

**City Council
Meeting Minutes
Tuesday, June 2, 2026
6:00 PM**

Present: Mayor Joe Gibbons presiding. Mayor Pro-Tem Ike Perkins, Councilmembers present were Jonathan Beal, Rebecca Dellinger, Ralph Prestwood, Kimmie Rogers, David Stevens, Crissy Thomas, City Manager Scott Hildebran, City Clerk Lauren Hartley and Attorney Timothy Rohr.

City Staff: In attendance was Finance Director Donna Bean, Public Services Public Works Director Jon Hogan, Communication & Public Information Director Joshua Harris, Fire Chief Norman Staines, Police Chief Andy Wilson, Planning Director Hannah Williams, City Parks & Recreation Director Phil Harper, Public Services Public Utilities Director Jeff Church, and Community Engagement Coordinator Ashley Smith.

Absent Economic Development Main Street Director Brenda Floyd

I. Call to Order

- A. Mayor Gibbons thanked city staff for all the work on the Neon Night Ride event and said it was a great event for the community.

The meeting was opened by a moment of silence and the pledge of allegiance led by Mayor Gibbons.

II. Matters Scheduled for Public Hearings

- A. A second public hearing was held for the Community Development Block Grant Disaster Recovery (CDBG-DR) \$4,620,000 to be submitted to the North Carolina Department of Commerce Rural Economic Development Division. In conjunction with the City's Downtown Master Plan, this project will construct the Overmountain Victory Trail (OVT) Pavilion, rehabilitate the existing building at 1129 West Ave NW into a Visitors Center – Auxiliary Support Space, and demolish the existing building at 1136 Harper Ave.

Mayor Gibbons opened the public hearing and asked Western Piedmont Council of Governments Community and Economic Development Manager, Kyle Case to speak about the proposed items.

Kyle Case said this public hearing is to discuss the Community Development Block Grant Disaster Recovery (CDBG-DR). Case said the first public hearing was held in February, which notified the public that the city was interested in applying for CDBG projects. It is a requirement for a second public hearing to be held. The proposed project is in the Commercial District Revitalization category.

Kyle Case said that since the public hearing was advertised, there was a change to

the budget, which is now \$4,620,000. This budget is broken down into two categories; construction costs and project development costs. Provided in the packets for council action is the Authorizing Resolution, Citizen Participation Plan, Resolution and the Anti-Displacement Plan, which are required documents by Housing and Urban Development (HUD). All CDBG funds go to benefiting low to moderate individuals.

Mayor Gibbons asked if anyone would like to address the council concerning this public hearing. With none, Mayor Gibbons closed the public hearing.

Upon a motion by Councilmember Prestwood, City Council voted 7 to 0 to approve an Authorizing Resolution to submit a \$4,620,000 grant application to the North Carolina Department of Commerce Division of Community Revitalization (DCR), Citizen Participation Plan, Resolution, and the Anti-Displacement Plan as required by the Department of Housing and Urban Development, as presented.

Mayor Gibbons said he appreciated the work that Western Piedmont Council of Governments has done on this project and many others.

- B.** A public hearing was held to receive public comments regarding the Annual Budget for the fiscal year beginning July 1, 2026, through June 30, 2027, for the City of Lenoir. Upon conclusion of the public hearing, Council may take action on adoption of the enclosed FY2026-2027 Budget Ordinance, as presented.

Mayor Gibbons opened the public hearing to receive public comments.

A copy of the FY2026-2027 Budget Ordinance is attached to these minutes as information.

City Manager Hildebran gave a summary of the proposed budget.

- The General Fund budget totals \$27,104,230 and is balanced with the property tax rate of 46¢ per \$100 of assessed property value, the same as last year. The budget maintains the current Rescue Readiness Tax Rate of 0.85¢ per \$100 of assessed property value for a total tax rate of 46.85¢ per \$100. All fees and charges remain unchanged.
- The Downtown Municipal Service District budget totals \$285,875 and is balanced with the current downtown tax rate of 18¢ per \$100 of assessed district property value and with the use of general funds. The Tourism Development Fund totals \$125,000.
- The Water and Sewer Fund budget totals \$14,523,270 and includes a 3.75% increase in water and sewer rates which, for a customer with 5,000 gallons of usage per month would be \$2.12 per month. The budget also includes a 5% increase in water and sewer bulk/retail rates.

Mr. Hildebran thanked Finance Director Donna Bean, City Council and Staff for

all of their assistance and input regarding the budget.

Mayor Gibbons thanked Mr. Hildebran and Department Directors for their leadership and hard work. He remarked that City Council does not take it lightly and appreciates everyone taking care of our citizens.

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

Councilmember Stevens said the City Council appreciates all the work from the City Manager and Department Heads.

Upon a motion by Councilmember Stevens, City Council voted 7 to 0 to approve the FY2026-2027 Budget Ordinance, as presented and recommended.

III. Consent Agenda Items

Mayor Gibbons presented the following items:

- A. Minutes: Approval of the City Council minutes of the meeting of Tuesday, May 19, 2026, as submitted.
- B. Minutes: Approval of the minutes of the City Council Budget Meeting of Thursday, May 21, 2026, as submitted.
- C. Minutes: Approval of the Committee of the Whole minutes of the meeting of Tuesday, May 26, 2026, as submitted.
- D. Resolution; Approval of a resolution authorizing an application to the Greater Hickory MPO for the Surface Transportation Program — Direct Appointment funds for the Harper Avenue streetscape LAP project. The proposed Harper Avenue Streetscape project represents a significant opportunity to close a major gap in the pedestrian network, improve stormwater performance, and enhance the safety and appearance of this key corridor. This project has an estimated total cost of \$10 million, and this initial LAP application is for the pre-construction costs (design, r/w/ acquisition, and utility relocation), which total \$2,042,106. The application for these funds requires endorsement of the Lenoir City Council and the commitment of a 20% cash match (up to \$408,421). Future applications will pursue construction costs, as submitted.
- E. Contract Amendment; Approval of Engineering Service Contract Amendment No. 1 with McGill Associates - Lenoir - Valdese Waterline Interconnection Project. The cost summary for the additional services is as follows: Engineering Report \$48,000 Lump Sum, Additional Survey – Big View Lane \$15,000 Lump Sum, Easement Maps - Carpenter Road \$38,000 Lump Sum, Easement Maps – Waterfront Club \$11,000 Lump Sum, as submitted.
- F. Utility Construction Agreement; Consideration of an NCDOT Utility Construction Agreement TIP # U-4700CB, the betterment portion of adjusting water facilities in conflict with upgrading the US 321 intersection at SR 1809/1952 (Pine Mountain Road). Once completed, the City of Lenoir will

assume the responsibility for the normal maintenance and operation of the utility lines. The estimated cost of the City's share of the betterment agreement is \$237,884.02, as submitted.

- G. Utility Construction Agreement; Consideration of an NCDOT Utility Construction Agreement TIP # U-4700CA, the betterment portion of adjusting water facilities in conflict with upgrading the US 321 intersection at SR 1160 (Mount Herman Road). Once completed, the City of Lenoir will assume the responsibility for the normal maintenance and operation of the utility lines. The estimated cost of the City's share of the betterment agreement is \$145,564.62, as submitted.
- H. Capital Project Budget Ordinances; Consideration of approval of the FY2026 Unifour Consortium HOME Program Capital Project Ordinance in the amount of \$1,226,597.50 and consideration of approval of the FY2026 Community Development Block Grant Program (CDBG) Capital Project Ordinance in the amount of \$118,866.00, as submitted.
- I. Sidewalk Cafe Permit Renewal-Fercott Fermentables; The sidewalk café must meet all provisions of Sec. 13-3 of the Lenoir City Code. These sidewalk café tables and chairs will be removed while business is closed. Fercott Fermentable's hours are Wednesday to Friday, 4-9PM and Saturday, 2-8PM. This business is in the Social District and is permitted by the City of Lenoir Planning Department to sell alcoholic beverages in the Social District. Alcoholic beverages sold and consumed in the Fercott sidewalk café shall be in Social District containers, according to the Social District Management and Maintenance Plan, as submitted.

Upon a motion by Councilmember Thomas, City Council voted 7 to 0 to adopt the above listed items (A through I) on the Consent Agenda as listed and recommended.

IV. Requests and Petitions of Citizens

There were no Requests and Petitions of Citizens.

V. Reports and Boards and Commissions

There was no report from Boards and Commissions.

VI. Reports and Recommendations of the City Manager

- A. City Manager Scott Hildebran presented the following items of information:
 - 1. Friday Night Live concert featuring Black Glass will be held Friday, June 5, from 7:00 p.m. to 10:00 p.m. at the Downtown Stage.
 - 2. The City/County Services Committee will meet on Monday, June 8, at noon at the J.E. Broyhill Civic Center.
 - 3. The Planning Board will meet on Monday, June 8, at 5:30 p.m. at the City/County Chambers.
 - 4. The Economic Development Advisory Committee will meet on Thursday, June 11, at 8:00 a.m. at the J.E. Broyhill Civic Center.

5. The ABC Board will meet on Thursday, June 11, at 2:00 p.m.
6. The Lenoir Business Advisory Board will meet on Thursday, June 11, at 6:00 p.m. at City Hall, Third Floor.

VII. Reports and Recommendations of the City Attorney

There was no report from the City Attorney.

VIII. Reports and Recommendations of the Mayor

There was no report from the Mayor.

- A. Annual Board Appointment/Re-Appointments: Mayor Gibbons recommended a list of individuals to be appointed /re-appointed to the City's Authorities/Boards/Commission for various term lengths. These appointments were announced at the May 19 City Council meeting.

BOARD APPOINTMENTS/RE-APPOINTMENTS

ABC Board (3-Year)

John Tye (2029)

Jon Blair (2028) Unexpired Term

Foothills Airport Authority (2-Year)

Tom Smith (2028)

Lenoir Housing Authority (5-year)

Pete Kidder (2031)

Business Advisory Board (3-Year)

Dana Clark (2029)

Glenda Wilson (2029)

Hunter Greer (2029)

Katie Brummett (2029)

Alan Hall (2028) Unexpired Term

Application Pending (2027) Unexpired Term

Planning Board/Historic Preservation Commission (3-year)

Michael Careccia (2029)

Kyle Case (2029)

Tammy Greene (2029)

Board of Adjustments (3-year)

Edward Terry (Alternate) (2028) Unexpired Term

Michael Careccia (2029)

Lucy McCarl (2029)

Kyle Case (2029)

Recreation Advisory Board (4-year)

Dylan Laws (2030)
Charles Pilkenton (2030)
Darren Foddrell (2030)
Application Pending (2029)

Lenoir Tourism Development Authority (4-year)

Dana Clark (2030)
Glenda Wilson (2030)
Samantha Riley (2029) Unexpired Term
Application Pending (2028) Unexpired Term

Upon a motion by Mayor Pro-Tem Perkins, City Council voted 7 to 0 to approve the board appointments, as presented.

IX. Reports and Recommendations of Council Member

There was no report from Councilmembers.

X. Adjournment

There being no further business, Mayor Gibbons adjourned the meeting at 6:25 p.m.

Lauren Hartley, City Clerk

Joseph L. Gibbons, Mayor



**RESOLUTION OF THE CITY OF LENOIR
COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION
OVT PAVILION PROJECT**

WHEREAS, the Lenoir City Council has previously indicated its desire to assist in community development efforts; and,

WHEREAS, the Lenoir City Council has held two public hearings concerning the proposed application for Community Development Block Grant funding to benefit low- and moderate-income residents of the Lenoir community; and,

WHEREAS, the Lenoir City Council wishes the City to pursue a formal application for Community Development Block Grant funding to benefit low-and-moderate income residents through the construction of the Overmountain Victory Trail (OVT) Pavilion, rehabilitation of the existing building at 1129 West Ave NW into a Visitors Center – Auxiliary Support Space, and the demolition of the existing building at 1136 Harper Ave.

WHEREAS, the Lenoir City Council certifies it will meet all federal regulatory and statutory requirements of the Community Development Block Grant Program,


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

That Scott 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 NC Department of Commerce Division of Community Revitalization (DCR) for approval of a Community Development Block Disaster Recovery Grant for Community Development to benefit low-and-moderate income residents through the construction of the Overmountain Victory Trail (OVT) Pavilion, rehabilitation of the existing building at 1129 West Ave NW into a Visitors Center – Auxiliary Support Space, and the demolition of the existing building at 1136 Harper Ave.


That Scott Hildebran, City Manager, and successors so titled, is hereby authorized and directed to furnish such information as The NC Department of Commerce Division of Community Revitalization (DCR) may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the 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 2nd day of June, 2026 at Lenoir, North Carolina.


MAYOR

ATTEST:


CITY CLERK

CITY OF LENOIR, NC
CHARTERED
JANUARY 28, 1951

SEAL



THE CITY OF LENOIR CDBG CITIZEN PARTICIPATION PLAN

This plan describes how The **City of Lenoir** will involve citizens in the planning, implementation, and assessment of the Community Development Block Grant (CDBG) program. The funds must be used for projects which benefit low and moderate-income persons, aids in the elimination and prevention of slums and blight. The program is intended to assist governments in understanding neighborhood improvement programs. The regulations give ultimate responsibility for the design and implementation of the program to local elected officials and require that citizens be given an opportunity to serve in a key advisory role to these elected officials.

SCOPE OF CITIZEN PARTICIPATION

Citizens will be involved in all stages of the CDBG program, including program implementation, assessment of performance, and design of changes in the CDBG Citizen Participation Plan. There will be three (3) general mechanisms for their involvement:

1. To provide input during public hearings or community meetings; and
2. To provide individual citizen efforts in the form of comments, complaints, or inquiries submitted directly to the Program Administrators or designated County official; and
3. To serve as an advisory committee to potential projects impacting a particular area.

PROGRAM IMPLEMENTATION

Citizen participation in program implementation will occur primarily through consultation with the City. The City will be asked to review and comment on specific guidelines for approved projects. They will also meet to review any program amendments, budget revisions, and program modifications. All such changes will be discussed with the City and their comments considered prior to acting. If program amendments require approval from the North Carolina Department of Commerce, a public hearing shall be held, specifically on the amendment. Citizens may also be involved in implementation of projects specifically requiring citizen participation, such as self-help projects. Their roles will be defined as the project develops. Technical assistance will be available as needed.

PROGRAM ASSESSMENT

Program assessment activities by citizens will occur in a variety of ways. A performance hearing will be held twenty- five (25) to sixty (60) days prior to the start of planning for the next program year. The Program Amendment will be asked to provide citizen commentary for the Grantee Performance Report.

As a part of the orientation to the program offered at the public hearing, citizens will be invited to submit comments on all aspects of program performance through the program year. Comments should be submitted in writing to the **City of Lenoir**, 801 West Ave NW, Lenoir, NC 28645. They will respond in writing within ten (10) days. If the response is unsatisfactory, the complainant should write directly to the Mayor c/o the Clerk to the Board, 801 West Ave NW, Lenoir, NC 28645. They shall respond within ten (10) days.

If the citizen is still dissatisfied, the citizen should write to the NC Department of Commerce, Division of Community Revitalization (DCR)/State CDBG Program, 4301 Mail Service Center, Raleigh, NC 27699-4346, Attention: Citizen Participation Matter. Program staff will also be available during normal business hours to respond to any citizen inquiries or complaints at (919) 707-1560.

The Citizen Participation Plan will be subject to annual review and proposed revision, to occur in the period between the performance hearing and the public hearing on the subsequent year's application.

TECHNICAL ASSISTANCE

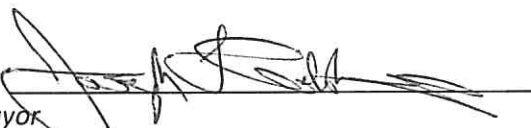
Technical Assistance will be provided to citizen organizations and groups of low/moderate income persons or target area residents upon request to the City of Lenoir. Such assistance will support citizen efforts to develop proposals, define policy, and organize for the implementation of the program. It is expected that such assistance will be provided by the **City of Lenoir** in response to their request. Assistance could be provided in the form of local presentations, informational handouts, research of a specific issue, or other short-term efforts.


PUBLIC INFORMATION

The **City of Lenoir** will also undertake public information efforts to promote citizen participation. These efforts will include the following:

1. Public Notice of all Public Hearings will be published in the non-legal section of the local newspaper at least ten (10) days before the scheduled hearing. These notices will indicate the date, time, location, and topics to be considered. These notices will also be made available in the form of a press release, posted on the City of Lenoir website and posted at publicly accessible City of Lenoir facilities as appropriate.
2. Orientation Information will be provided at the first public hearing. The Program Administrator(s) will make a presentation which covers: (a) the total amount of CDBG funds available and the competitive basis for award; (b) the range of eligible activities; (c) the planning process and the schedule of meetings and hearings; (d) the role of citizens in the program; and (e) a summary of other program requirements, such as the environmental policies, fair housing provisions, and contracting procedures.
3. A Public File containing program documentation will be available for review at the City of Lenoir, 801 West Ave NW, Lenoir, NC 28645 during normal business hours. Included will be copies of the Application, Environmental Review Record, the Citizen Participation Plan, and the Annual Performance Report.
4. Public Hearings an interpreter will be provided for all non-English speaking individuals and/or hearing impaired individuals.

ADOPTED, this 2nd day of June, 2026.


Mayor
City of Lenoir


Clerk
City of Lenoir

CITY OF LENOIR, NC
CHARTERED
JANUARY 28, 1851

SEAL

**RESOLUTION APPROVING
THE CITY OF LENOIR
CDBG-DR CITIZEN PARTICIPATION PLAN**

- WHEREAS, The City of Lenoir is in the process of preparing applications for grants through the North Carolina Community Development Block Grant (CDBG) Disaster Recovery Program;
- WHEREAS, program requirements require each applicant and recipient shall provide citizens with an opportunity for meaningful involvement on a continuing basis and for participation in the planning, implementation and assessment of the program;
- WHEREAS, further, each applicant for CDBG-DR funds shall develop and adopt, by resolution of their governing board, a written citizen participation plan developed in accordance with applicable rules; and
- WHEREAS, Planning Department has drafted a citizen participation plan and requests its adoption by the Council.

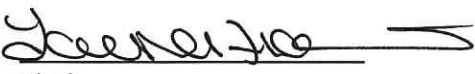
NOW, THEREFORE, BE IT RESOLVED by the City Council for the City of Lenoir as follows:

1. That the City of Lenoir CDBG-DR Citizen Participation Plan included with this agenda item is hereby adopted, and the Mayor is authorized to execute said Plan.
2. That all acts and doings of officers, employees and agents of the City, whether taken prior to, on, or after the date of this Resolution, that are in conformity with and in the furtherance of the purposes and intents of this Resolution as described above shall be, and the same hereby are, in all respects ratified, approved and confirmed.
3. That this resolution shall be effective upon its adoption.

This the 2nd day of June, 2026.

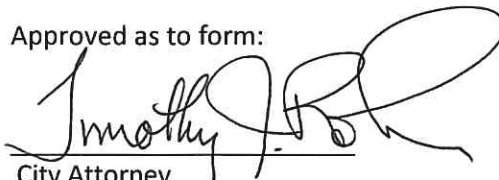
ATTEST

CITY COUNCIL FOR THE
CITY OF LENOIR


Clerk

BY 
Mayor

Approved as to form:


City Attorney

CITY OF LENOIR, NC
CHARTERED
JANUARY 28, 1851

SEAL



RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

This Residential Anti-Displacement and Relocation Assistance Plan is prepared by the City of Lenoir in accordance with the Housing and Community Development Act of 1974, as amended; and HUD regulations at 24 CFR 42.325 and is applicable to our CDBG projects.

Minimize Displacement

Consistent with the goals and objectives of activities assisted under the Act, the City will take the following steps to minimize the direct and indirect displacement of persons from their homes:

- Coordinate code enforcement with rehabilitation and housing assistance programs.
- Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent undue financial burden on established owners and tenants.
- Arrange for facilities to house persons who must be relocated temporarily during rehabilitation.
- Adopt tax assessment policies, such as deferred tax payment plans, to reduce impacts of increasing property tax assessments on lower income owner-occupants or tenants in revitalizing areas.
- Work with HUD approved Housing Counseling Agency to provide homeowners and tenants with information on assistance available to help them remain in their neighborhood in the face of revitalization pressures.
- Where feasible, give priority to rehabilitation of housing, as opposed to demolition, to avoid displacement.

CDBG programs include: Entitlement Community Development Block Grant (CDBG) Program, State CDBG Program, CDBG Small Cities Program, Section 108 Loan Guarantee Program, CDBG Special Purpose Grants Program, and the Neighborhood Stabilization Program (NSP).

- If feasible, demolish or convert only dwelling units that are not occupied or vacant occupiable dwelling units (especially those units which are "low-income dwelling units" (as defined in 24 CFR 42.305).
- Target only those properties deemed essential to the need or success of the project.

A. Relocation Assistance to Displaced Persons

The City will provide relocation assistance for lower-income tenants who, in connection with an activity assisted under the CDBG Program[s], move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of a lower-income dwelling unit in accordance with the requirements of 24 CFR 42.350. A displaced person who is not a lower-income

tenant will be provided with relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR Part 24.

B. One-for-One Replacement and Lower-Income Dwelling Units

The City will replace all occupied and vacant occupiable lower-income dwelling units demolished or converted to a use other than lower-income housing in connection with a project assisted with funds provided under the CDBG Program[s] in accordance with 24 CFR 42.375.

Before entering into a contract committing the City of Lenoir to provide funds for a project that will directly result in demolition or conversion of lower-income dwelling units, the City will make public by publish in a local paper of general circulation and post on the information board in City Hall and submit to State CDBG Programs(s) North Carolina Department of Commerce (NCDOC) the following information in writing:

1. A description of the proposed assisted project;
2. The address, number of bedrooms, and location on a map of lower-income dwelling units that will be demolished or converted to a use other than as lower-income dwelling units as a result of an assisted project;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. To the extent known, the address, number of lower-income dwelling units by size (number of bedrooms) and location on a map of the replacement lower-income housing that has been or will be provided. *[See also CFR 42.375(d)].*
5. The source of funding and a time schedule for the provision of the replacement dwelling units;
6. The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and
7. Information demonstrating that any proposed replacement of lower-income dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units), or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the HUD-approved Consolidated Plan and 24 CFR 42.375(b).

To the extent that the specific location of the replacement dwelling units and other data in items 4 through 7 are not available at the time of the general submission, the City will identify the general location of such dwelling units on a map and complete the disclosure and submission requirements as soon as the specific data is available.

C. Replacement not Required Based on Unit Availability

Under CFR 24 42.375(d), the City may submit a request to the State (NCDOC) for a determination that one-for-one replacement requirement does not apply based on objective data that there is an adequate supply of vacant lower-income dwelling units in standard condition available on a non-discriminatory basis within the areas.


D. Contacts

The City Clerk, Lauren Hartley (828) 757-2205, is responsible for tracking the replacement of lower income dwelling units and ensuring that they are provided within the required period.

The Chief Financial Officer, Donna Bean (828) 757-2180, is responsible for providing relocation payments and other relocation assistance to any lower-income person displaced by the demolition of any dwelling unit or the conversion of lower-income dwelling units to another use.

Adopted this 2nd day of June, 2026


Mayor

ATTEST:

City Clerk

CITY OF LENOIR, NC
CHARTERED
JANUARY 28, 1851

SEAL

**City of Lenoir
Budget Ordinance
Fiscal Year July 1, 2026– June 30, 2027**

BE IT ORDAINED by the Lenoir City Council in regular session assembled on June 2nd, 2026.

Section 1. That the following amounts are hereby appropriated for the operation of the government of the City of Lenoir and its activities for the fiscal year beginning July 1, 2026, and ending June 30, 2027.

<u>Fund</u>	<u>Estimated Revenues</u>	<u>Fund Balance Appropriated</u>	<u>Total Budget</u>	<u>Appropriated</u>
General				
Property Taxes	\$ 11,509,984	-	\$ 11,509,984	
Sales Tax	\$ 6,630,325	-	\$ 6,630,325	
Utilities Franchise Tax	\$ 2,500,000	-	\$ 2,500,000	
Solid Waste Fees	\$ 1,125,705	-	\$ 1,125,705	
Other Revenue	\$ 5,338,216	-	\$ 5,338,216	
Total General Fund Revenue	\$ 27,104,230	\$ -	\$ 27,104,230	\$ 27,104,230
Water & Wastewater				
Water Charges	\$ 8,254,288	-	\$ 8,254,288	
Sewer Charges	\$ 3,888,782	-	\$ 3,888,782	
Other Revenue	\$ 780,200	-	\$ 780,200	
Retained Earnings Appropriated		\$ 1,600,000	\$ 1,600,000	
Total Water Fund Revenue	\$ 12,923,270	\$ 1,600,000	\$ 14,523,270	\$ 14,523,270
Total Revenue	\$ 40,027,500	\$ 1,600,000	\$ 41,627,500	\$ 41,627,500

Section 2. That for said fiscal year there is hereby appropriated for expenditures of the General Fund the following:

<u>Departments/Divisions</u>	<u>Appropriated</u>
Legislative	\$ 447,051
Administrative	\$ 892,576
Finance	\$ 1,254,745
Planning	\$ 588,647
Police	\$ 8,774,911
Fire	\$ 6,523,292
Recreation	\$ 2,133,394
Public Works	\$ 6,489,615
Total Expenditures	\$ 27,104,230

Section 3. That for said fiscal year there is hereby appropriated as expenditures of the Water & Wastewater Fund the following:

<u>Departments/Divisions</u>	<u>Appropriated</u>
Admin/Engineering	\$ 580,590
Utilities Maintenance	\$ 478,057
Rhodhiss Water Treatment Plant	\$ 3,666,026
Water Distribution	\$ 2,997,400
Wastewater Collection	\$ 2,766,617
Wastewater Pretreatment	\$ 281,628
Gunpowder Wastewater Plant	\$ 903,474
Lower Creek Wastewater Plant	\$ 2,849,478
Total Expenditures	\$ 14,523,270

Section 4. There is hereby levied for the fiscal year ending June 30, 2027, the following rate of taxes on each one hundred dollars of assessed valuation of taxable property listed as of January 1, 2026, and of registered vehicles in accordance with G.S. 105-330.3(a)(1) for the purpose of raising the revenues from the current year's listed and registered property as set forth in the foregoing estimates of the General Fund revenues and in order to finance the foregoing General Fund appropriations.

General Fund.....\$.46 cents tax rate per one hundred dollars assessed valuation.

Rescue Readiness Tax.....\$.0085 cents tax rate per one hundred dollars assessed valuation.

Said General Fund tax rates are based on an estimated total appraisal value of real and personal property for the purpose of taxation of \$3,552,320,263 with an assessment ratio of one hundred percent (100%) of appraised value and estimated collection rate of 97.1%. Said collection rates are based on the actual 2024-2025 collection rates.

Section 5. That for said fiscal year there is hereby appropriated as revenue and expenditures of the special Downtown Tax District Fund for the operation of the Economic Development/Main Street Lenoir program and Tourism Development.

Fund		Estimated Revenues	Fund Balance Appropriated	Total Budget	Appropriated
Special Downtown District	Property Taxes	\$ 34,900	\$ -	\$ 34,900	
	General Fund Appropriation	\$ 229,175	\$ -	\$ 229,175	
	Other Revenue	\$ 21,800	\$ -	\$ 21,800	
	Total Special Downtown District	\$ 285,875	\$ -	\$ 285,875	\$ 285,875
Tourism Development		\$ 125,000	\$ -	\$ 125,000	\$ 125,000
TOTAL		\$ 410,875	\$ -	\$ 410,875	\$ 410,875

Section 6. There is hereby levied for the fiscal year ending June 30, 2027, the following rate of taxes on each one hundred dollars of assessed valuation of taxable property listed as of January 1, 2026, and of registered vehicles in accordance with G.S. 105-330.3(a)(1) for the purpose of raising the revenues from the current year's listed and registered property set forth in the foregoing estimates of Special Downtown District Fund revenues and in order to finance the foregoing Special Downtown District Fund appropriations.

Special Downtown District.....\$.18 cents tax rate per one hundred dollars assessed valuation.

Said Special Downtown District tax is based on an estimated total appraised value of property for the purpose of taxation of \$19,967,778 with an assessment ratio of one hundred percent (100%) of appraised and registered real and personal property value. The estimated collection rate is 97.1%. Said collection rates are based on the actual 2024-2025 collection rates.

Section 7. It is estimated that \$125,000 in revenue will be available in the Tourism Development Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027.

Section 8. Water & Sewer rates are established to be effective July 1, 2026 according to the following schedule:

WATER	
INSIDE CITY LIMITS	
Usage	New Rate
First 1,000 gallons	12.87
Over 1,000 gallons - per 1,000	4.06
OUTSIDE CITY LIMITS	
First 1,000 gallons	25.72
Over 1,000 gallons - per 1,000	8.14
Resale Water Rate - per 1,000 gallons	2.75

SEWER	
INSIDE CITY LIMITS	
Usage	New Rate
First 1,000 gallons	11.27
Over 1,000 gallons - per 1,000	4.77
OUTSIDE CITY LIMITS	
First 1,000 gallons	22.56
Over 1,000 gallons - per 1,000	9.56
Resale Sewer Rate - per 1,000 gallons	4.78

Section 9. Salaries & wages accounts provide for funding of all budgeted employee positions and City Council.

Section 10. Approval of the Schedule of Fees, as submitted, are adopted for the fiscal year beginning July 1, 2026 and ending June 30,

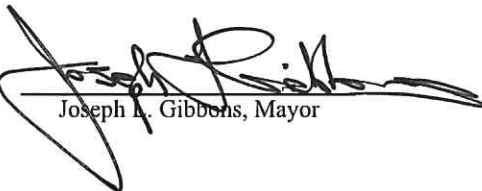
Section 11. The City Manager and Finance Director shall notify the City Council of any items of over-expenditure or shortfalls in revenue on a timely basis throughout the fiscal year. Request for appropriations not contained in the Budget Ordinance will be presented to Council after a review of the necessary revenue sources to offset the expenditure has been conducted by the Finance Director. Recommended budget amendments will be presented to the Council at the time the request for appropriation is submitted by the Finance Director.

Section 12. Copies of this Budget Ordinance shall be furnished to the Finance Director and the City Manager of the City of Lenoir, North Carolina, to be kept on file by them for their direction in the collection of revenues and the expenditures of amounts appropriated.

Section 13. The City Manager is authorized to amend the budget by transfer of appropriations within each fund. All amendments affecting revenues or total fund appropriations shall be approved by ordinance by the City Council, to be acted on at any regular or special meeting and approved by a simple majority of those present and voting, a quorum being present. Only one reading will be required and a public hearing or publication of notice is not necessary unless requested by Council.

Adopted this 2nd day of June, 2026.

SEAL


Joseph L. Gibbons, Mayor

ATTEST:


Lauren Hartley, City Clerk

CITY OF LENOIR, NC
CHARTERED
JANUARY 28, 1851

SEAL

CITY OF LENOIR

Schedule of Fees and Charges for Fiscal Year 2026-27

DESCRIPTION OF FEE	FEE AMOUNT
PLANNING AND INSPECTIONS	
Annexation	350.00
Special Use	350.00
Conditional Zoning District	500.00
Major Subdivision (Preliminary)	400.00
Major Subdivision (Final)	100.00
Ordinance Amendment	500.00
Re-zoning/Map Amendment	350.00
Street Closing/Abandonment (permanent)	600.00
Variance	350.00
Appeal	350.00
ADMINISTRATIVE REVIEW/ PERMITS	
Floodplain Development Permit	100.00
Minor Subdivision	1st 5 lots -- \$25 (+ \$1/each additional lot)
Accessory Structures	25.00
Backyard Chickens	25.00
Zoning Permit -- under 2,000 sq. ft.	50.00
Zoning Permit -- over 2,000 sq. ft., Site Plan Review	50+(.10/SF) \$1,000 max
Zoning Permit - Single Family Home	100.00
Single Sign	25.00
Master Sign Plan	75.00
Temporary Banners or Windblown Advertising Device	25.00
Billboards	250.00
Mobile Home Park Annual Permit	1-10 spaces 11-20 spaces 21-30 spaces 31-40 spaces 41-50 spaces 51-60 spaces 61-70 spaces 71-80 spaces 81-90 spaces 91+ spaces
	50.00 100.00 150.00 200.00 250.00 300.00 350.00 400.00 450.00 500.00
SERVICE FEES	
Zoning Map, plotted (large format)	25.00
Custom Map, digital (any size)	75.00
Custom Map, plotted (large format)	100.00
WATER AND SEWER	

WATER		
INSIDE CITY LIMITS		
First 1,000 gallons		12.87
Over 1,000 gallons per 1,000		4.06
OUTSIDE CITY LIMITS		
First 1,000 gallons		25.72
Over 1,000 gallons - per 1,000		8.14
Resale Water Rate: per 1,000 gallons		2.75
SEWER		
INSIDE CITY LIMITS		
First 1,000 gallons		11.27
Over 1,000 gallons - per 1,000		4.77
OUTSIDE CITY LIMITS		
First 1,000 gallons		22.56
Over 1,000 gallons - per 1,000		9.56
Resale Sewer Rate - per 1,000 gallons		4.78
MISCELLANEOUS		
Minimum Late Fee		10.00
Reconnection Fee		25.00
WATER AND SEWER TAP FEES		
Set Fee		600.00
¾ inch		1,500.00
1 inch		1,850.00
2 inch		2,200.00
All other size must get a quote from the Public Utilities Department		
SANITATION		
SERVICES	FREQUENCY	RATES
TRASH COLLECTION		
Refuse collection	Monthly	13.00
Residential refuse rollout container (one provided)	Once	Free
Commercial/Industrial refuse rollout container (two provided)	Once	Free
Additional refuse rollout containers	Monthly rental	
Residential - not to exceed a total of 3 containers – 1 provided and 2 additional		5.00 each
Commercial/Industrial – not to exceed a total of 6 containers – 2 provided and 4 additional		5.00 each
Replacement rollout container	Flat fee	60.00
Bulk pickup	Once per month	Free
	Additional pick-up per month	25.00 each pickup
White Goods	Flat fee per single item	25.00
	Multiple items	25.00 + 15.00 per

DESCRIPTION OF FEE		FEE AMOUNT
YARD WASTE		
Yard waste collection	Monthly	Free, unless otherwise specified
Yard waste rollout container (green can)	Purchase – Flat fee	60.00
Grass clippings, small shrubs and leaves		
LEAF COLLECTION		
During leaf season	-3 total loose leaf collections	Free
Placed in rollout container	-weekly container collection	
Brush and Limbs	6'X6'X5' or less	Free
	Greater than 6'X6'X5'	25.00 per load
FINES		
Fines – Chapter 17 City Ordinance		50.00
Containers shall not be placed on the street right-of-way (includes sidewalks) for more than 24 hours following collection.	Upon violation – per day	50.00
Burning and burying of refuse and debris		50.00
Placement of debris in right of way		50.00
Contractor materials		50.00
Overloading rollout containers		50.00
All fines are to be paid within 30 days of each issued citation.		
Chronic Violator Fines	First violation	50.00
Back to back violations occur within a 90 day period.	Second violation	100.00
Back to back violations occur within a 90 day period.	Third violation	150.00
CEMETERY		
	Resident Fee	Non Resident Fee
Per Plot - Price includes \$100.00 perpetual care charge	750.00	1,500.00
EMERGENCY SERVICES		
Standby Ambulance	150.00 (for first 3 hours, 75.00 each hour after)	
POLICE DEPARTMENT		
Parking Ticket Fines	\$5 (0-30 days)	
	\$10 (31-60 days)	
	\$15 (61-90 days)	
	\$25 (91+ days)*	
* 2 unpaid citations 90 days or older will be eligible for debt collection through NC Debt Setoff		
Wheel Lock Removal	\$50 (business hours); \$75 (after business hours)	
Handicap Parking Violation	\$50	
Alarm Charges	no charge at present	
Registration	no charge at present	
False Alarm	no charge at present	

DESCRIPTION OF FEE		FEE AMOUNT	
Fingerprinting			\$5
Report Copies			\$5
Audio/Video Copies			\$10
ECONOMIC DEVELOPMENT			
Christmas Parade Entry Fee		50.00	10.00
Christmas Parade LATE Entry Fee		100.00	25.00
MISCELLANEOUS			
Returned Check Fee (Property Taxes)	(per NCGS 105-357(b))		15.00
Business Licenses: Beer & Wine On Premises			15.00
Business Licenses: Beer & Wine Off Premises			5.00
Copies of Public Records		VARIES DEPENDING ON RECORD	
PARKS AND RECREATION			
AQUATIC CENTER FEES			
		Resident Fee	Non Resident Fee
Senior Citizen		3.00	3.00
Adult		5.00	5.00
Child		3.00	3.00
Disabled		2.00	2.00
Locker Rentals		Men's	Women's
Monthly		5.00	5.00
Annual Brief Box		35.00	35.00
Racquetball		City Resident	Non-City Resident
Daily Admission +		3.50	5.00
Rental Equipment (rackets, goggles)		1.00	1.00
Birthday Parties	City Resident	Non-City Resident	LAFC Members
	100.00	120.00	80.00
For Private Parties: Monday - Friday is \$200/hr with a 2 hour minimum. Saturday is \$300/hr with a 2 hour minimum. The Rental Fee/Deposit includes up to 15 swimming guest. After 15, the daily rate applies for each add't swimmer (With the exception of FT Parks and Rec employees, they have a reduced daily rate of \$3.00 adults and \$2.00 Children/disable, under 2 yoa are free. Admissions is only paid by patrons who get into the water.			
Swimming Lessons	City Resident	Non-City Resident	LAFC Members
Lessons	40.00	60.00	30.00
Life Guard		City Resident	Non-City Resident
Certification Class		100.00	150.00
Recertification Class		75.00	125.00
MARTIN LUTHER KING, JR. CENTER			
Weight Room Fees		Daily	Monthly
Fees		1.00	3.00

FACILITY & FIELD RENTALS					
Facility / Site	Rental Fees (Circle One)				
	Hourly City	Hourly Non-City	(8hr.) Daily City	(8hr.) Daily Non-City	Max. Cap.
JE Broyhill Park Shelter Rental	15.00	30.00	120.00	240.00	n/a
Mack Cook Field Rental	\$40.00 profit \$20.00 non-profit	\$70.00 profit \$35.00 non-profit	\$300.00 profit \$150.00 non-profit	\$500.00 profit \$250.00 non-profit	n/a
MLK Field Rental	\$40.00 profit \$20.00 non-profit	\$70.00 profit \$35.00 non-profit	\$300.00 profit \$150.00 non-profit	\$500.00 profit \$250.00 non-profit	n/a
MLK Multi-Purpose Room	30.00	60.00	240.00	480.00	200
MLK Shelter	15.00	30.00	120.00	240.00	n/a
Mulberry / Optimist Park / JE Broyhill Park Shelter Rentals	15.00	30.00	120.00	240.00	n/a
Mulberry Field Rental	\$40.00 profit \$20.00 non-profit	\$70.00 profit \$35.00 non-profit	\$300.00 profit \$150.00 non-profit	\$500.00 profit \$250.00 non-profit	n/a
Mulberry Multi-Purpose Room	30.00	60.00	240.00	480.00	75
Optimist Park Club House	40.00	80.00	280.00	600.00	75
Special Park Events ¹	15.00	30.00	120.00	240.00	n/a
Wilson Park Field Rental	\$40.00 profit \$20.00 non-profit	\$70.00 profit \$35.00 non-profit	\$300.00 profit \$150.00 non-profit	\$500.00 profit \$250.00 non-profit	n/a
Zack Fork Soccer Complex Field Rental	\$40.00 profit \$20.00 non-profit	\$70.00 profit \$35.00 non-profit	\$300.00 profit \$150.00 non-profit	\$500.00 profit \$250.00 non-profit	n/a
LHS Auditorium	TBD AFTER RENOVATIONS				
LHS GYM					
LHS GYM (Mat Room Rental)					
Cancellation Policy: A full refund will be given when cancellation is made 48 hrs. in advance or in the case of severe inclement weather. Any cancellation after accommodations have been made shall result in forfeit of ½ of the rent paid.					
Parks include JE Broyhill Park, MLK Center Outdoors, Mulberry Recreation Center Outdoors, Greenway, Wilson Park, Soccer Complex. Sports Field Rental is a separate rate additional fee. FOR PROFIT GROUPS WILL BE REVIEWED INDIVIDUALLY AT A HIGHER RATE BASED ON THE EVENT and if the event is in line with the Mission Statement of the City of Lenoir Parks and Recreation Department. *Any events that require site supervision and /or custodial staff for after hour rentals will have \$10 per hour added to the cost of the rental. (Field rentals include 1 field preparation per day)					
"For Profit" groups, organizations, etc. will incur a higher rental rate & will meet for review & approval with the LPR Director prior to contract approval. Note: 1 hour. maximum set-up/clean-up time if available (30 min. prior & 30 min. after) All weekend rentals must be booked by Friday at 12pm prior to that weekend.					

**RESOLUTION TO ADOPT THE
HARPER AVENUE STREETScape PROJECT GRANT APPLICATION**

WHEREAS, the City is committed to providing its citizens with a safe community in which to live, work, and play that includes the improvement of multi-modal transportation connectivity and enhanced future efforts to provide for greater mobility choice; and

WHEREAS, the City adopted the Downtown Lenoir Master Plan (2024), Parks and Recreation Master Plan (2025), and Living Lenoir Comprehensive Plan (2025) which includes project priority for improved accommodations for pedestrian transportation corridors throughout the City, and beautification of corridors into Downtown Lenoir; and

WHEREAS, the City understands the importance of planning for projects that expand pedestrian transportation connectivity and incorporate streetscape elements such as sidewalks, street trees, and stormwater improvements to support public health, economic development, social interaction, and enhanced environmental quality; and

WHEREAS, the eastern segment of Harper Avenue is a corridor within the City which requires targeted streetscape improvements to create safer pedestrian environments, strengthen connections between neighborhoods, businesses, and employment centers, and reduce localized flooding through modernized stormwater infrastructure; and

WHEREAS, On March 25, 2026, the Greater Hickory Metropolitan Planning Organization (GHMPO) issued a call for projects to agencies in its jurisdiction for Surface Transportation Program - Direct Appointment Funding (STBG-DA). A total of approximately \$3,500,000 is available to award among four transportation modal buckets: bicycle and pedestrian, intersections, roadway, and transit; and

WHEREAS, STBG-DA is comprised of a collection of discretionary programs including 50% of funding allocated to bicycle & pedestrian and 15% to intersection projects consistent with the Harper Avenue Streetscape Project, including: sidewalk construction, stormwater drainage improvement, intersection improvement, and safe pedestrian crossings which each require a minimum 20% local cash match; and


WHEREAS, the City intends at this time to apply only for Phase 1 (Preconstruction) of the Harper Avenue Streetscape Project in the total amount of \$2,042,106 and anticipates submitting additional applications in future funding cycles for subsequent phases of the project; and

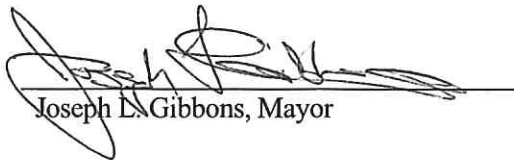
NOW, THEREFORE BE IT RESOLVED that the Lenoir City Council hereby authorizes the City Planning Department to submit up to 3 applications to the GHMPO for STDG-DA Funds for Harper Avenue Streetscape Project, with the first application to be for the design phase, in the amount of \$9,532,809 and will commit up to \$1,906,562 as a cash match for the streetscape project by this Resolution.

Adopted this 2nd day of June, 2026.

SEAL
CITY OF LENOIR, NC
CHARTERED

ATTEST:
JANUARY 28, 1851


Lauren Hartley, City Clerk


Joseph L. Gibbons, Mayor

SEAL

AMENDMENT NO. 1
to the
AGREEMENT FOR ENGINEERING SERVICES – DATED JANUARY 17, 2024
LENOIR-VALDESE WATER INTERCONNECTION

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and other good valuable consideration, the parties agree to amend the Agreement for Engineering Services as follows:

Section 2 – Basic Services shall be amended to include the following services:

2.9 Engineering Report

Prepare an Engineering Report (ER) in accordance with the requirements and guidance of the North Carolina Department of Environmental Quality (NCDEQ), Division of Water Infrastructure (DWI). Services shall include preparation of an alternatives analysis. For each alternative, provide opinions of probable construction costs, operations and maintenance costs, and a present worth analysis. Prepare a financial analysis for the selected alternative and develop a conceptual layout of the proposed infrastructure.

Submit the report to City staff for review and incorporate any comments and respond in writing to comments received from DWI and revise the ER to address those comments.

2.10 Additional Survey – Big View Lane

Conduct a route survey of the proposed work area along Big View Lane including the Big View Lane cul-de-sac, Lot 216, partial for Lots 217 and 220, and Lake Rhodhiss just south of Lot 216. Provide topography and locate existing structures and conflicts. Typical existing conditions survey including Boundary, Physical, Utility and Topographic Surveying.

2.11 Easement Maps – Carpenter Road

Determine boundary and right of way limits for parcels along the south/east side of Carpenter Road (SR 1240) the proposed route area along Carpenter Road from the intersection of Carpenter Road and Baton School Road to where the road meets the proposed alignment at the southern end of Carpenter Road. Submit an updated Existing Conditions Survey for easement determination purposes.

Prepare easement plats for up to twenty-five (25) parcels for the OWNER's use in acquiring water line easements. Multi-page plat will show all easements affecting the subject properties. This plat would be recorded and used for reference within easement acquisition deeds that are prepared by the OWNER.

This scope does not include individual plats for each lot or any written metes and bounds descriptions. This scope does not include the replacement of missing property corners nor the setting of property markers for the easements that are being created. In the event there are insufficient property corner markers to tie the easements to, additional services will be required for setting easement corner markers.

2.12 Easement Maps – Waterfront Club

Prepare easement plats for up to twenty-two (22) parcels for the OWNER’s use in acquiring water line easements within Waterfront Club. Multi-page plat will show all easements affecting the subject properties. This plat would be recorded and used for reference within easement acquisition deeds that are prepared by the OWNER.

This scope does not include individual plats for each lot or any written metes and bounds descriptions. This scope does not include the replacement of missing property corners nor the setting of property markers for the easements that are being created. In the event there are insufficient property corner markers to tie the easements to, additional services will be required for setting easement corner markers.

Section 6 – Payment to the Engineer, Article 6.1.1 shall be amended to add the fees:

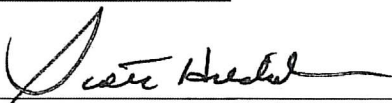
Engineering Report	\$48,000 Lump Sum
Additional Surveying – Big View Lane	\$15,000 Lump Sum
Easement Maps – Carpenter Road	\$38,000 Lump Sum
Easement Maps – Waterfront Club	\$11,000 Lump Sum


In accordance with the Agreement for Engineering Services, the Owner agrees to pay the ENGINEER the amounts noted above for the Additional Services rendered as outlined in this Amendment No. 1.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the day and year first written above.

CITY OF LENOIR

McGILL ASSOCIATES, P.A.



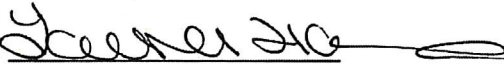


Scott Hildebran
City Manager

Douglas Chapman, PE
Vice President / Regional Manager

Date: June 2, 2026

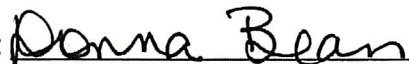
Date: 6-4-26

ATTEST: 

Lauren Hartley
City Clerk

PRE-AUDIT CERTIFICATION:

THIS INSTRUMENT has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act as amended.

By: 

Donna Bean
Finance Director

AGREEMENT OVERVIEW

NORTH CAROLINA
CALDWELL COUNTY

DATE: 5/27/2026

PARTIES TO THE AGREEMENT:

PROJECT NUMBERS:

NORTH CAROLINA DEPARTMENT
OF TRANSPORTATION

TIP #: U-4700CB

WBS ELEMENTS: 35993.3.9

AND

CITY OF LENOIR

The purpose of this Agreement is to identify the participation in project costs, project delivery and/or maintenance, by the other party to this Agreement, as further defined in this Agreement.

SCOPE OF PROJECT (“Project”): This Project consists of adjusting water facilities in conflict with upgrading the US 321 intersection at SR 1809/1952 (Pine Mountain Road) to a reduced conflict intersection, combined with U-4700CA. The adjustments include upgrades of the existing 6-inch water line to an 8-inch water line with related appurtenances.

ESTIMATED COST TO OTHER PARTY: \$237,884.02

PAYMENT TERMS: The Department will invoice the City of Lenoir in accordance with the terms defined herein. Reimbursement payments shall be made in full by the City of Lenoir within sixty (60) days of the invoice date.

MAINTENANCE: The City of Lenoir is responsible for all utility maintenance.

EFFECTIVE DATES OF AGREEMENT:

START: Upon Full Execution of this Agreement

END: When work is complete and all terms are met.

This **Agreement** is made and entered into on the last date executed below, by and between the North Carolina Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the **Department**, and the City of Lenoir, hereinafter referred to as the **Municipality**; and collectively referred to as the **Parties**.

The **Parties** to this Agreement, listed above, intend that this Agreement, together with all attachments, schedules, exhibits, and other documents that both are referenced in this Agreement and refer to this Agreement, represents the entire understanding between the **Parties** with respect to its subject matter and supersedes any previous communication or agreements that may exist.

I. WHEREAS STATEMENTS

WHEREAS, this Agreement is made under the authority granted to the **Department** by the North Carolina General Assembly under General Statutes of North Carolina (NCGS), particularly Chapter 136-27.1 and 136-27.3; and,

WHEREAS, the **Department** has plans to make certain street and highway constructions and/or traffic control improvements; and,

WHEREAS, the **Municipality** has requested that the **Department** perform work or provide services; and,

WHEREAS, the **Parties** hereto wish to enter into an agreement for scoped work to be performed or provided by the **Department** (including construction, reviews, goods, or services) with reimbursement for the costs thereof by the **Municipality** as hereinafter set out; and,

WHEREAS, the **Department** and the **Municipality** have agreed that the jurisdictional limits of the **Parties**, as of the date of entering the agreement for the above-mentioned project, are to be used in determining the duties, responsibilities, rights, and legal obligations of the **Parties** hereto for the purposes of this Agreement; and,

NOW, THEREFORE, this Agreement states the promises and undertakings of each party as herein provided, and the **Parties** do hereby covenant and agree, each with the other, as follows:

II. RESPONSIBILITIES

A. DEPARTMENT

The **Department** shall be responsible for all phases of project delivery to include utility relocation, and construction, and/or maintenance as shown in the **PROJECT DELIVERY REQUIREMENTS** Provision.

B. MUNICIPALITY

The **Municipality** shall be responsible for maintenance as shown in the **PROJECT DELIVERY REQUIREMENTS** Provision and payment as shown in the **COSTS AND FUNDING** Provision.

III. PROJECT DELIVERY REQUIREMENTS

A. CONSTRUCTION

- i. At the request of the **Municipality**, the **Department** shall place provisions in the construction contract for Project U-4700CB, for the contractor to adjust and relocate utility lines and/or provide betterment. The work is described as follows: Relocation of conflicting

**ACCOUNTS RECEIVABLE
UTILITY CONSTRUCTION AGREEMENT
1000029341**

water facilities owned by the City of Lenoir, which includes upgrades of the existing 6-inch water line to an 8-inch water line with related appurtenances.

- ii. Said work shall be accomplished in accordance with plan sheets, attached hereto as Exhibit "A", cost estimate attached hereto as Exhibit "B", and project specific provisions, if applicable, attached hereto as Exhibit "C".
- iii. The Department's Standard Special Provisions binds the contractor to guarantee materials and workmanship against latent and patent defects arising from faulty materials, faulty workmanship or negligence for a period of twelve months following the date of final acceptance of the work for maintenance and shall replace such defective materials and workmanship without cost to the **Department**. The highway contractor will not be responsible for damage due to faulty design, normal wear and tear, for negligence on the part of the **Department**, and/or for use in excess of the design. Where items of material carry a manufacturer's guarantee for any period in excess of twelve months, then the manufacturer's guarantee shall apply to that particular piece of material. Appropriate provisions of the payment and/or performance bonds shall cover this guarantee for the project. Should any failure result from the conditions found in this section the **Department** would then enter into a contract with the **Municipality** for reimbursement to be made to the **Municipality** for necessary repairs performed by the **Municipality** and/or its contractor. The Utility Relocation Agreement would be issued by the NCDOT Utilities Unit and the repairs would be coordinated between the **Municipality** and the **Department's** assigned Resident Engineer.

B. MAINTENANCE AND OPERATIONS

- i. Upon satisfactory completion of the utility relocations and successful placement of the utility lines into service, the **Municipality** shall assume responsibility for the normal maintenance and operation of the utility lines. Upon completion of the construction of the highway project, the **Municipality** shall release the **Department** from any and all claims for damages in connection with adjustments made to its utility lines; and, further, the **Municipality** shall release the **Department** of any future responsibility for the cost of maintenance to said utility lines. The **Department** will invite the **Municipality** to the Final Inspection meeting with its contractor and will include the **Municipality** in the project acceptance notification. Said releases shall be deemed to be given by the **Municipality** upon completion of construction of the project and its acceptance by the **Department** from its contractor unless the **Municipality** notifies the **Department**, in writing, to the contrary prior to the **Department's** acceptance of the project.
- ii. The **Municipality** obligates itself to service and to maintain its facilities to be retained and installed over and along the highway within the **Department's** right-of-way limits in accordance with Paragraph B. i., the mandate of the North Carolina General Statutes and such other laws, rules, and regulations as have been or may be validly enacted or adopted, now or hereafter.

- iii. If at any time the **Department** shall require the removal of or changes in the location of the encroaching facilities, which are being relocated at the **Municipality's** expense, the **Municipality** binds itself, its successors and assigns, to promptly remove or alter said facilities, in order to conform to the said requirement (if applicable per G.S. 136-27.1), without any cost to the **Department**.

IV. COSTS AND FUNDING

A. PROJECT COSTS

- i. The **Municipality** shall be responsible for relocation, and/or betterment, costs for utility work as shown on the attached Exhibit "A". The estimated cost to the **Municipality** is \$237,884.02 as shown on the attached Exhibit "B". The estimated cost includes a 16% charge for Engineering and Incidentals ("E&I"). The E&I percentage charge may be negotiated at the **Department's** discretion if a valid extenuating circumstance is presented by the **Municipality** and agreed to by the **Department**.
- ii. E&I charges include but are not limited to: contract administration; project management; construction engineering and inspection (CE&I); in-field plan revisions; mobilization; stationary and portable work zone signs; traffic control flaggers; law enforcement; lane closure equipment; erosion control; grading, seeding, mulching and topdressing. E&I will be invoiced based upon the actual cost of utility work, not the cost of highway work.
- iii. Upon request by the **Municipality**, the **Department** will provide the **Municipality** with an updated estimate of the utility work based on the bid amounts in the awarded highway contract.
- iv. It is understood by both **Parties** that this is an estimated cost for the utility work described in this Agreement and is subject to change.

B. PAYMENT BY THE MUNICIPALITY

- i. Upon the satisfactory completion and the **Municipality's** acceptance of the relocations and adjustments of the utility lines covered under this Agreement, the **Department** may at its discretion submit an itemized invoice to the **Municipality** for partial costs incurred for the utility work. The partial cost invoice will not exceed 90% of the total utility work cost estimate. Upon completion of the highway work, the **Department** shall submit an itemized invoice to the **Municipality** for the balance of unpaid costs incurred for the utility work. Billings will be based upon the actual bid prices, the actual quantities used, and shall include the E&I charge described above.
- ii. Reimbursement payments shall be made in full by the **Municipality** within sixty (60) days of said invoices.

ACCOUNTS RECEIVABLE
UTILITY CONSTRUCTION AGREEMENT
1000029341

- iii. If the **Municipality** does not pay said invoices within sixty (60) days of the date of the invoice, the **Department** shall charge interest on any unpaid balance at a variable rate of the prime plus one percent (1%) in accordance with G.S. 136-27.3.
- iv. Any cost incurred due to additional utility work requested by the **Municipality** after award of the construction contract, shall be solely the responsibility of the **Municipality**. The **Municipality** shall reimburse the **Department** 100% of the additional utility cost.
- v. In the event the **Municipality** fails for any reason to pay the **Department** in accordance with the provisions for payment hereinabove provided, North Carolina General Statute 136-41.3 authorizes the **Department** to withhold so much of the **Municipality's** share of funds allocated to said **Municipality** by North Carolina General Statute, Section 136-41.1, until such time as the **Department** has received payment in full.

C. DOWN PAYMENT OR PRE-PAYMENT

At any time prior to final billing by the **Department**, the **Municipality** may prepay any portion of the estimated cost by sending payment in accordance with the attached "Remittance Guidance". The **Department** will provide a final billing based on the actual cost, less any previous payments that have been made.

V. STANDARD PROVISIONS

A. AGREEMENT MODIFICATIONS

Any modification to scope, funding, responsibilities, or time frame will be agreed upon by all **Parties** by means of a written supplemental agreement.

B. ASSIGNMENT OF RESPONSIBILITIES

The **Department** must approve any assignment or transfer of the responsibilities of the **Municipality** set forth in this Agreement to other parties or entities.

C. AGREEMENT FOR IDENTIFIED PARTIES ONLY

This Agreement is solely for the benefit of the identified **Parties** to the Agreement and is not intended to give any rights, claims, or benefits to third parties or to the public at large.

D. OTHER AGREEMENTS

The **Municipality** is solely responsible for all agreements, contracts, and work orders entered into or issued by the **Municipality** to meet the terms of this Agreement. The **Department** is not responsible for any expenses or obligations incurred for the terms of this Agreement except those specifically eligible for the funds and obligations as approved by the **Department** under the terms of this Agreement.

E. TITLE VI

The other party to this Agreement shall comply with Title VI of the Civil Rights Act of 1964 (Title 49 CFR, Subtitle A, Part 21) and related nondiscrimination authorities. Title VI and related authorities prohibit discrimination on the basis of race, color, national origin, disability, gender, and age in all programs or activities of any recipient of Federal assistance.

F. AUTHORIZATION TO EXECUTE

The **Parties** hereby acknowledge that the individual executing this Agreement has read this Agreement, conferred with legal counsel, fully understands its contents, and is authorized to execute this Agreement and to bind the respective **Parties** to the terms contained herein.

G. DEBARMENT POLICY

It is the policy of the **Department** not to enter into any agreement with **Parties** that have been debarred by any government agency (Federal or State). By execution of this agreement, the **Municipality** certifies that neither it nor its agents or contractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal or State Agency or Department and that it will not enter into agreements with any entity that is debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction.

H. INDEMNIFICATION

To the extent authorized by state and federal statutes, the **Municipality** will indemnify and hold harmless the FHWA (if applicable), the **Department** and the State of North Carolina, their respective officers, directors, principals, employees, agents, successors, and assigns from and against any and all claims for damage and/or liability, including those that may be initiated by third parties, in connection with the Project activities performed pursuant to this Agreement including construction of the Project, except for those claims arising out of the errors, omissions, or negligence of the **Department**, its respective officers, directors, principals, employees, agents, successors, and assigns.

I. AVAILABILITY OF FUNDS

All terms and conditions of this Agreement are dependent upon, and, subject to the allocation of funds for the purpose set forth in the Agreement and the Agreement shall automatically terminate if funds cease to be available.

J. COUNTERPARTS AND ELECTRONIC SIGNATURES

- i. This Agreement, and other documents to be delivered pursuant to this Agreement, may be executed in one or more counterparts, each of which will be deemed to be an original copy and all of which, when taken together, will be deemed to constitute one and the same agreement or document and will be effective when counterparts have been signed by each

**ACCOUNTS RECEIVABLE
UTILITY CONSTRUCTION AGREEMENT
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of the **Parties**. An image of a manual signature on this Agreement, or other documents to be delivered pursuant to this Agreement, will constitute an original signature for all purposes. The delivery of copies of this Agreement or other documents to be delivered pursuant to this Agreement, including executed signature pages where required, by electronic transmission will constitute effective delivery of this Agreement or such other document for all purposes.

- ii. The **Parties** hereto further acknowledge and agree that this Agreement may be signed and/or transmitted by email or a PDF document or using electronic signature technology (e.g. DocuSign, Adobe Sign, or other electronic signature technology), and that such signed record shall be valid and as effective to bind the **Party(ies)** so signing as a paper copy bearing a handwritten signature. By selecting "I Agree", "I Accept", or other similar item, button, or icon via use of a keypad, mouse, or other device, as part of the electronic signature technology, the **Parties** consent to be legally bound by the terms and conditions of Agreement and that such act constitutes a signature as if actually signed in writing. The **Parties** also agree that no certification authority or other third-party verification is necessary to validate its electronic signature and that the lack of such certification or third-party verification will not in any way affect the enforceability of its electronic signature; however, each **Party** agrees to maintain certification records and will produce said records upon request. The **Parties** acknowledge and agree that delivery of a copy of this Agreement or any other document contemplated hereby through the electronic signature technology, will have the same effect as physical delivery of the paper document bearing an original written signature.

K. GIFT BAN

By Executive Order 24, issued by Governor Perdue, and NCGS 133-32, it is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e. Administration, Adult Corrections, Commerce, Environmental Quality, Health and Human Services, Information Technology, Military and Veterans Affairs, Natural and Cultural Resources, Public Safety, Revenue, Transportation, and the Office of the Governor).

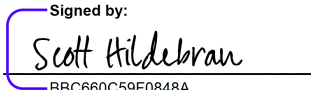
**ACCOUNTS RECEIVABLE
UTILITY CONSTRUCTION AGREEMENT
1000029341**

SIGNATURE PAGE

IN WITNESS WHEREOF, this Agreement has been executed the day and year heretofore set out, on the part of the **Department** and the **Municipality** by authority duly given.

(DOCUSIGN ONLY)

CITY OF LENOIR

Authorized Signer: 
Signed by:
BBC660C59F0848A...

Print Name: Scott Hildebran

Date Signed: 06/03/2026

Title: City Manager

If applicable, this Agreement has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act:

Finance Signer: 
DocuSigned by:
079CE56C146B43A...

Print Name: Donna Bean

Date Signed: 06/03/2026

Title: Finance Director

Fed Tax ID No: 566001265

Remittance Address: 801 West Ave. Lenoir NC 28645

Purchase Order, Ref. No., etc.:

Accounts Payable Contact:
Name: _____
Email: _____
Phone Number: _____

DEPARTMENT OF TRANSPORTATION

By: _____

Print Name: _____

Date: _____

Title: _____

APPROVED BY BOARD OF TRANSPORTATION ITEM O: _____ (DATE)

AGREEMENT OVERVIEW

NORTH CAROLINA
CALDWELL COUNTY

DATE: 5/27/2026

PARTIES TO THE AGREEMENT:

PROJECT NUMBERS:

NORTH CAROLINA DEPARTMENT
OF TRANSPORTATION

TIP #: U-4700CA

WBS ELEMENTS: 35993.3.5

AND

CITY OF LENOIR

The purpose of this Agreement is to identify the participation in project costs, project delivery and/or maintenance, by the other party to this Agreement, as further defined in this Agreement.

SCOPE OF PROJECT (“Project”): This Project consists of adjusting water facilities in conflict with upgrading the US 321 from SR 1160 (Mount Herman Road) from an intersection to a superstreet design, combined with U-4700CB. The adjustments include upgrades of the existing 8-inch and 10-inch water lines to a 12-inch water line with related appurtenances.

ESTIMATED COST TO OTHER PARTY: \$145,564.62

PAYMENT TERMS: The Department will invoice the City of Lenoir in accordance with the terms defined herein. Reimbursement payments shall be made in full by the City of Lenoir within sixty (60) days of the invoice date.

MAINTENANCE: The City of Lenoir is responsible for all utility maintenance.

EFFECTIVE DATES OF AGREEMENT:

START: Upon Full Execution of this Agreement

END: When work is complete and all terms are met.

This **Agreement** is made and entered into on the last date executed below, by and between the North Carolina Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the **Department**, and the City of Lenoir, hereinafter referred to as the **Municipality**; and collectively referred to as the **Parties**.

The **Parties** to this Agreement, listed above, intend that this Agreement, together with all attachments, schedules, exhibits, and other documents that both are referenced in this Agreement and refer to this Agreement, represents the entire understanding between the **Parties** with respect to its subject matter and supersedes any previous communication or agreements that may exist.

I. WHEREAS STATEMENTS

WHEREAS, this Agreement is made under the authority granted to the **Department** by the North Carolina General Assembly under General Statutes of North Carolina (NCGS), particularly Chapter 136-27.1 and 136-27.3; and,

WHEREAS, the **Department** has plans to make certain street and highway constructions and/or traffic control improvements; and,

WHEREAS, the **Municipality** has requested that the **Department** perform work or provide services; and,

WHEREAS, the **Parties** hereto wish to enter into an agreement for scoped work to be performed or provided by the **Department** (including construction, reviews, goods, or services) with reimbursement for the costs thereof by the **Municipality** as hereinafter set out; and,

WHEREAS, the **Department** and the **Municipality** have agreed that the jurisdictional limits of the **Parties**, as of the date of entering the agreement for the above-mentioned project, are to be used in determining the duties, responsibilities, rights, and legal obligations of the **Parties** hereto for the purposes of this Agreement; and,

NOW, THEREFORE, this Agreement states the promises and undertakings of each party as herein provided, and the **Parties** do hereby covenant and agree, each with the other, as follows:

II. RESPONSIBILITIES

A. DEPARTMENT

The **Department** shall be responsible for all phases of project delivery to include utility relocation, and construction, and/or maintenance as shown in the **PROJECT DELIVERY REQUIREMENTS** Provision.

B. MUNICIPALITY

The **Municipality** shall be responsible for maintenance as shown in the **PROJECT DELIVERY REQUIREMENTS** Provision and payment as shown in the **COSTS AND FUNDING** Provision.

III. PROJECT DELIVERY REQUIREMENTS

A. CONSTRUCTION

- i. At the request of the **Municipality**, the **Department** shall place provisions in the construction contract for Project U-4700CA, for the contractor to adjust and relocate utility lines and/or provide betterment. The work is described as follows: Relocation of conflicting

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water facilities owned by the City of Lenoir, which includes upgrades of the existing 8-inch and 10-inch water lines to a 12-inch water line with related appurtenances.

- ii. Said work shall be accomplished in accordance with plan sheets, attached hereto as Exhibit "A", cost estimate attached hereto as Exhibit "B", and project specific provisions, if applicable, attached hereto as Exhibit "C".
- iii. The Department's Standard Special Provisions binds the contractor to guarantee materials and workmanship against latent and patent defects arising from faulty materials, faulty workmanship or negligence for a period of twelve months following the date of final acceptance of the work for maintenance and shall replace such defective materials and workmanship without cost to the **Department**. The highway contractor will not be responsible for damage due to faulty design, normal wear and tear, for negligence on the part of the **Department**, and/or for use in excess of the design. Where items of material carry a manufacturer's guarantee for any period in excess of twelve months, then the manufacturer's guarantee shall apply to that particular piece of material. Appropriate provisions of the payment and/or performance bonds shall cover this guarantee for the project. Should any failure result from the conditions found in this section the **Department** would then enter into a contract with the **Municipality** for reimbursement to be made to the **Municipality** for necessary repairs performed by the **Municipality** and/or its contractor. The Utility Relocation Agreement would be issued by the NCDOT Utilities Unit and the repairs would be coordinated between the **Municipality** and the **Department's** assigned Resident Engineer.

B. MAINTENANCE AND OPERATIONS

- i. Upon satisfactory completion of the utility relocations and successful placement of the utility lines into service, the **Municipality** shall assume responsibility for the normal maintenance and operation of the utility lines. Upon completion of the construction of the highway project, the **Municipality** shall release the **Department** from any and all claims for damages in connection with adjustments made to its utility lines; and, further, the **Municipality** shall release the **Department** of any future responsibility for the cost of maintenance to said utility lines. The **Department** will invite the **Municipality** to the Final Inspection meeting with its contractor and will include the **Municipality** in the project acceptance notification. Said releases shall be deemed to be given by the **Municipality** upon completion of construction of the project and its acceptance by the **Department** from its contractor unless the **Municipality** notifies the **Department**, in writing, to the contrary prior to the **Department's** acceptance of the project.
- ii. The **Municipality** obligates itself to service and to maintain its facilities to be retained and installed over and along the highway within the **Department's** right-of-way limits in accordance with Paragraph B. i., the mandate of the North Carolina General Statutes and such other laws, rules, and regulations as have been or may be validly enacted or adopted, now or hereafter.

- iii. If at any time the **Department** shall require the removal of or changes in the location of the encroaching facilities, which are being relocated at the **Municipality's** expense, the **Municipality** binds itself, its successors and assigns, to promptly remove or alter said facilities, in order to conform to the said requirement (if applicable per G.S. 136-27.1), without any cost to the **Department**.

IV. COSTS AND FUNDING

A. PROJECT COSTS

- i. The **Municipality** shall be responsible for relocation, and/or betterment, costs for utility work as shown on the attached Exhibit "A". The estimated cost to the **Municipality** is \$145,564.62 as shown on the attached Exhibit "B". The estimated cost includes a 16% charge for Engineering and Incidentals ("E&I"). The E&I percentage charge may be negotiated at the **Department's** discretion if a valid extenuating circumstance is presented by the **Municipality** and agreed to by the **Department**.
- ii. E&I charges include but are not limited to: contract administration; project management; construction engineering and inspection (CE&I); in-field plan revisions; mobilization; stationary and portable work zone signs; traffic control flaggers; law enforcement; lane closure equipment; erosion control; grading, seeding, mulching and topdressing. E&I will be invoiced based upon the actual cost of utility work, not the cost of highway work.
- iii. Upon request by the **Municipality**, the **Department** will provide the **Municipality** with an updated estimate of the utility work based on the bid amounts in the awarded highway contract.
- iv. It is understood by both **Parties** that this is an estimated cost for the utility work described in this Agreement and is subject to change.

B. PAYMENT BY THE MUNICIPALITY

- i. Upon the satisfactory completion and the **Municipality's** acceptance of the relocations and adjustments of the utility lines covered under this Agreement, the **Department** may at its discretion submit an itemized invoice to the **Municipality** for partial costs incurred for the utility work. The partial cost invoice will not exceed 90% of the total utility work cost estimate. Upon completion of the highway work, the **Department** shall submit an itemized invoice to the **Municipality** for the balance of unpaid costs incurred for the utility work. Billings will be based upon the actual bid prices, the actual quantities used, and shall include the E&I charge described above.
- ii. Reimbursement payments shall be made in full by the **Municipality** within sixty (60) days of said invoices.

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- iii. If the **Municipality** does not pay said invoices within sixty (60) days of the date of the invoice, the **Department** shall charge interest on any unpaid balance at a variable rate of the prime plus one percent (1%) in accordance with G.S. 136-27.3.
- iv. Any cost incurred due to additional utility work requested by the **Municipality** after award of the construction contract, shall be solely the responsibility of the **Municipality**. The **Municipality** shall reimburse the **Department** 100% of the additional utility cost.
- v. In the event the **Municipality** fails for any reason to pay the **Department** in accordance with the provisions for payment hereinabove provided, North Carolina General Statute 136-41.3 authorizes the **Department** to withhold so much of the **Municipality's** share of funds allocated to said **Municipality** by North Carolina General Statute, Section 136-41.1, until such time as the **Department** has received payment in full.

C. DOWN PAYMENT OR PRE-PAYMENT

At any time prior to final billing by the **Department**, the **Municipality** may prepay any portion of the estimated cost by sending payment in accordance with the attached "Remittance Guidance". The **Department** will provide a final billing based on the actual cost, less any previous payments that have been made.

V. STANDARD PROVISIONS

A. AGREEMENT MODIFICATIONS

Any modification to scope, funding, responsibilities, or time frame will be agreed upon by all **Parties** by means of a written supplemental agreement.

B. ASSIGNMENT OF RESPONSIBILITIES

The **Department** must approve any assignment or transfer of the responsibilities of the **Municipality** set forth in this Agreement to other parties or entities.

C. AGREEMENT FOR IDENTIFIED PARTIES ONLY

This Agreement is solely for the benefit of the identified **Parties** to the Agreement and is not intended to give any rights, claims, or benefits to third parties or to the public at large.

D. OTHER AGREEMENTS

The **Municipality** is solely responsible for all agreements, contracts, and work orders entered into or issued by the **Municipality** to meet the terms of this Agreement. The **Department** is not responsible for any expenses or obligations incurred for the terms of this Agreement except those specifically eligible for the funds and obligations as approved by the **Department** under the terms of this Agreement.

E. TITLE VI

The other party to this Agreement shall comply with Title VI of the Civil Rights Act of 1964 (Title 49 CFR, Subtitle A, Part 21) and related nondiscrimination authorities. Title VI and related authorities prohibit discrimination on the basis of race, color, national origin, disability, gender, and age in all programs or activities of any recipient of Federal assistance.

F. AUTHORIZATION TO EXECUTE

The **Parties** hereby acknowledge that the individual executing this Agreement has read this Agreement, conferred with legal counsel, fully understands its contents, and is authorized to execute this Agreement and to bind the respective **Parties** to the terms contained herein.

G. DEBARMENT POLICY

It is the policy of the **Department** not to enter into any agreement with **Parties** that have been debarred by any government agency (Federal or State). By execution of this agreement, the **Municipality** certifies that neither it nor its agents or contractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal or State Agency or Department and that it will not enter into agreements with any entity that is debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction.

H. INDEMNIFICATION

To the extent authorized by state and federal statutes, the **Municipality** will indemnify and hold harmless the FHWA (if applicable), the **Department** and the State of North Carolina, their respective officers, directors, principals, employees, agents, successors, and assigns from and against any and all claims for damage and/or liability, including those that may be initiated by third parties, in connection with the Project activities performed pursuant to this Agreement including construction of the Project, except for those claims arising out of the errors, omissions, or negligence of the **Department**, its respective officers, directors, principals, employees, agents, successors, and assigns.

I. AVAILABILITY OF FUNDS

All terms and conditions of this Agreement are dependent upon, and, subject to the allocation of funds for the purpose set forth in the Agreement and the Agreement shall automatically terminate if funds cease to be available.

J. COUNTERPARTS AND ELECTRONIC SIGNATURES

- i. This Agreement, and other documents to be delivered pursuant to this Agreement, may be executed in one or more counterparts, each of which will be deemed to be an original copy and all of which, when taken together, will be deemed to constitute one and the same agreement or document and will be effective when counterparts have been signed by each

**ACCOUNTS RECEIVABLE
UTILITY CONSTRUCTION AGREEMENT
1000029316**

of the **Parties**. An image of a manual signature on this Agreement, or other documents to be delivered pursuant to this Agreement, will constitute an original signature for all purposes. The delivery of copies of this Agreement or other documents to be delivered pursuant to this Agreement, including executed signature pages where required, by electronic transmission will constitute effective delivery of this Agreement or such other document for all purposes.

- ii. The **Parties** hereto further acknowledge and agree that this Agreement may be signed and/or transmitted by email or a PDF document or using electronic signature technology (e.g. DocuSign, Adobe Sign, or other electronic signature technology), and that such signed record shall be valid and as effective to bind the **Party(ies)** so signing as a paper copy bearing a handwritten signature. By selecting "I Agree", "I Accept", or other similar item, button, or icon via use of a keypad, mouse, or other device, as part of the electronic signature technology, the **Parties** consent to be legally bound by the terms and conditions of Agreement and that such act constitutes a signature as if actually signed in writing. The **Parties** also agree that no certification authority or other third-party verification is necessary to validate its electronic signature and that the lack of such certification or third-party verification will not in any way affect the enforceability of its electronic signature; however, each **Party** agrees to maintain certification records and will produce said records upon request. The **Parties** acknowledge and agree that delivery of a copy of this Agreement or any other document contemplated hereby through the electronic signature technology, will have the same effect as physical delivery of the paper document bearing an original written signature.

K. GIFT BAN

By Executive Order 24, issued by Governor Perdue, and NCGS 133-32, it is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e. Administration, Adult Corrections, Commerce, Environmental Quality, Health and Human Services, Information Technology, Military and Veterans Affairs, Natural and Cultural Resources, Public Safety, Revenue, Transportation, and the Office of the Governor).

**ACCOUNTS RECEIVABLE
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1000029316**

SIGNATURE PAGE

IN WITNESS WHEREOF, this Agreement has been executed the day and year heretofore set out, on the part of the **Department** and the **Municipality** by authority duly given.

(DOCUSIGN ONLY)

CITY OF LENOIR

Authorized Signer: Signed by:
Scott Hildebran
BBC660C59F0848A... _____

Print Name: Scott Hildebran

Date Signed: 06/03/2026

Title: City Manager

If applicable, this Agreement has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act:

Finance Signer: DocuSigned by:
Donna Bean
079CE56C146B43A... _____

Print Name: Donna Bean

Date Signed: 06/03/2026

Title: Finance Director

Fed Tax ID No: 566001265

Remittance Address: 801 west ave. Lenoir NC 28645

Purchase Order, Ref. No., etc.:

Accounts Payable Contact:

Name: _____

Email: _____

Phone Number: _____

DEPARTMENT OF TRANSPORTATION

By: _____

Print Name: _____

Date: _____

Title: _____

APPROVED BY BOARD OF TRANSPORTATION ITEM O: _____ (DATE)

CITY OF LENOIR
2026 UNIFOUR CONSORTIUM HOME PROGRAM
CAPITAL PROJECT BUDGET ORDINANCE

Be it ordained by the City Council of the City of Lenoir that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted.

Section 1. The project authorized is the HOME project described in the work statement contained in the Grant Agreement (#M26-DC370208) between this unit and the United States Department of Housing and Urban Development. This project is more familiarly known as the FY 2026 Unifour Consortium HOME Program (City of Lenoir, is the lead entity).

Section 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the DHUD and the budget contained herein.

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

Revenue from HOME Grant	\$ 976,597.50
Anticipated Program Income	<u>250,000.00</u>
Total Revenues	\$1,226,597.50

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

Downpayment Assistance (HOME Funds)	\$ 405,572.35
Downpayment Assistance (From Program Income Funds)	225,000.00
Program Income Administration	25,000.00
HOME CHDO (From HOME Grant HOME Funds Allocation)	166,365.40
Multi-Family Housing	307,000.00
General Program Administration	<u>\$ 97,659.75</u>
Total Expenditures	\$1,226,597.50

Section 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and Federal and State regulations.


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

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

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

Section 9. Copies of this grant project ordinance shall be made available to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this the 2nd day of June, 2026.



Mayor



Clerk

CITY OF LENOIR, N.C.
CHARTERED
JANUARY 28, 1851

SEAL

CITY OF LENOIR
2026 COMMUNITY DEVELOPMENT BLOCK GRANT
CAPITAL PROJECT BUDGET ORDINANCE

Be it ordained by the City Council of the City of Lenoir that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted.

Section 1. The project authorized is the Community Development Project described in the work statement contained in the Grant Agreement (#B-26-MC-37-0022) between this unit and the United States Department of Housing and Urban Development. This project is more familiarly known as the FY-2026 CDBG Entitlement Program.

Section 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the DHUD and the budget contained herein.

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

Revenues

Community Development Block Grant	<u>\$118,886.00</u>
Total Revenues	\$118,886.00

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

Expenditures

Public Facilities (Lenoir High School)	\$ 95,108.80
Program Administration	<u>23,777.20</u>
Total Expenditures	\$118,886.00

Section 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and Federal and State regulations.

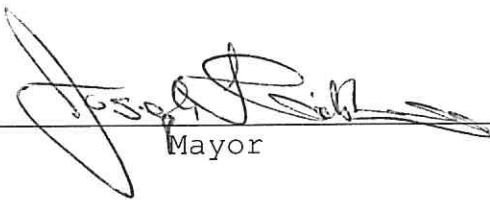
Section 6. Funds may be advanced from the General Funds for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

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


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

Section 9. Copies of this grant project ordinance shall be made available to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this the 2nd day of June, 2026.



Mayor



Clerk

CITY OF LENOIR, NC
CHARTERED
JANUARY 28, 1951

SEAL

CITY HALL • 801 WEST AVENUE NW • PO BOX 958 • LENOIR, NC 28645

The City of Lenoir allows sidewalk cafes within the downtown Municipal Service District when a permit is approved by City Council, in accordance with Sec. 13-3 of the Lenoir City Code. For questions about this application form or the rules pertaining to sidewalk cafes in the City of Lenoir, please contact the Planning Dept. at 828.610.8442. PERMITS ARE GOOD FOR A PERIOD OF 1 YEAR AND MUST BE RENEWED ANNUALLY.

Submittal Checklist:

- Application Form & Fee (\$100) *Fee Waived for-renewal*
- Site Plan (including dimensions): *Site Plan waived for renewal*
 - Must show all tables, chairs, walkway areas, and entrances/exits to the restaurant.
 - Must show location and materials of temporary barrier to be erected around the cafe.
 - Must show 5 ft. clear pedestrian path on sidewalk adjacent to cafe area.
- Site Documentation of Public Liability Insurance
 - Must carry \$1,000,000.00 insuring against personal injury, wrongful death and property damage, including the City as a party insured and insuring the City against any liability resulting from the uses permitted pursuant to Section 13-96 of the Lenoir City Code. *sent in separate email from insurance office*
- Copies of All Permits and Licenses
 - County Health Department and any other applicable regulatory agencies
 - Current ABC/ALE permits if the sidewalk cafe intends to serve alcoholic beverages on the public sidewalk. NOTE: revised permits may be required to include the expanded areas. *No changes from previous submissions*

Permit Information:

Property Address: 107 Main St NW NC PIN: _____

Zoning District: _____ Located within Municipal Service District? Yes No

Business Name: Fercott Fermentables

Will ABC permit include sidewalk cafe area? Yes No

Number of seats in Restaurant: 38 Number of seats* proposed for sidewalk cafe: 2

*Note: seating in sidewalk café can not exceed 50% of the seating within the restaurant.)

Contact Information:

Jennifer Indicott
 Name of Business Operator

107 Main St NW
 Street Address

Lenoir NC 28645
 City State Zip

Phone Number: 828-394-9069

Fax Number: N/A

Email: fercottfermentables@gmail.com

Operator's Signature:

Jennifer Indicott

By signing, I certify that the information presented in this application is true to the best of my knowledge and I consent to enter into a hold-harmless agreement with the City and comply with all provisions of the City ordinances in the establishment and operation of the sidewalk café described in this application.

OFFICIAL USE ONLY: City Council approved on _____ Permit No. _____

107 Main St NW
Lenoir NC

curb at Street

8 feet
clearance
from seating
to curb for
pedestrian
path

13 feet from window
to curb

city
planter
(brick
box)

extra
for
seating

outside
dining
table

display
window

Alcove
(fired area)

display
window

1 1/2 x 6 door