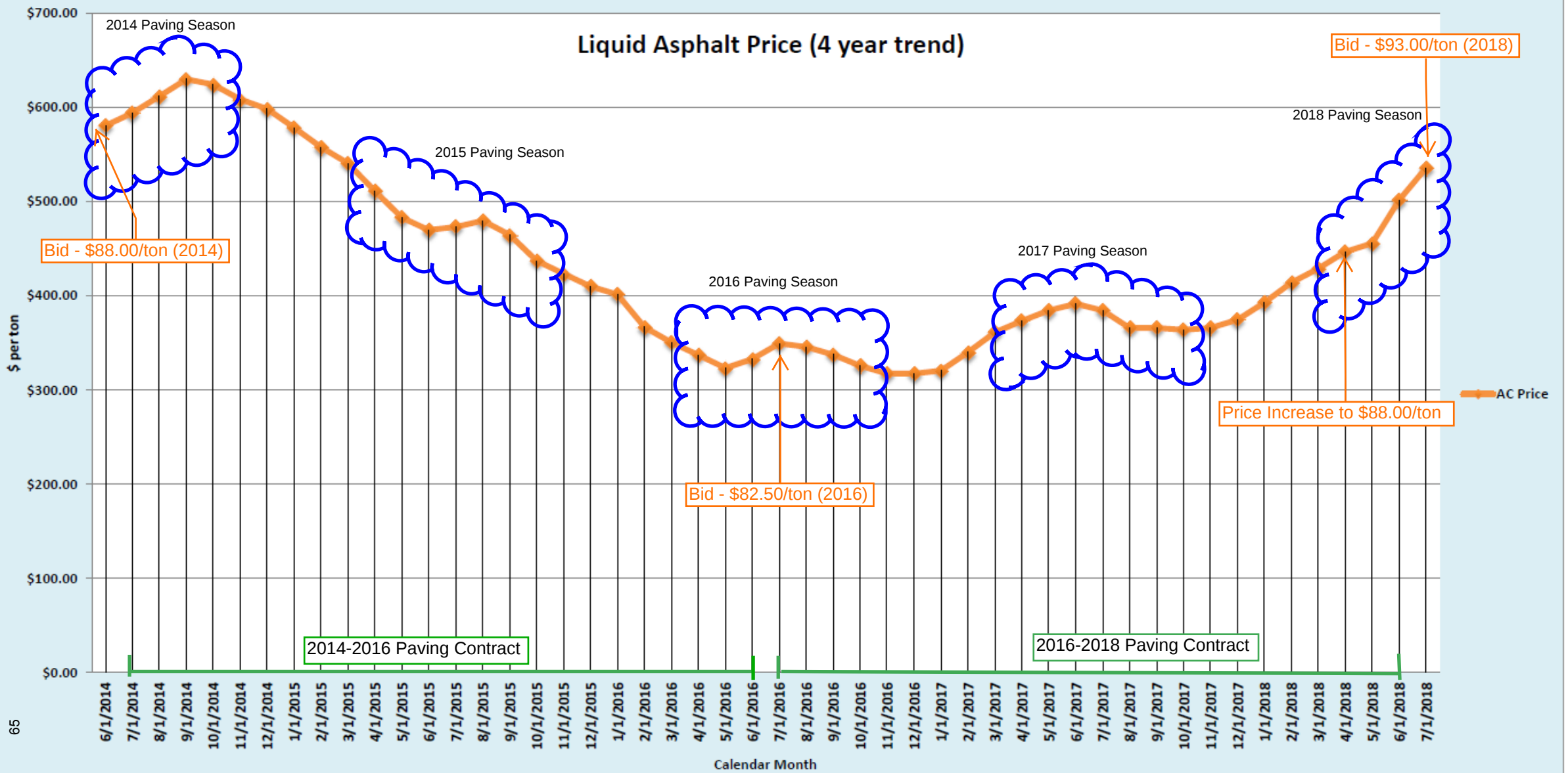
BID TAB

Public Bid Opening
2018-2020 Asphalt Resurfacing Contract
City of Lenoir
July 26, 2018, 2:00 p.m. local time

Jared Wright
Public Works Director

Contractor	Bid Security	Unit Price/Ton
Midstate Contractors	No Bid	No Bid
Precision Paving, Inc.	No Bid	No Bid
MK Enterprise	No Bid	No Bid
Tri-County Paving	Yes	\$97.50
J.T. Russell & Sons	Yes	\$93.00
Maymead	Yes	\$95.00
Carolina Paving	No Bid	No Bid

Liquid Asphalt Price (4 year trend)





Lenoir Police Department

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



Council Action Form

I. Agenda Item:

This agenda item calls for the establishment of a 45 MPH speed limit on the five-lane section of Connelly Springs Road between Hickory Boulevard and Southwest Boulevard, as recommended by NCDOT. This will involve amendment to the Charter Code of Ordinances, Appendix B –Traffic, Section 118.

II. Background Information:

As a result of a review by NCDOT, it was discovered that an ordinance for the existing 45 MPH speed limit along the five-lane section of Connelly Springs Road between Hickory Boulevard and Southwest Boulevard did not exist. This action will establish the necessary ordinance, as requested by NCDOT.

The Certification of Municipal Declaration is attached.

III. Staff Recommendation:

Staff recommends that City Council call for a Public Hearing to be held on Tuesday, August 21, 2018 and formally adopt a 45 MPH speed limit throughout the five-lane section of Connelly Springs Road between Hickory Boulevard and Southwest Boulevard, as recommended by NCDOT.

IV. Reviewed by:

City Attorney: _____

Date: _____

Assistant City Manager: _____

Date: _____

Police Chief: 

Date: 07-23-2018



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

JAMES H. TROGDON, III
SECRETARY

July 10, 2018

Mr. Scott Hildebran
Town of Lenoir
801 West Avenue NW
Lenoir, NC 28645

Dear Mr. Hildebran

Our office recently reviewed some Municipal and Rural Speed Zone Ordinances along SR 1001 (Connelly Springs Road) and it has been determined that there is not an ordinance for the existing 45 mile-per-hour speed zone along the five lane section of Connelly Springs Road between US 321 A and SR 1933 (Southwest Loop). Attached you will find a copy of the certificate to enact the existing 45 mile-per-hour speed limit. Please mail the certificate back to us once completed.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Adams".

Daniel Adams, PE
Division Traffic Engineer
Eleventh Highway Division

DRA/LSG

cc: Mr. M. A. Pettyjohn, PE
Mr. D. W. Eller

Mailing Address:
NC DEPARTMENT OF TRANSPORTATION
DIVISION ELEVEN TRAFFIC SERVICES
PO BOX 250
NORTH WILKESBORO, NC 28659-4716

Telephone: (336) 903-9101
Fax: (336) 667-4549
Customer Service: 1-877-368-4968

Website: www.ncdot.gov

Location:
801 STATESVILLE ROAD
NORTH WILKESBORO, NC 28659-4716

Certification of Municipal Declaration To Enact Speed Limits and Request for Concurrence

Concurring State Ordinance Number: 1073758

Division: 11 County: CALDWELL

Municipality: LENOIR

Type: Municipal Speed Zones

Road: SR 1001

Car: 45 MPH

Truck: 45 MPH

Description: Between US 321ALT and SR 1933 (Southwest Loop)

Municipal Certification

I, _____, Clerk of _____, do hereby certify that the municipal governing body, pursuant to the authority granted by G.S. 20-141(f), determined upon the basis of an engineering and traffic investigation and duly declared, on the _____ day of _____, 20____, the speed limits as set forth above on the designated portion of the State Highway System, which shall become effective when the Department of Transportation has passed a concurring ordinance and signs are erected giving notice of the authorized speed limit.

The said municipal declaration is recorded as follows:

Minute Book: _____ Page: _____ Ordinance Number: _____

In witness whereof, I have hereunto set my
hand and the municipal seal this _____ day
of _____, 20_____.

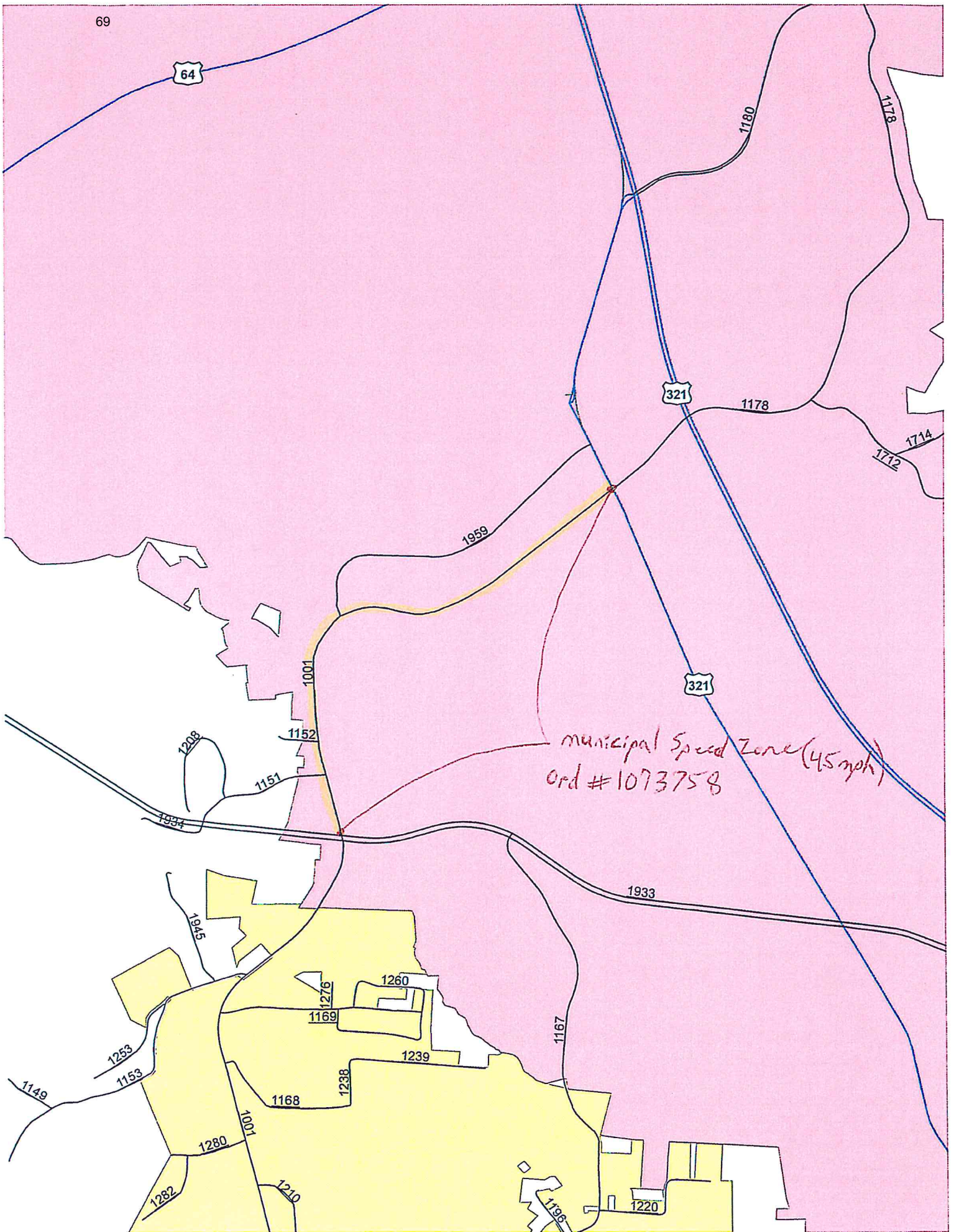
(signature)

(municipal seal)

Department of Transportation Approval

Division: _____ Title: _____ Date: _____

Region: _____ Title: _____ Date: _____



**CITY OF LENOIR
COUNCIL ACTION FORM: May 1, 2018**

I. Agenda Item:

Approval of an Assignment of Lease and Interim Trail Use/Rail Banking Agreement.

II. Background Information:

In 2016, in a joint effort between Caldwell County Pathways, the Caldwell Rail Commission, and the City of Lenoir, Caldwell County Pathways entered into a Lease and Interim Trail Use/Rail Banking agreement with the Caldwell Rail Commission. The lease and trail use agreement is the mechanism by which the discontinued rail corridor was officially "rail banked" and made available for the development of a greenway trail. This greenway will be certified as a part of the Overmountain Victory Trail.

This action assigns the lease that Pathways has with the rail commission to the City of Lenoir. This will facilitate trail development as well as ensure liability coverage for trail users once complete.

See the attached lease assignment as well as a copy of the original lease and interim trail use/rail banking agreement. Please note that the salvage activities anticipated under the original lease agreement have already been completed.

Caldwell County Pathways and the Caldwell Rail Commission have already considered and approved this lease assignment.

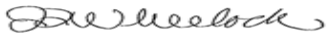
III. Staff Recommendation:

Approval of the Assignment of Lease and Interim Trail Use/Rail Banking Agreement.

IV. Reviewed by:

City Attorney: _____

Finance Director: _____

Planning Director:  _____

ASSIGNMENT OF LEASE & INTERIM - TRAIL USE/RAIL BANKING AGREEMENT

This ASSIGNMENT OF LEASE & INTERIM TRAIL USE/RAIL BANKING AGREEMENT (hereinafter, "Lease Assignment") dated _____, 2018, (the "Effective Date") by and between Caldwell County Pathways, Inc., a North Carolina nonprofit corporation ("Assignor") and the City of Lenoir, North Carolina, a N.C. municipal corporation (the "City") is made with reference to the following:

WHEREAS, on or about August 16, 2016, the Assignor did enter into a Lease and Interim Trail Use/Rail Banking Agreement with the Caldwell Railroad Commission, a North Carolina nonprofit corporation (the "CRR Commission"), a copy of which is attached and incorporated herein in Exhibit A, in which Assignor did lease from the CRR Commission a portion of that line of railroad lying and being in the City of Lenoir, Caldwell County, North Carolina which was conveyed to the CRR Commission by Norfolk South Railway Company by January 25, 1995, deed recorded in Deed Book 1129, at Page 1620, Caldwell County Registry, said portion beginning at milepost 108.79 and continuing to the northern terminus of said line or railroad located at milepost 112.7, for the Permitted Uses specifically described therein (the "Lease & Trail Use/Rail Banking Agreement"); and

WHEREAS, Assignor now desires to assign and convey unto the City all of its rights, title and leasehold interests in the Permitted Uses as described in the said Lease & Trail Use/Rail Banking Agreement, in order that the City may construct, erect, maintain and operate a recreational trail open to the public or for any other use permitted by the National Trails Systems Act 16 U.S.C. sect 1247(d) & 49 C.F.R. sect 1152.29, consistent with the rights and obligations of the Assignor and the CRR Commission under said Lease & Trail Use/Rail Banking Agreement; and

WHEREAS, the CRR Commission acknowledges receipt of due notice of this Lease Assignment and does hereby further acknowledge its consent to and approve of the entry of the Assignor and the City into this Lease Assignment as provided under the terms of the said Lease & Trail Use/Rail Banking Agreement.

NOW, THEREFORE, in consideration of the covenant and promises made herein and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, Assignor and the City agree as follows:

1. Lease Assignment. The Assignor, in accordance with the terms, conditions and reservations contained in the said August 16, 2016, Lease & Trail Use/Rail Banking Agreement does hereby assign unto the City all of its rights, title and leasehold interests in the Permitted Uses and in all of its other rights and interests as described in the said Lease & Trail Use/Rail Banking Agreement. However, any of the track structures (including rails, ties, wires, signal equipment, tracks or other track materials on the railroad line that have previously been disposed of or sold by Lessor prior to the date of this Lease Assignment are excluded from such assignment by Lessor to the City. The City shall at its sole expense keep or cause to be kept for the mutual benefit of the parties and the Caldwell Railroad Commission comprehensive general liability insurance in the minimum total amount of one million dollars (\$1,000,000.00) for each occurrence.

2. Consistency of the Lease & Trail Use/Rail Banking Agreement. The provisions of this Lease Assignment shall be enforced and interpreted in consistence with the respective rights and obligations of the Lessor and the CRR Commission under the said Lease and Interim Trail Use/Rail Banking Agreement. This Lease Assignment shall be governed, interpreted and construed under the laws of the State of North Carolina, and its provision shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective heirs, successors and/or assigns.

IN WITNESS WHEREOF, the parties have signed this Lease Assignment effective as of the Effective Date stated above.

Assignor

CALDWELL COUNTY PATHWAYS, INC.

By: _____

Its: Chair (title)

Attest: _____

Secretary

(Corporate Seal)

CITY OF LENOIR, NORTH CAROLINA

By: _____

Its: _____ (title)

Acknowledgement & Consent - **The Caldwell Railroad Commission** acknowledges notice of this Lease Assignment and does consent and approve as stated above:

CALDWELL RAILROAD COMMISSION: By: _____

Its: _____

NORTH CAROLINA
COUNTY OF CALDWELL

I, _____, a Notary Public of the County and State
aforesaid, certify that _____ personally came before me this day
and acknowledged that he/she is _____ Secretary of CALDWELL COUNTY PATHWAYS,
INC., a North Carolina corporation, and that by authority duly given and as the act of the
corporation, the foregoing instrument was signed in its name by it's the above-named
corporate officer, sealed with its corporate seal and attested by its _____ Secretary.
Witness my hand and official stamp or seal, this _____ day of _____, 2018.
My Commission Expires:

Notary Public

NORTH CAROLINA
CALDWELL COUNTY

I, _____, a Notary Public of the County and State
aforesaid, certify that Shirley M. Cannon personally came before me this day and acknowledged
that she is City Clerk of the City of Lenoir, and that by authority duly given and as the act of the
City of Lenoir, the foregoing instrument was signed in its Mayor, sealed with its seal and attest
by her as its City Clerk.
Witness my hand and official stamp or seal, this _____ day of _____, 2018.
My Commission Expires:

Notary Public

LEASE AND INTERIM TRAIL USE/RAIL BANKING AGREEMENT

This LEASE AND INTERIM TRAIL USE/RAIL BANKING AGREEMENT (this “Lease”), dated August 16, 2016 (the “Effective Date”), by and between Caldwell Railroad Commission, a North Carolina nonprofit corporation (“Lessor”) and Caldwell County Pathways, Inc., a North Carolina nonprofit corporation (“Lessee”), is made with reference to the following:

Background

WHEREAS, on or about October 5, 2015, Lessor filed a verified notice of exemption in Surface Transportation Board (“STB”) Docket No. AB 1112X (the “Abandonment Proceeding”) seeking to abandon an approximate 3.91-mile rail segment extending between milepost 108.79 and milepost 112.7 in Caldwell County, North Carolina (the “Line”);

WHEREAS, on or about October 30, 2015, Lessee filed in the Abandonment Proceeding a request for the issuance of a notice of interim trail use to negotiate with Lessor to acquire or lease the Line for use as a trail under Section 8(d) of the National Trails System Act (the “Trails Act”), 16 U.S.C. § 1247(d) and 49 C.F.R. § 1152.29;

WHEREAS, on or about November 23, 2015, the STB issued a Decision and Notice of Interim Trail Use or Abandonment in the Abandonment Proceeding (the “NITU”), permitting public use negotiations for an 180-day period and imposing other conditions on the abandonment;

WHEREAS, Lessor desires to lease to Lessee, and Lessee desires to lease from Lessor, the Line, all on the terms and conditions set forth herein; and

WHEREAS, Lessor desires to sell to Lessee, and Lessee desires to purchase from Lessor, all of Lessor’s right, title and interest in and to the track structures (including all rails, ties, wires, signal equipment, tracks and other track material) on the Line;

NOW, THEREFORE, in consideration of the covenants and promises made herein and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, Lessor and Lessee agree as follows:

1. **Demised Premises.** In accordance with the terms, conditions and reservations contained herein, Lessor hereby leases to Lessee and the Lessee hereby leases from Lessor the premises particularly described on Exhibit A, attached hereto and made a part hereof (collectively, the “Premises”), for the Permitted Use (as defined in Section 4 below), properly invoking and subject to Section 8(d) of the Trails Act, including any and all permanent improvements and fixtures situated on the Premises, including all trail-related structures (including all bridges, trestles, culverts, and tunnels).

2. Term. The term of this Lease (the "Term") shall commence on the Effective Date and shall terminate at 11:59 p.m. on the date thirty (30) years from the Effective Date. Provided there is no Event of Default by Lessee hereunder at the time such rights are exercised or when the Renewal Term (as hereinafter defined) will commence, Lessee will have the option to extend the term of this Lease for one (1) thirty (30) year renewal term (the "Renewal Term") at the rent specified in Section 3 below, by providing Lessor written notice of its desire to do so at least thirty (30) days prior to the end of the then current Term. For the avoidance of doubt, Term shall include any Renewal Term(s).

3. Rent. Within five business days of the Effective Date, and annually thereafter during the Term and the Renewal Terms, if any, Lessee shall pay Lessor fixed rent of One Dollar and no/100 (\$1.00).

4. Permitted Use. During the Term, Lessee may use the Premises to construct, erect, maintain, and operate a recreational trail open to the public or for any other use permitted by the Trails Act or applicable law (the "Permitted Use").

5. Salvage; Bill of Sale. By execution of this Lease, in consideration of One Dollar and no/100 (\$1.00) in hand paid, Lessor hereby conveys all of its right, title and interest in and to the track structures (including all rails, ties, wires, signal equipment, tracks and other track material) on the Line (the "Salvageable Property"). Within five (5) business days of the Effective Date, Lessor agrees to execute and deliver to Lessee a bill of sale conveying Lessee's interest in the Salvageable Property, free and clear of any liens. For the avoidance of doubt, Lessor agrees and acknowledges that Lessee may remove, sell or otherwise dispose of the Salvageable Property in any manner and upon any terms and conditions, as determined in Lessee in its sole discretion, and any value realized on the disposition of the Salvageable Property shall be for the exclusive benefit of Lessee.

6. Termination of Trail Use. If, during the Term, Lessee intends to terminate trail use on all or any portion of the Line, Lessee agrees to send the STB a copy of the NITU and request that the NITU be vacated, to the extent necessary, on the date of proposed termination. This Lease shall terminate without penalty upon the issuance by the STB of a decision vacating the NITU for the entire Line. In the event that the NITU is terminated for only a portion of the Line and a replacement NITU is issued for the portion not terminated, then this Lease shall be deemed amended to cover only the portion of the Line on which trail use is not terminated.

7. Liens. At all times during the Term, Lessee shall keep the Premises and all improvements now or hereafter located on the Premises free and clear of all liens and claims of liens for labor, services, materials, supplies, or equipment performed on or furnished to the Premises. Lessee shall have the right to contest the correctness or validity of any such lien if, upon demand by Lessor, Lessee deposits with Lessor or any appropriate court or title insurance company a bond or sum of money sufficient to allow issuance of title insurance against the lien and/or to comply with applicable law pertaining to such liens.

8. Construction, Ownership of Improvements. Lessee may construct any improvements, alterations, installations or additions on or to the Premises that it deems

appropriate, necessary, useful or beneficial in connection with any Permitted Use, as determined in Lessee's sole discretion (the "Improvements"). Title to all Improvements, existing or hereafter constructed on the Premises by Lessee or sublessees of Lessee, shall be and remain the property of Lessee and may be removed by Lessee at expiration of this Lease. In the event that Lessee fails to remove any improvement located on the Premises at the expiration of this Lease, then such improvement shall be and become the property of Lessor.

9. Governmental Approvals. This Lease is entered into pursuant and subject to the Trails Act and the NITU, the terms and conditions of which are incorporated herein by reference. In the event the STB or any other federal or state authority having jurisdiction over any part of this Lease shall impose additional terms or conditions upon this Lease, Lessee may terminate this Lease without liability to Lessor. Notwithstanding the foregoing, Lessee agrees that it shall satisfy the following environmental conditions imposed by the STB on the salvage of the Salvageable Property:

(a) Lessee shall notify the National Geodetic Survey at least 90 days prior to beginning salvage activities that will disturb or destroy any geodetic station marker;

(b) Lessee shall consult with the North Carolina Department of Environmental Quality prior to commencing any salvage activities; and

(c) Lessee shall consult with the U.S. Army Corps of Engineers and comply with its reasonable requirements prior to commencement of any salvage activities.

10. Trails Act. This Lease and any sublease or assignment shall be interpreted to conform to Section 8(d) of the Trails Act, and Lessee shall assume all financial, managerial and legal responsibility and liability for use of the Premises upon lease of the Premises, and agrees to defend, indemnify and hold Lessor harmless therefor, including for any legal liability arising out of the transfer or use of the right-of-way as a trail as per Section 18 of this Lease. It is agreed and understood that any conservation/recreation use by Lessee (or its assignees) shall not impair future restoration of rail service pursuant to the Trails Act. In the event that the STB determines that reactivation of rail service along all of the right-of-way leased to Lessee is necessary to meet the public convenience and necessity and the rail carrier authorized to restore such rail service notifies Lessor or Lessee of its intention to restore such service, then this Lease shall terminate without penalty sixty (60) days following the transfer of the right-of-way to the rail carrier restoring rail service (a "Restorative Transfer"), or on such other date mutually agreed by Lessor and Lessee. If rail service is authorized for restoration on only a part of the right-of-way leased to Lessee, then Lessee shall have the right, but not the obligation, to terminate this Lease without penalty upon written notice to Lessor within sixty (60) days of any STB decision allowing the restoration of rail service. If Lessee does not elect to so terminate, then effective upon any Restorative Transfer, Lessor and Lessee each shall be released from this Lease with respect to the portion of the right-of-way transferred for purposes of the restoration of rail service, Exhibit A shall be deemed amended to the exclude such portion of the right-of-way and all references to the Premises shall exclude such portion of the right-of-way.

11. Insurance. Throughout the Term, Lessee shall at its sole expense keep or cause to be kept for the mutual benefit of the Lessor and Lessee comprehensive general liability insurance in the minimum total amount of one million dollar (\$1,000,000.00) for each occurrence for damage/loss and bodily injury to any person arising out of one occurrence. The policies of insurance that Lessee is required to obtain and maintain hereunder shall name Lessor as an additional insured and a certificate of the evidence of such insurance shall be delivered to Lessor upon request; provided, however, that the foregoing obligation to name Lessor as an additional insured shall apply only to liability insurance, and not to property, business interruption, worker's compensation, or any other insurance. Such policy shall be in such form and with such insurance company as shall be reasonably satisfactory to Lessor with provisions for at least thirty (30) days' notice to Lessor of cancellation. In the event Lessee does not maintain the insurance herein called for, Lessor may obtain said insurance and Lessee shall reimburse Lessor for the premiums due on said insurance on demand.

12. Taxes. Lessee shall pay all taxes levied or assessed against the right-of-way, including but not limited to real estate ad valorem taxes, special or other assessments and other governmental charges as are finally determined to be legally payable by legal proceedings or otherwise levied or assessed upon the Premises provided the same are due and payable and attributable to a period during the Term of this Lease. Lessee shall pay when due all ad valorem taxes on its personal property and fixtures located on the Premises. Special assessments properly payable hereunder may be paid by Lessee in installments if Lessor is permitted to do so. All taxes and assessments assessed prior to but payable in whole or in part after the commencement of the Term and all taxes and assessments assessed during the Term but payable in whole or in part after the lease Term, shall be adjusted and prorated, so that Lessor shall pay its prorated share for the period prior to and for the period subsequent to the Term, and Lessee shall pay its prorated share for the Term

13. Maintenance. At all times during the term of this Lease, Lessee shall, at Lessee's own cost and expense, keep and maintain the Premises, and all structures located thereon, in good order and repair.

14. Right of Entry. The Lessor and its agents may enter upon the Premises at all reasonable times to examine their condition and use, so long as that right is exercised in a manner that does not unreasonably interfere with the Lessee in its use of the Premises.

15. Future Rights. Notwithstanding anything herein to the contrary, Lessor may convey licenses and easements to third parties for the use of the Premises that do not substantially impair Lessee's Permitted Use of the Premises upon providing written notice to Lessee prior to conveyance. Lessee shall provide written notice of objection within thirty (30) days of receipt of notice from Lessor, or shall otherwise be deemed to consent to conveyance of said licenses or easements.

16. Default. Any one or more of the following events (each, an "Event of Default") shall constitute a default: (i) either party defaults in the performance of any of the terms, conditions, or covenants contained in this Lease to be observed or performed by it and does not remedy such default within thirty (30) days after written notice thereof or does not within such

thirty (30) day period commence such act or acts as shall be necessary to remedy the default and diligently pursue the remedy to completion; (ii) Lessee files a voluntary petition in bankruptcy or is adjudicated a bankrupt or insolvent, or takes the benefit of any relevant legislation that may be in force for bankrupt or insolvent debtors or files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation, or proceedings are taken by Lessee under any relevant Bankruptcy Act in force in any jurisdiction available to Lessee, or Lessee seeks or consents to or acquiesces in the appointment of any trustee, receiver or liquidator of Lessee or of all or any substantial part of its properties or of the premises, or makes any general assignment for the benefit of creditors; or (iii) a petition is filed against Lessee seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state or other statute, law or regulation, and shall remain undismissed for an aggregate of one hundred twenty (120) days, or if any trustee, receiver or liquidator of Lessee or of all or any substantial part of its properties or of the premises is appointed without the consent or acquiescence of Lessee and such appointment remains unvacated for an aggregate of twenty (20) days.

17. Remedies Upon Default. Upon an Event of Default by a party under this Lease, the other party may (but shall not be obligated) to terminate this Lease by written notice to the defaulting party and pursue all remedies available to it at law or in equity. Irrespective of any remedies expressly provided for in this Lease, or otherwise available at law or in equity, each party covenants to exercise good faith and use its best efforts to mitigate damages which may occur as a result of the other party's default.

18. Lessee's Indemnity. Lessee shall indemnify and hold Lessor harmless from any and all liability, cost or expense, including reasonable attorneys' fees, arising out of (i) the transfer of the Line hereunder, or (ii) the use of the Line after the Effective Date.

19. Lessor's Indemnity. Lessor will indemnify and hold Lessee harmless from any and all liability, cost or expense, including reasonable attorneys' fees, incurred by or assessed against Lessee arising before the Effective Date on account of injuries death, property loss or other damage of any kind resulting from Lessor's acts or omissions in connection with Lessor's use, operation or maintenance of the Premises.

20. Environmental Liability. Lessor shall retain and bear all liability relating to environmental or hazardous conditions, materials or substances, to the extent arising out of, relating to or resulting from any act, omission or event occurring prior to the Effective Date or condition of the Property created prior to the Effective Date, regardless of when discovered. Lessee shall assume and bear all liability relating to environmental or hazardous conditions, materials or substances to the extent arising from activities of Lessee or its employees, agents, contractors, or invitees which result in the presence of hazardous materials upon, about or beneath the Premises. The party to whom responsibility is allocated for a particular liability or liabilities pursuant to this Section shall defend and hold harmless the other party from any and all suits, claims, loss, costs (including reasonable attorneys' fees), damage or injury, on account of that liability or liabilities. These indemnity obligations shall survive termination of this Lease; provided, however, that Lessee shall not indemnify Lessor for any liability arising on that portion

of the Premises which Lessor reenters for purposes of reinstituting rail service from the date Lessor first so reenters.

21. Lessee's Authority. Lessee represents and warrants to Lessor that Lessee, individually and acting alone, has the full right, power, and authority to enter into this Lease and to carry out Lessee's obligations hereunder, and that all requisite action necessary to authorize Lessee to enter into this Lease and to carry out its obligations under this Lease has been taken by Lessee.

22. Lessor's Representations and Warranties. Lessor makes the following representations and warranties to Lessee:

(a) To Lessor's knowledge, except as set forth on Schedule 22(a), there are no other adverse or other parties in possession of the Premises, and no other party has been granted any license, lease, or other right relating to the use or possession of the Premises that have not been disclosed in writing by Lessor to Lessee prior to the Effective Date.

(b) To Lessor's knowledge, except as set forth on Schedule 22(b), Lessor has fee title to the Property and there are no documents affecting the Premises that have not been disclosed in writing by Lessor to Lessee prior to the Effective Date.

(c) To Lessor's knowledge, except as set forth on Schedule 22(c), no other options, rights-of-first refusal, or contracts have been granted or entered into by Lessor which are still outstanding and which give any other party a right to purchase, lease, develop or otherwise affect any interest in the Premises or any part thereof.

(d) Lessor, individually and acting alone, has the full right, power, and authority to enter into this Lease and to carry out Lessor's obligations hereunder, and that all requisite action necessary to authorize Lessor to enter into this Lease and to carry out its obligations under this Lease has been taken by Lessor.

23. Notices. Any notice, approval or other communication which may be required or permitted to be given or delivered hereunder shall be in writing and shall be deemed to have been given, delivered and received: (i) as of the date when the notice is personally delivered, (ii) if mailed, in the United States Mail, certified, return receipt requested, as of the date which is the date of the postmark on such notice, (iii) if delivered by overnight courier or express mail service for next business day delivery where the sender provides or retains evidence of the date of delivery, as of the date of such delivery; (iv) if by facsimile or email, as of the day such is sent via facsimile or email provided that a hard copy referencing the date of facsimile or email transmission is sent the same day by one of the other methods of delivery set forth above.

To Lessee:

Caldwell County Pathways, Inc.
Attn: City of Lenoir Planning Director (Jenny Wheelock)
801 West Avenue NW
Lenoir, NC 28645

Phone: 828-757-2168
 Fax: 828-757-4440
 Email: jwheelock@lenoir-nc.gov

To Lessor:

Caldwell Railroad Commission
 Attn: Elizabeth D (Betsy) Wilson
 654 Pennton Ave SW
 Lenoir, NC 28645
 Phone: 828-758-5445
 Email: bfinance@charter.net

24. Governing Law. This Lease shall be governed, interpreted and construed under the laws of the State of North Carolina.

25. Assignment and Subletting. Lessee may assign or sublease all or any portion of this Lease without the written consent of Lessor, provided, however, Lessee shall remain liable to Lessor for the obligations under this Lease notwithstanding any such assignment or subletting. The terms and conditions of all such sublease agreements shall be within the discretion of Lessee, provided such sublease shall not contain any provision that is inconsistent with Lessee's and Lessor's respective rights under this Lease. Lessee shall be entitled to all proceeds received in connection therewith.

26. Condemnation. In the event that a condemnation action is initiated with respect to the Premises, either party to this Lease that receives notice of such action shall promptly notify the other party to this Lease. Lessor shall have the right to defend against such action and Lessee shall cooperate in any such defense. If the whole or any part of the Premises shall be acquired or condemned by eminent domain or like power for any public or quasi-public use or purpose, then this Lease shall terminate as to the part of the Premises so taken, effective on the date possession thereof shall be obtained. All damages awarded for each acquisition or condemnation of the Premises, or any part thereof, shall become the sole and absolute property of Lessor, regardless of whether such damages are awarded as compensation for the diminution in value of the leasehold, or the loss of the fee. Lessee, however, shall be entitled to that portion of the award which is expressly stated to have been given to Lessee for the loss of business, its personal property, and any improvements, alterations, installations or additions on or to the Premises that Lessee has constructed.

27. Waiver. No assent, or waiver expressed or implied, or failure to enforce, as to any breach of any one or more of the covenants or agreements herein shall be deemed or taken to be a waiver of any succeeding or additional breach.

28. Successors and Assigns. The provisions of this Lease shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, successors and assigns.

29. Brokerage. Lessee represents that it has not dealt with any broker in connection with this Lease. Lessor and Lessee each covenant and agree to pay, hold harmless and indemnify the other from and against any and all cost, expense or liability (including reasonable attorneys' fees) for any compensation, commissions or charges claimed by any other broker or agent with whom it has had any dealings or negotiations with respect to this Lease or the negotiation thereof.

30. No Partnership or Joint Venture. Nothing in this Lease shall be construed to render the Lessor in any way or for any purpose a partner, joint venturer, or associate in any relationship with Lessee other than that of Lessor and Lessee, nor shall this Lease be construed to authorize either to act as agent for the other.

31. Memorandum of Lease: Lessor and Lessee shall execute a memorandum of this Lease, which shall be recorded in Caldwell County, North Carolina, in the form attached hereto as Exhibit B. The memorandum of Lease shall describe the parties, set forth a description of the Lease premises, specify the term of the Lease and incorporate this Lease by reference.

32. Headings. The use of headings, captions and numbers in this Lease is solely for the convenience of identifying and indexing the various provisions in this Lease and shall in no event be considered otherwise in construing or interpreting any provision in this Lease.

33. Severability. If any term, covenant, condition or provision of this Lease, or the application thereof to any person or circumstance, shall ever be held to be invalid or unenforceable, then in each such event the remainder of this Lease or the application of such term, covenant, condition or provision to any other person or any other circumstance (other than those as to which it shall be invalid or unenforceable) shall not be thereby affected, and each term, covenant, condition and provision hereof shall remain valid and enforceable to the fullest extent permitted by law.

34. No Construction Against Preparer. No provision of this Lease shall be construed against or interpreted to the disadvantage of any party by any court or other governmental or judicial authority by reason of such party's having or being deemed to have prepared or imposed such provision

35. Entire Agreement. This Lease constitutes the entire agreement between the parties hereto and it is understood and agreed that all undertakings, negotiations, representations, promises, inducements and agreements heretofore had between these parties are merged herein. This Lease may not be changed, modified or amended orally, but only by an agreement in writing signed by both the Lessee and the Lessor. No waiver of any of the provisions to this Lease shall be valid unless in writing and signed by the party against whom it is sought to be enforced.

36. Multiple Counterparts; Electronic Signatures. This Lease may be executed in a number of identical counterparts which, taken together, shall constitute collectively one (1) agreement; in making proof of this Lease, it shall not be necessary to produce or account for more than one such counterpart with each party's signature. Further, this Lease may be executed by both Lessor and Lessee by facsimile or by portable document format (.pdf) signature, such

that execution of this Lease by facsimile or by portable document format (.pdf) signature shall be deemed effective for all purposes as though this Lease was executed as a “blue ink” original.

[end of page; signature page follows]

IN WITNESS WHEREOF, the parties have signed this Lease effective as of the Effective Date.

LESSEE

CALDWELL COUNTY PATHWAYS, INC.

By: 
(signature)

Its: Chair
(title)

LESSOR

CALDWELL RAILROAD COMMISSION

By: 
(signature)

Its: Chair
(title)

SCHEDULE 22 TO LEASE AND INTERIM TRAIL USE/RAIL BANKING AGREEMENT
BETWEEN CALDWELL RAILROAD COMMISSION AND CALDWELL COUNTY PATHWAYS, INC.

Schedule 22(a). Lessor leases the Premises to Lessee, and Lessee leases the Premises from Lessor, AS IS with respect to adverse or other parties in possession, subject to all licenses, leases and other rights that may have been conveyed to third parties by Lessor or its predecessor in title, Norfolk Southern Railway Company, as well as subject to all existing encroachments by third parties. Lessor discloses to Lessee that it has granted License Agreements to a number of third parties for the use of various portions of the Premises, and it has entered into several contingent interest agreements with the North Carolina Department of Transportation which may affect some of the Premises. In addition, Lessor entered into one or more grant agreements associated with the purchase of the Premises that may convey rights in the Premises to the granting party(ies).

Schedule 22(b). Lessor leases the Premises to Lessee, and Lessee leases the Premises from Lessor, AS IS with respect to Lessor's title to the Premises. Lessor discloses to Lessee that to the best of its knowledge, it does not own fee simple title to most of or all of the Premises.

Schedule 22(c). Lessor leases the Premises to Lessee, and Lessee leases the Premises from Lessor, AS IS with respect to options, rights of first refusal and contracts which have been conveyed by Lessor and which are still outstanding. Lessor discloses to Lessee that it conveyed certain rights to the Premises to Caldwell County Railroad Company which included a right of first refusal, it has granted License Agreements to a number of third parties that affect the Premises, and it has entered into several contingent interest agreements with the North Carolina Department of Transportation which may affect some of the Premises. In addition, Lessor entered into one or more grant agreements associated with the purchase of the Premises that may convey rights in the Premises to the granting party(ies).

EXHIBIT A

To Lease and Interim Trail Use/ Rail Banking Agreement

Between Caldwell Railroad Commission and Caldwell County Pathways, Inc.

Being a part of that line of railroad, with all railway appurtenances attached thereto, lying and being in the City of Lenoir, Caldwell County, North Carolina which was conveyed to Caldwell Railroad Commission (formerly named Caldwell County Economic Development Commission, Inc.) by Norfolk Southern Railway Company by Deed dated January 25, 1995 and recorded in Deed Book 1129, at Page 1620, Caldwell County Registry, and more particularly described as follows:

Beginning at milepost 108.79 and continuing to the northern terminus of said line of railroad located at milepost 112.7.

Drawn By and Mail to:

STATE OF NORTH CAROLINA

MEMORANDUM OF LEASE

COUNTY OF CALDWELL

THIS MEMORANDUM OF LEASE (this "Memorandum") is made and executed as of the 16th day of August, 2016, by and between Caldwell Railroad Commission, a North Carolina nonprofit corporation, as "Lessor," having an address of 654 Pennton Ave SW, Lenoir, NC 28645, and Caldwell County Pathways, Inc., a North Carolina nonprofit corporation, as "Lessee," having an address of PO Box 1954, Lenoir, NC, 28645.

1. Pursuant to the terms of that certain Lease and Interim Trail Use/Rail Banking Agreement (the "Lease") between Lessor and Lessee, dated August 16, 2016 (the "Effective Date"), Lessor has leased to Lessee certain real property located in Caldwell County, North Carolina, and more particularly described on Exhibit A attached hereto and incorporated herein by reference (the "Premises").

2. The term of the Lease for the Premises is for a period of thirty (30) years, commencing on the Effective Date, and is renewable at the option of Lessee for one additional thirty (30) year term, subject to the preconditions and terms and conditions provided in the Lease.

3. The terms, provisions, conditions and agreements contained in the Lease between Lessor and Lessee are incorporated herein by reference as if the same were fully set forth herein. Any request for information concerning the contents of the Lease should be directed to Lessor at the address above stated and to Lessee at the address above stated.

4. This Memorandum is not a complete summary of the Lease, and the provisions contained herein shall not be construed to interpret the terms thereof. In the event of a conflict between this Memorandum and the Lease, the Lease shall control.

5. This Memorandum may be executed in counterparts, each of which shall constitute an original instrument.

IN WITNESS WHEREOF, Lessor and Lessee have caused Memorandum of Lease to be executed as of the day and year first above written.

LESSOR

CALDWELL RAILROAD COMMISSION

By: David F. Stewart
(signature)

Its: Chair
(title)

LESSEE

CALDWELL COUNTY PATHWAYS, INC.

By: Brian Faye
(signature)

Its: Chair
(title)

[notarization page follows]

STATE OF North CarolinaCOUNTY OF Caldwell

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: David F. Stevens
Chair [here insert names of principals].

Date: 8-16-16

Jacqueline Sigmon
 Printed or Typed Name: Jacqueline Sigmon
 Notary Public

My commission expires: October 1, 2017

[Official Stamp/Seal]

STATE OF North CarolinaCOUNTY OF Caldwell

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Brandon Thompson
Chair [here insert names of principals].

Date: 8-16-16

Jacqueline Sigmon
 Printed or Typed Name: Jacqueline Sigmon
 Notary Public

My commission expires: October 1, 2017

[Official Stamp/Seal]



CITY OF LENOIR

COUNCIL ACTION FORM

- I. Agenda Item:** B.3. Authorizing Resolution for NC Department of Commerce Rural Economic Development Division Rural Hope Grant for the Caldwell UNC Health Care Behavioral Health Facility.

- II. Background Information:** Caldwell Memorial Hospital has operated at its main campus since 1951. The hospital, now formally partnered with UNC since 2013, operates as Caldwell UNC Health Care.

Caldwell UNC Health Care operates a 110 bed hospital in Lenoir, Caldwell Physician's Network and clinics and services at 16 locations in the county.

Caldwell UNC Health Care is making application for a \$500,000 Rural Hope Grant through the NC Department of Commerce Rural Economic Development Division to assist in the construction of a new, free-standing 17,200 square foot mental health facility. The facility will have 27 beds and will offer in-patient and out-patient services. Caldwell County currently has no psychiatric hospital based inpatient services and no psychiatrists to meet the needs.

The total cost of the project will be \$7.2 Million and it will create more than 50 new, well-paying, full-time jobs. The project is expected to break ground in the fall of 2018 with construction completion and job creation by fall 2020.

The City of Lenoir is asked to be the local government applicant on behalf of the hospital for the Rural Hope Grant. The hospital has secured the necessary funding for the remainder of the construction costs. A 5% local match is required of the local government applicant and those funds have been secured as well. The Caldwell EDC is writing the grant application and will administer it as they do all Caldwell County Rural Economic Development Division grants.

- III. Staff Recommendation:** If Council wishes to proceed with the grant submittal, City Council should adopt the enclosed Authorizing Resolution for NC Department of Commerce Rural Hope Grant for the Caldwell UNC Health Care Behavioral Health Facility.

- IV. Reviewed by:**

City Attorney:

City Manager:



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
AUTHORITY TO APPLY TO THE
NORTH CAROLINA DEPARTMENT OF COMMERCE
RURAL ECONOMIC DEVELOPMENT DIVISION
CALDWELL UNC HEALTH CARE
BEHAVIORAL HEALTH FACILITY RURAL HOPE GRANT

WHEREAS, the City of Lenoir desires to assist through Rural Hope Grant funding the Caldwell UNC Health Care Behavioral Health facility on the Caldwell Memorial Hospital site in Lenoir and;

WHEREAS, the City of Lenoir requests a Rural Hope Grant from the North Carolina Department of Commerce for this project.

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

That the City of Lenoir will provide the required local government match of 5% for the Rural Hope Grant requested.

That Scott E. Hildebran, City Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of the City of Lenoir with the North Carolina Department of Commerce for a grant to assist in the development of the project described above.

That the City of Lenoir 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.

Adopted this the ____ day of August 2018, at Lenoir, North Carolina.

SEAL

Joseph L. Gibbons, Mayor

ATTEST:

Shirley M. Cannon, City Clerk



Upcoming Re-appointments for consideration by City CouncilBoard of Adjustments

Richard Hedrick 2-year Term

Parks & Recreation Advisory Board

Joel Kincaid 3-year Term

CITY OF LENOIR

AFTER ACTION MEMO

To: Department Heads/Division Superintendents

From: Scott Hildebran, City Manager

Date: Thursday, August 9, 2018

Subject: Action taken by City Council on Tuesday, August 7, 2018.
Review all information to ensure that your department maintains
action taken by City Council.

- ✓ City Council approved the minutes of the City Council Meeting of Tuesday, June 19, 2018 as submitted.
- ✓ City Council approved the minutes of the Committee of the Whole Meeting of Tuesday, June 26 as submitted.
- ✓ Ms. Kimberly Barnett, Representative of the NC Department of Water Quality, presented Public Utilities Director Radford Thomas and Water Treatment Plant Superintendent Kevin Matheson, the Area-Wide Optimization Program Water Award for 2017. The City has received this award for eight consecutive years.
- ✓ Mr. Irv Eurto, 1st Vice Commander, Post 29 American Legion, honored and recognized Keith Owens, Firefighter of the Year and Thai Lee, Police Officer of the Year for the City of Lenoir as selected by their peers. Matt Shook, Caldwell County Emergency Services, also received the award of EMT of the Year. Mr. Eurto stated the American Legion wishes to recognize the general excellence of these three departments and all that they do make our community a safer place.
- ✓ City Council adopted a resolution commending former Police Chief Scott Brown for his service to the City of Lenoir and declaring his badge and service weapons as surplus property.
- ✓ City Council approved the City of Lenoir's Water Shortage Response Plan as required by the state of North Carolina. Councilmember Rohr voted against this motion.
- ✓ City Council awarded the low bid of \$93.00 per ton to J. T. Russell & Sons, Inc. for the City's FY2018-20 Paving Contract. The bid includes the required bid (security bond) and an escalator clause for unit price adjustment based on liquid asphalt price fluctuation.
- ✓ City Council approved the assignment of a Lease and Interim Trail Use/Rail Banking Agreement from Caldwell County Pathways to the City of Lenoir.
- ✓ City Council formally adopted a 45 MPH speed limit throughout the five-lane section of Connelly Springs Road between Hickory Boulevard and Southwest Boulevard, as recommended by NCDOT. The City's Code of Ordinances, Traffic, Section 118, will be amended to reflect this change.
- ✓ City Council approved a resolution authorizing the City Manager to file an application

with the North Carolina Department of Commerce requesting \$500,000 in grant funds to assist with the Caldwell UNC Health Care Grant project. The City of Lenoir will provide the required 5% local government match for \$25,000 to comply with the Rural Hope Grant regulations. Councilmember Rohr voted against this motion.

- ✓ Mayor Gibbons announced that Richard Hedrick will be re-appointed to serve a term on the Board of Adjustments and noted a vacancy exists on the City's Parks & Recreation Advisory Board due to the resignation of Joel Kincaid. Mayor Gibbons commended Mr. Kincaid for his service to the Board and encouraged interested applicants to submit an application for consideration.
- ✓ On behalf of City Council and the City of Lenoir, Mayor Gibbons extended sincere sympathy to Brent Phelps, Chief of Police, upon the recent loss of his father, and also to Kenny Story, Recreation Director, upon the recent loss of his mother-in-law.
- ✓ On behalf of City Council, Mayor Gibbons commended City Departments for all of their hard work and participation during the recent Blackberry Festival. The Festival, sponsored by the Chamber of Commerce, was a huge success with over 30,000 in attendance.
- ✓ On behalf of City Council, Mayor Gibbons, congratulated Brian Smith, Lenoir Police Department, upon his recent promotion to Captain.
- ✓ On behalf of City Council, Mayor Gibbons commended Lester Whittington, Center Director, Martin Luther King, Jr. Center, for the recent successful Jazz Festival and for coordinating the 46th annual Harambee Festival week held on August 4 through August 10. Events are scheduled nightly at the Martin Luther King, Jr. Center. Mayor Gibbons also commended the Customer Service/Design Team for their hard work in coordinating the annual Employee Appreciation night held at Bo's Entertainment. A total of 340 employees and family members attended this fun event.
- ✓ By consensus of the Council, the calendar for the month of August was approved listing various meetings and events.
- ✓ The following events for the month of August were highlighted:
 - The Lenoir Tourism Development Authority will meet on Thursday, August 9 at 4:00 p.m. at City Hall, Third Floor, former Council Chambers.
 - The Lenoir Business Advisory Authority will meet on Thursday, August 9 at 6:00 p.m. at City Hall, Third Floor, former Council Chambers.
 - The Bryan Anderson and Toni Carlton Uptown Jazz Show is scheduled for Friday, August 10 from 7:00 p.m. – 10:00 p.m. on the uptown plaza.
 - Fabulous Film Night is scheduled on Saturday, August 11 at 8:30 p.m. with the movie "Sherlock Gnomes" being shown on the square.
 - The City/County Services Committee will meet on Monday, August 13 at 11:45 a.m.
 - The Caldwell County Economic Development Commission will meet on Tuesday, August 14 at 8:00 a.m.
 - The Parks and Recreation Advisory Board will meet on Monday, August 20 at 6:00 p.m. at the Optimist Clubhouse.