

MINUTES
LINCOLN COUNTY BOARD OF COMMISSIONERS
MONDAY, JUNE 21, 2010

The Lincoln County Board of County Commissioners met on June 21, 2010 at the Citizens Center, Commissioners Room, 115 West Main Street, Lincolnton, North Carolina, the regular place of meeting at 6:30 PM.

Commissioners Present:

Alex E. Patton, Chairman
Bruce Carlton
George Arena
James A. Klein
Carrol D. Mitchem

Others Present:

George A. Wood, County Manager
Martha W. Lide, Assistant County Manager
Jeffrey A. Taylor, County Attorney
Amy S. Atkins, Clerk to the Board
Kelly Atkins, Planning and Inspections Director
Randy Hawkins, Zoning Administrator
Leon Harmon, Finance Director

Call to Order: Chairman Patton called the June 21, 2010 meeting of the Lincoln County Board of Commissioners to order.

Commissioner Carlton gave the Invocation. Chairman Patton led in the Pledge of Allegiance.

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

AGENDA
LINCOLN COUNTY BOARD OF COMMISSIONERS
JUNE 21, 2010

	6:30 PM	Call to Order
		Invocation - Rev. J.V. Allen, Boger City Wesleyan Church
		Pledge of Allegiance
1.	6:32 PM	Adoption of Agenda

2.	6:33 PM	Consent Agenda
		<ul style="list-style-type: none"> - Approval of Minutes - June 7, 2010 - Tax Requests for Refunds - More than \$100 - May 24 - June 6, 2010 - Allied Waste Grants - Ordinance #2010-6: An Ordinance Amending the FY 2010 Budget for the County of Lincoln, North Carolina - Sponsored Group Status - Maiden Rosenwald Community Development Corporation
3.	6:35 PM	Public Comments
4.	6:50 PM	Motion to Adopt Ordinance #2010-05: Lincoln County Budget Ordinance for FY 2010-11 - George Wood
5.	7:00 PM	Motion to Accept the Offer to Purchase Real Estate by North Carolina Department of Transportation for 0.067 acres for Bridge Right of Way over Clark Creek on SR 1008 in Lincoln - George Wood
6.	7:10 PM	Energy Efficiency Community Block Grant Program Grant Award \$46,450 - Martha Lide
7.	7:20 PM	Medicare Supplement Plan - Martha Lide
8.	7:30 PM	Public Hearing - Proposed Industrial Development Incentive Grant for a Prospective New Industry and Motion to Approve Resolution #2010-31: Resolution to Adopt Economic Incentive Grant and Lincoln County Incentive Grant Agreement - Crystal Gettys
9.	7:40 PM	Capital Project Report - Burns Whittaker
10.	7:45 PM	Finance Officer's Report - Leon Harmon
11.	7:50 PM	County Manager's Report - George Wood
12.	7:55 PM	County Commissioners' Report
13.	8:00 PM	County Attorney's Report
14.	8:05 PM	Vacancies/Appointments
15.	8:10 PM	Calendar
16.	8:15 PM	Other Business
		Adjourn

George Wood stated that he would like to add a sublease for the Vietnam Veterans to the Consent Agenda. This is basically a sublease to allow the Disabled American Veterans, Marine Corp League, and the Lincoln County Veteran's Council to hold their monthly meetings in the Howard's Creek building that they lease from the County. The lease says they need written permission.

UPON MOTION by Commissioner Carlton, the Board voted unanimously to adopt the agenda adding the sublease for the Vietnam Veterans to the consent agenda.

Consent Agenda: **UPON MOTION** by Commissioner Carlton, the Board voted unanimously to approve the Consent Agenda, along with the added request from the Vietnam Veterans to sublet the Howard's Creek School to several other local veterans' organizations and removing the Allied Waste Grants and placing it as a separate agenda item.

- Approval of Minutes
 - June 7, 2010
- Tax Requests for Refunds – More than \$10
 - May 24 – June 6, 2010
- Allied Waste Grants
- Ordinance #2010-6: An Ordinance Amending the FY 2010 Budget for the County of Lincoln, North Carolina
- Sponsored Group Status
 - Maiden Rosenwald Community Development Corporation
- Request from Vietnam Vets to sublet Howard's Creek School

LINCOLN COUNTY TAX DEPARTMENT
MOTOR VEHICLES

REQUEST FOR REFUNDS

PERIOD COVERED (MAY 24, 2010-JUNE 6, 2010)

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

NAME	YEAR	DIST	A/C#	AMOUNT	REASON
Poovey, Terry L.	2009	CITY	38603	163.85	Pro-Rated Bill
			TOTAL	\$163.85	

**ORDINANCE #2010-06: AN ORDINANCE AMENDING THE FY 2010 BUDGET
FOR THE COUNTY OF LINCOLN, NORTH CAROLINA**

THAT WHEREAS, the Lincoln County Board of Commissioners adopted the FY 2010 Budget by approving Ordinance #2009-02 on June 15, 2009; and

WHEREAS, the Finance Director and County Manager are recommending further amendments as shown on the attachments herein; and

WHEREAS, the Lincoln County Board of Commissioners wishes to approve these proposed budget amendments;

NOW THEREFORE BE IT ORDAINED AND ESTABLISHED by the Board of Commissioners of Lincoln County, North Carolina, that the FY 2010 Budget previously adopted is hereby amended as follows:

Section 1. That the budget adjustments attached hereto, and incorporated herein by reference as Exhibit A to Ordinance #2010-01, are hereby approved and adopted as amendments to the FY 2010 Budget.

Section 2. That this amendment to the budget shall become effective immediately upon its adoption by the Board of Commissioners.

Passed and adopted this 21st day of June, 2010.

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

ATTEST:

Amy S. Atkins
Clerk to the Board

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

Being no speakers, Chairman Patton declared the public comments section closed.

Allied Waste Grants:

The Allied Waste Grant Committee met June 12 to award \$50,000 in grant money on behalf of Waste. The \$50,000 is divided into five-\$10,000 increments, based on the five townships of I County, with each committee member representing a township. After each committee member his/her recommendations, the committee voted collectively and unanimously approved the followin

Catawba Springs Township:

Christmas in Denver 2010 Committee	\$ 2,000
E Lincoln Christian Ministry	\$ 6,750
Pregnancy Care Center	<u>\$ 1,250</u>
	\$ 10,000

Howards Creek Township:

Christian Ministry of Lincoln County Inc	\$ 1,000
Christmas in Denver 2010 Committee	\$ 500
Crime Stoppers of LLC Inc	\$ 1,000
E Lincoln Christian Ministry Inc	\$ 1,000
Helping Hands Health Clinic Inc	\$ 1,000
Hesed House of Hope Inc	\$ 1,000
Hospice & Palliative Care L C	\$ 1,000
Piedmont Council – Boy Scouts of America	\$ 750
United Way of LC	\$ 750
W Lincoln Band Boosters	<u>\$ 2,000</u>
	\$ 10,000

Ironton Township:

Christian Ministry of L C Inc	\$ 4,000
Helping Hands Health Clinic Inc	\$ 2,000
Hesed House of Hope Inc	\$ 1,000
L. C. Coalition Against Child Abuse	\$ 1,000
S Ray Lowder Elementary School PTA	\$ 1,000
South Fork VFD of L C	<u>\$ 1,000</u>
	\$ 10,000

Lincolnton Township:

Christian Ministry of L C Inc	\$ 7,500
ComServ/A Place to Grow	\$ 250
Hesed House of Hope Inc	\$ 250
Humane Society of L C	\$ 500
L C Coalition Against Child Abuse	\$ 500
L C Historic Properties Commission	\$ 250
Pregnancy Care Center	\$ 750
Helping Hands Health Clinic Inc	<u>\$ 500</u>
	\$ 10,000

North Brook Township:

Christian Ministry of L C Inc	\$ 3,000
Crime Stoppers of LLC Inc	\$ 1,000
Hospice & Palliative Care L C	\$ 1,000
Humane Society of L C	\$ 500
L C Historic Properties Commission	\$ 500
S Ray Lowder Elementary School PTA	\$ 1,000
W Lincoln Band Boosters	<u>\$ 3,000</u>
	\$10,000

Commissioner Carlton asked if this is the last year of the Allied Waste Grants. Mr. Wood stated that if the Board approves the budget as introduced, it will be. He said there are some revenue issues in the landfill fund and this money would be put in there.

Commissioner Arena stated that he has concerns over two items – Christmas in Denver and the West Lincoln Band Boosters. He said that he does not feel the amounts given to these two organizations are appropriate given all of the needs in the other 501c3's that are listed.

A MOTION by Commissioner Arena to put this on hold until the next meeting, asking the Committee to reconsider how much they will give to those organizations.

Commissioner Mitchem stated that there is a committee that distributes this money. He said if the Commissioners are going to make these decisions, maybe they should just do away with the Committees instead of micromanaging.

Mr. Wood stated that he asked Harry Huss to be at the meeting when he found out that this would be removed from the consent agenda.

Harry Huss, Chairman of the Allied Waste Committee, stated that the money for the West Lincoln Band Boosters is to purchase a new truck to carry instruments. Their current truck was bought used and is over twenty years old. He said this is a challenge to them, they were granted \$5,000 for a matched grant. They have until April 1 to come up with matching funds. He stated that the Denver grant is to assist them in celebrating more fully the spirit of Christmas.

Commissioner Carlton stated that there are too many people hurting this year to give \$2,500 to a Christmas parade.

Commissioner Klein stated that Christmas in Denver is not a parade, but is an effort to try and spruce up what is known as downtown Denver at Christmastime.

Commissioner Klein asked if Commissioner Arena would just pull those out and the others can be moved forward for processing.

VOTE: 3 – 2 AYES: Arena, Patton, Carlton
NOES: Klein, Mitchem

Motion to Adopt Ordinance #2010-05: Lincoln County Budget Ordinance for FY 2010-11 – George Wood:

Commissioner Carlton stated that he had concerns about the East Lincoln Fire Department and about why the old building has not been put up for sale. He said he was told at the last meeting that they are working to sell the building and zoning issues are slowing them down. He said he still feels their budget should be flat.

Commissioner Mitchem asked about the ABC funds. Mr. Wood stated that it is in the general fund. Commissioner Mitchem stated that the perception of the people is that this money would be used for the school system. He said he would like it earmarked for the school system.

A MOTION by Commissioner Carlton to keep the East Lincoln Fire Department at their current rate, 6.07 cents.

VOTE: 3 – 2 **AYES:** Carlton, Arena, Mitchem
 NOES: Patton, Klein

A MOTION by Commissioner Arena to plan the budget for, but hold off specifically on funding the six room expansion at Iron Station Elementary School until they discuss enrollment and available capacities with the Board of Education at the fall joint meeting. Commissioner Arena asked Mr. Wood to send a letter to Dr. Martin explaining this.

VOTE: Unanimously approved.

Commissioner Arena said he would like to ask Mr. Wood to reconsider the Allied Waste Grant money. He said would like Mr. Wood to negotiate this and consider keeping the \$50,000 to the committee and the county get the increment.

Mr. Wood stated that his philosophy on this is that all non-profits do good work and are under-funded, relying on charitable obligations. He said the Board has no legal obligation to do that. He said he is under the opinion that people should be able to decide for themselves who they want to give their money to. He said he feels people should only be taxed for services that government has to provide. He said there is a need in the solid waste fund and there will either have to be an increase in the solid waste fee or this money will have to be used for that purpose.

A MOTION by Commissioner Arena that any amount over \$50,000 would go back to the Committee to distribute as they see appropriate.

A SUBSTITUTE MOTION by Commissioner Mitchem to continue to continue to give \$50,000 to the Committee to distribute and the anything over \$50,000 goes into the landfill fund.

Commissioner Arena withdrew his motion.

Chairman Patton stated that this has looked bad since day one, he said it is a political slush fund. He said the county is taking money from private companies and dolling it out the way they want to. He said this is not good business, the Commissioners are here to provide governmental services.

VOTE: 3 -2 **AYES:** Mitchem, Klein, Arena
 NOES: Carlton, Patton

UPON MOTION by Commissioner Klein, the Board voted 4 – 1 (Mitchem against) to approve the motion to adopt Ordinance #2010-05: Lincoln County Budget Ordinance for FY 2010-11 using an additional \$50,000 of fund balance in the landfill fund.

LINCOLN COUNTY
BUDGET ORDINANCE
FY 2010-11

BE IT ORDAINED by the Board of County Commissioners of Lincoln County, North Carolina:

Section 1. The following amounts are hereby appropriated in the General Fund for the operation of the County government and its activities for the fiscal year beginning July 1, 2010 and ending June 30, 2011, in accordance with the chart of accounts heretofore established for Lincoln County:

GENERAL GOVERNMENT

Governing Body	\$ 204,546
Administration and Finance	1,121,214
Safety & Training	33,150
Information Technology	603,807
Elections	516,761
Tax Department	1,274,727
Revaluation	594,037
Legal	135,125
Register of Deeds	898,825
Public Buildings	1,540,000
District Court	49,450
Central Services	422,970
Special Grants	194,310
	\$ 7,588,922

PUBLIC SAFETY

Sheriff	\$ 8,096,552
Jail	2,864,606
Communications	1,206,538
Emergency Management	246,189
Fire Marshall	183,363
Emergency Services	246,715
Animal Control	701,591
Forestry	69,143
Medical Examiner	37,400
Emergency Medical	4,914,341
	\$ 18,566,438

TRANSPORTATION

Airport Authority	62,749
Transportation TLC	<u>857,443</u>

Section 2. It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

AD VALOREM TAXES:

Current Year's Property Taxes	\$ 47,502,118
Prior Years Property Taxes	957,300
Local Option 1 cent Sales Tax	4,850,000
Local Option 1 st 1/2 cent Sales Tax	3,444,000
Local Option 2 nd 1/2 cent Sales Tax	2,424,000
Beer & Wine Tax	92,000
Excise Tax Stamps	525,000
Franchise Tax	248,000
Interest on Investment	125,000
ABC Revenues	307,000
Rents	55,400
Tax Refunds	165,000
Local Occupancy Tax	47,000
Vehicle Rental Tax	19,600
	\$ 60,761,418

STATE AND FEDERAL GRANTS:

Law Enforcement	\$ 505,119
Emergency Management	45,000
Veterans Service	12,000
Senior Services	314,739
Transportation Services	384,082
Juvenile Crime Prevention	214,138
Community Development	400,000
Soil Conservation	38,714
	\$ 1,913,792

HEALTH DEPARTMENT PROGRAMS \$ 2,895,148

SOCIAL SERVICE PROGRAMS \$ 11,029,874

FEES

Tax Department	\$ 400
Election	285
Register of Deeds	423,300
Sheriff	186,200
Jail	136,547
Planning and Inspections	726,350
Library	30,700
Court Facilities	116,400
Animal Control	60,350
Tax Collection	211,100
Recreation	35,750

Emergency Medical 2,874,500

Fire Marshall	8,000
Transportation Services	650,000
Soil Conservation	34,200
Cooperative Extension	<u>6,280</u>
	\$ 5,500,362

CITY-COOPERATIVE PAYMENTS

Animal Control	\$ 6,300
Communications	<u>50,000</u>
	\$ 56,300

TRANSFERS FROM OTHER FUND

Capital Reserve Fund	\$ 5,897,754
Indirect Cost (Admin – Enterprise Funds)	\$ 215,000

Miscellaneous	\$ 50,000
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SALE OF ASSETS	\$ 30,000
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FUND BALANCE APPROPRIATED	\$ 2,916,640
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TOTAL REVENUES	\$ 91,266,288
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Thirty percent (30%) of the proceeds of the first local half-cent sales and use tax and sixty percent (60%) of the proceeds of the second local half-cent sales and use tax are hereby declared to be included in the appropriation for school capital projects and/or debt service. The receipts shall be accumulated in the Capital Reserve Fund for Schools until such time as the funds are appropriated for specific projects or debt service.

The remaining proceeds from the two half cent sales and use taxes are hereby appropriated for other general county needs which may include but not be limited to debt service, capital projects, capital outlay and operating expenses.

Section 3. The following amounts are hereby appropriated as continuing multi-year projects in the School Capital Projects Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Improvements	\$ 9,615,000
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Total School Capital Projects Improvement Project Fund Expenditures	\$ 9,615,000
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It is estimated that the following revenues will be available in the School Capital Projects Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Proceeds Sale of Debt	\$ 9,600,000
Interest on Investments	15,000

Total School Capital Projects Improvement Project Fund Revenues	\$ 9,615,000
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Section 4. The following amounts are hereby appropriated or reserved in the Capital Reserve Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Transfer to General Fund (Debt Service)	\$ 5,897,754
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Total School Capital Reserve Fund Appropriations/Reserve	\$ 5,897,754
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It is estimated that the following revenues will be available in the Capital Reserve Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Interest on Investment	\$ 15,000
(30% 1st ½ cent)	918,964
(60% 2nd ½ cent)	1,837,929
Lottery Proceeds	1,463,450
Fund Balance Appropriated	<u>1,662,411</u>

Total School Capital Reserve Fund Revenues	\$ 5,897,754
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Section 5. The following amounts are hereby appropriated in the Law Enforcement Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

Operating Expense	\$ 1,000
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Total	\$ 1,000
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It is estimated that the following revenues will be available in the Law Enforcement Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Controlled Substance Excise Tax	\$ 1,000
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Total	\$ 1,000
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Section 6. The following amounts are hereby appropriated in the Federal Law Enforcement Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

Operating Expense	\$ 1,000
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Total	\$ 1,000
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It is estimated that the following revenues will be available in the Federal Law Enforcement Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

Federal Forfeited Property	\$ 1,000
Total	\$ 1,000

Section 7. The following amounts are hereby appropriated in the Emergency Telephone Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Operating Expenses	\$ 289,140
Capital Outlay	165,500
Reserve Future Projects	<u>126,045</u>
Total Emergency Telephone Fund	\$ 580,685

It is estimated that the following revenues will be available in the Emergency Telephone Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Phone Service Charges	\$ 572,685
Interest on Investments	<u>8,000</u>
Total Emergency Telephone Fund	\$ 580,685

Section 8. The following amounts are hereby appropriated in the Landfill Enterprise Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Operating Expenses	\$ 3,031,753
Debt Service & Capital Construction	<u>94,692</u>
Total Landfill Enterprise Fund Appropriation	\$ 3,126,445

It is estimated that the following revenues will be available in the Landfill Enterprise Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Availability Fee	\$ 2,272,000
Tire Disposal Tax	81,000
Tipping Fees	300,000
White Goods Disposal Tax	25,000
Sales Tax Refund	50,000
Interest	15,000
Rent Income	4,800
Sale of Fixed Assets	40,000
Recyclables	200,000
Fund Balance	<u>138,645</u>
Total Landfill Enterprise Fund Revenues	\$ 3,126,445

Section 9. The following amounts are hereby appropriated in the Water and Sewer (Operations) Enterprise Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Water System Operation	\$ 1,519,787
Water & Sewer Debt Principal	1,869,288
Water & Sewer Debt Interest	534,023
Water Treatment Operation	879,481
Sewer System Operation	2,409,716
Transfer to Water/Sewer Capital Projects	<u>404,000</u>
Total Water & Sewer Enterprise	
Fund Expenditure	\$ 7,616,295

It is estimated that the following revenues will be available in the Water and Sewer Enterprise Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Water Sales	\$ 4,570,000
Water Tap Fees	40,000
Other Revenues	231,000
Water Capacity Development Fees	110,000
Sewer Fees	1,684,000
Sewer Tap Fees	6,000
Sewer Capacity Fees	120,000
Fund Balance	840,295
Interest on Investment	<u>15,000</u>

Total Water & Sewer Enterprise Fund Revenues \$ 7,616,295

Section 10. The following amounts are hereby appropriated as continuing multi-year projects in the General County Capital Improvement Project Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Airport	8,500
Animal Control	20,000
Building & Land Development	35,000
Communications	16,800
Economic Development	1,045,000
Emergency Medical Services	453,000
Health	43,500
Information Technology	64,900
Jail	80,360
Library	8,950
Public Buildings	501,687
Recreation	213,950
Sheriff	592,937
Tax	13,700
Transportation	149,400
VFD	<u>11,700</u>

Total General County Capital Improvement
Project Fund Expenditures \$ 3,259,384

It is estimated that the following revenues will be available in the General County Capital Improvement Project Fund for the fiscal year beginning July 1, 2010 ending June 30, 2011:

Transfer from General Fund	\$ 1,614,687
Grants	262,460
Debt Proceeds	1,295,000
Interest on Investment	9,000
Fund Balance Appropriated	<u>78,237</u>
Total General County Capital Improvement Project Fund Revenues	\$ 3,259,384

Section 11. The following amounts are hereby appropriated as continuing multi-year projects in the Water and Sewer Capital Improvement Project Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Vehicles and Equipment	\$ 120,000
Water System Improvements	1,190,000
Sewer System Improvements	175,000
Total Water and Sewer Capital Improvements Project Fund Expenditures	\$ 1,485,000

It is estimated that the following revenues will be available in the Water and Sewer Capital Improvement Project Fund for the fiscal year beginning July 1, 2010 ending June 30, 2011:

Transfer from Water Fund	\$ 404,000
Loan Proceeds	1,081,000
Total Water and Sewer Capital Improvements Project Fund Revenues	\$ 1,485,000

Section 12. The following amounts are hereby appropriated in the Health Insurance Fund for the fiscal year beginning July 1, 2010 and ending June 30, 2011:

Health and Consultant Fees	\$ 725,300
Health Insurance Claims	5,200,000
Flex Account Expenses	150,000
Reserve	174,700
Total Health Insurance Fund Expenditures	\$ 6,250,000

It is estimated that the following revenues will be available in the Health Benefits Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Health Premiums Employer	\$ 5,000,000
Health Premiums Employee	1,100,000
Flex Account	150,000

There is appropriated to the special fire districts from the proceeds of this tax the amounts shown under the appropriation column, for use by the special fire districts in such manner and for such expenditures as is permitted by law from the proceeds of this tax. In the event the actual net proceeds from the tax levies exceed or fall short of the appropriated amounts, the actual net proceeds from the tax shall constitute the appropriation from the tax levy.

Lincoln County will continue to serve as collection agent for the City of Lincoln for the collection of property taxes, as long as this is mutually agreeable between Lincoln and Lincoln County. Lincoln County shall receive a three percent (3%) collection fee (1 1/2% fee for motor vehicles), for this service, plus unusual expenses as agreed by both parties.

Section 16. On June 29, 1992, the Board of County Commissioners adopted “Ordinance for Availability and Use Fees for Solid Waste Disposal Facilities Lincoln County, North Carolina.” As stated in the ordinance the fees for availability fees shall remain in effect until amended. The Landfill Availability Fees were last revised on June 28, 1995 at such time they were increased to \$69 per unit. For the fiscal year 2010-11 the availability fee shall remain at the \$69 per unit rate.

Section 17. On August 23, 1993, the Board of County Commissioners adopted “Resolution Concerning Use of Room Occupancy and Tourism Tax” which became effective October 1, 1993. This resolution levies a 3% room occupancy tax on the rental of a room, lodging, or accommodation furnished by a hotel, motel, tourist camp, or similar place within the County. The purpose of this tax is to provide a source of revenue to promote travel and tourism within Lincoln County. Included in this budget is estimated revenue of \$47,000 to be derived from this tax. Also included in this budget are allowable expenditures which may be funded from this revenue source: Chamber of Commerce \$17,500, to advertise print and distribute information on Lincoln County; Mainstreet Program \$12,000; Historical Properties \$4,796; Historical Association \$33,000, Battle of Ramsour Mill \$7,350; for a total of \$74,646.

Section 18. This Budget Ordinance, effective July 1, 2010 authorizes the mileage reimbursement rate as the standard mileage rate set by Internal Revenue Service, which may be revised during the fiscal year.

Section 19. The funds that are used in this Budget Ordinance to fund certain elements in the Landfill and Water Works operations are non-property tax funds.

Section 20. The County Manager is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- a. He may transfer amounts among objects of expenditure within a department.
- b. He may transfer amounts up to \$50,000 between departments of the same fund.

- c. He may not transfer any amounts between funds nor from the contingency or from any capital reserve appropriations.

Section 21. The County Manager is hereby authorized to execute contractual documents under the following conditions:

- a. He may execute contracts for construction, repair projects or design services requiring the estimated expenditure of less than \$50,000.
- b. He may execute contracts for: (1) purchases of apparatus, supplies, and materials, or equipment which are within budgeted appropriations, (2) leases of personal property for a duration of one year or less and within budgeted appropriations, and (3) services which are within budgeted appropriations.
- c. He may execute grant agreements to or from public and non-profit organizations, which are within, budgeted appropriations, unless a grantor organization requires execution by the Board of Commissioners.
- d. He may execute contracts, as the lessor or lessee of real property, which are of one-year duration or less, if funds therefore are within budgeted appropriations.

Section 22. It is the intent of the Board of Commissioners that all departments and divisions, including those under the control of the Sheriff, are limited to the specific number of each position classification agreed upon in the budgeting process, and that no changes in those numbers can be made without the express approval of the Board of Commissioners after a recommendation from the County Manager. The list of the specific numbers of each position classification for the Sheriff's Office is approved hereby as set out below:

Position Title	<i>Number of Full Time Positions</i>
Sheriff	1
Chief Deputy Sheriff	1
Dir. Of Professional Standards	1
Captain	1
1 st Sergeant	7
Sergeant	15
Civil Deputy Sheriff	4
Court Security Officer	7

Sr. Deputy Sheriff	12
Deputy Sheriff	39
Investigator	12
Lieutenant	7
Financial Manager	1
DCI Specialist	4
Records/Permit Specialist	1
Records Technician	1
Administrative Assistant	2
Systems Analyst Programmer	1
TOTAL	118

Position Title	<i>Number of Full Time Employees</i>
Admin. Det. Lieutenant	1
Ass't. Det. Admin.	1
Administrative Secretary	1
Classification Officer	1
Corporal Detention	4
Deputy Sheriff – Transport	2
Detention Officer	24
Sergeant – Detention	4
Sr. Detention Officer	5
TOTAL for DETENTION	43

Section 23. The annual appropriations for all divisions of the Sheriff's Office shall be allocated by the Finance Department on a quarterly basis, with each quarterly allocation

being equal to twenty-five (25%) percent of the annual appropriation in each line item. The County Manager is hereby authorized to exceed such a quarterly appropriation in the event an annual contract requires a pre-payment or earlier payment schedule than quarterly. The intent of this section is to authorize expenditures equal to no more than 25% of the annual appropriations during each quarter of the fiscal year.

Section 24. Copies of this Budget Ordinance shall be furnished to the County Manager, Clerk to the Board of Commissioners, Finance Director and the Tax Administrator for direction in carrying out their duties.

Adopted this 19th day of June, 2010 .

Alex E. Patton, Chairman
Lincoln County
Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board

Mr. Wood stated that there is an issue that is unsettled in Raleigh with lottery money. He said Lincoln County has \$1.6 million that is in jeopardy.

Motion to Accept the Offer to Purchase Real Estate by North Carolina Department of Transportation for 0.067 acres for Bridge Right of Way over Clark Creek on SR 1008 in Lincolnton – George Wood: Mr. Wood stated that the NC Department of Transportation has made an offer to Lincoln County to purchase 0.067 acres needed for a right-of-way for Bridge No. 188 over Clark Creek on SR 1008 in Lincolnton. This is a tip of land adjacent to the creek that is part of the Ramseur Mill Battleground. The request was approved by the Lincoln County Historic Properties Commission.

Mr. Wood stated that Jon Stephens, Chief Appraiser, gave a per acre appraisal. He indicated \$3,500 per acre as it is floodplain. Since the offer is for \$1,700 for roughly 7/100th of an acre, he believes this is a fair price.

Mr. Wood recommended accepting this offer, and authorizing the Chairman, County Manager, and Clerk to execute any and all documents necessary to convey this property to the NCDOT at the offered price.

UPON MOTION by Commissioner Carlton, the Board voted unanimously to approve the motion to accept the offer to purchase real estate by NCDOT for 0.067 acres for bridge right-of-way over Clark Creek on SR 1008 in Lincolnton.

Energy Efficiency Community Block Grant Program Grant Award \$46,450 – Martha Lide: Martha Lide presented the following information:

North Carolina received approximately \$7.1 million in American Recovery and Reinvestment Act CARRA) Funds to fund energy efficiency projects for County and municipal buildings. In December 2009, the NC State Energy Office issued a Request for Proposals to distribute these funds for energy efficiency projects in local governments. In January 2010, Lincoln County submitted a proposal for lighting retrofits for the Citizen's Center, Courthouse, former Bank of America Building and Jonas Library. The total estimated cost of the project is \$54,500, of which \$46,450 will be funded through the grant and \$8,050 will come from in kind services provided by the County to install the lighting.

The project involves the replacement of the T-12 florescent lights fixtures with T-8 fixtures and new ballasts in each of the four County buildings. We will be replacing 2,647 light bulbs and 1,504 ballasts through this grant.

It is estimated that the project will save the County over \$16,600 per year in reduced energy costs and will reduce greenhouse gas emissions by 149,184 pounds of carbon annually. As part of the grant requirements, we will need to hire a consultant to assist with the independent measurement and verification of the savings; this cost for verification is included in the grant funds.

One requirement of this grant is the creation of the Lincoln County Energy and Water Management Plan to work on reducing our water and energy consumption. We will be forming a committee of staff members to develop a plan to track energy and water consumption by facility and implement strategies for reducing energy and water consumption.

It is recommended that the Board accept the award of a \$46,450 grant from the North Carolina Department of Commerce, Energy Division's Energy Efficiency Community Block Grant Program.

UPON MOTION by Commissioner Carlton, the Board voted unanimously to approve the Energy Efficiency Community Block Grant Program Grant Award of \$46,450.

Medicare Supplement Plan – Martha Lide: Martha Lide presented the following information:

The County currently provides eligible retirees the option of participating in a Medicare Supplement Plan and Medicare D prescription coverage through North Carolina Blue Cross Blue Shield (NCBCBS). Lincoln County currently has forty-seven (47) retirees age 65 and over who are eligible for this benefit. The County currently offers these retirees the BCBS Supplement Medicare Plan I. The cost of providing this coverage to these retirees is \$108,753 (Supplemental Plan I) and \$45,756 (Medicare D) and has been included in next year's budget.

We have been informed by NCBCBS that they will no longer offer Plan I to new retirees effective June 1, 2010. They have offered to "grandfather in" the current members and allow them to remain on Plan I with the same benefits, but will no longer be adding new retirees to Plan I. The Board needs to:

- Determine if we will "grandfather in" current retirees age 65 and over and continue to offer them Plan I or if we will switch them to a new Plan.
- Determine which Medicare Supplement Plan should be offered to future new retirees age 65 and over.

Plan Comparison:

Staff has reviewed all of the available Medicare Supplement Plans provided by NCBCBS (i.e. Plans A, B, C, D, F, G, K, L, M, and N). The review of available plans revealed that Plan G is the most comparable to our current Plan I. Below are the only differences between the current Plan I and Plan G:

It is recommended that the Board approve the following:

- (1) Retain Medicare Supplement Plan I for all currently enrolled retirees age 65 and over as they can be grandfathered into the plan and their benefits will not change. While the County would save close to \$30,000 there would be a slight reduction in benefits.
- (2) Select Medicare Supplement Plan G for enrolling all new eligible retirees reaching age 65 after June 1, 2010. This plan is the most similar to the current plan offered, and has the potential for future savings.
- (3) Due to health care reform and the economic climate, medical coverage is changing rapidly. It is recommended that we reevaluate the Medicare Supplement Plans for all retirees next June to ensure we are offering the best product and the most affordable price.

UPON MOTION by Commissioner Carlton, the Board voted unanimously to approve the Medicare Supplement Plan as presented.

Public Hearing – Proposed Industrial Development Incentive Grant for a Prospective New Industry and Motion to Approve Resolution #2010-31: Resolution to Adopt Economic Incentive Grant and Lincoln County Incentive Grant Agreement – Crystal Gettys: Crystal Gettys presented the following information:

**RESOLUTION #2010-31:
RESOLUTION TO ADOPT ECONOMIC INCENTIVE
GRANT AGREEMENT WITH HYDAC INTERNATIONAL**

WHEREAS, the Lincoln County Board of Commissioners verily believes that it is in the best interests of the citizens of Lincoln County to encourage and support economic development within Lincoln County through the recruitment of new industries to the County and the expansion of existing industries in the County; and

WHEREAS, Hydac International has developed plans for a new manufacturing facility in Lincoln County; and

WHEREAS, the Board of Commissioners wishes to encourage such development by means of offering incentives to aid in such efforts;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED AS FOLLOWS:

1. The Lincoln County Board of Commissioners hereby approves the Lincoln County Incentive Grant Agreement (attached hereto as Exhibit A and incorporated herein by reference) among Lincoln County and Hydac International.
2. The Chairman of the Board of Commissioners and the Clerk to the Board are hereby authorized to sign all necessary documents on behalf of Lincoln County in order to effectuate this transaction.
3. This resolution shall become effective upon adoption.

This 21th day of June, 2010.

Alex Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins, Clerk to the Board

LINCOLN COUNTY INCENTIVE GRANT AGREEMENT

NORTH CAROLINA

LINCOLN COUNTY

THIS AGREEMENT is made and entered into as of the 21st day of June 2010, by and between

LINCOLN COUNTY, a body corporate and politic (hereinafter referred to as “the County”), and Hydac International, a Pennsylvania corporation (hereinafter referred to as “Hydac”).

WITNESSETH:

WHEREAS, Hydac has developed plans for the construction of a new manufacturing facility and install manufacturing equipment in Lincoln County, North Carolina; and

WHEREAS, the Board of Commissioners of Lincoln County verily believes that the location of new industries and the expansion of existing industries is vital to the economic health of Lincoln County and to the welfare of its citizens; and

WHEREAS, the Board of Commissioners wishes to encourage such development by means of offering incentives to recruit new industries and to aid in expansion of existing industries; and

WHEREAS, such incentives are predicated on the notion of expanding Lincoln County’s tax base and providing additional jobs for Lincoln County’s citizens that pay wages higher than the current prevailing average hourly wage in the particular industry; and

WHEREAS, the Board of Commissioners has determined that it is appropriate and in the best interests of Lincoln County and its citizens to offer incentives in the form of both cash grants and assistance with making public services available; and

WHEREAS, the Board of Commissioners believes that it is appropriate and reasonable to expect Hydac to bind itself to the County to produce certain results in conjunction with the project described herein as conditions of the incentives being offered by the County;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein set forth, the parties hereby agree as follows:

1. On or before March 2011, Hydac shall begin construction of a new manufacturing facility in Lincoln County, North Carolina.
2. Within two years of the date of this agreement, Hydac shall make an investment upon such site in building, machinery and equipment of \$10,000,000 of which \$8,200,000 will qualify for incentives under the Lincoln County Industrial Incentive Grant Policy.
3. Within two years of the date of this agreement, Hydac shall provide at such site at least 40 new jobs paying average weekly wages of \$800.
4. In consideration of the performance of the aforesaid obligations by Hydac, the County will provide cash grants to Hydac of \$35,055 per year for a five-year period. Lincoln County will pay such grants beginning in the tax year after the project’s completion. Grants will be paid to Hydac within 30 days after Hydac has made its tax payment for the then-current year and has notified Lincoln Economic Development Association of the payment. This amount represents a Level II grant under the Lincoln County Industrial Development Incentive Grant Policy for New and Existing Industries.
5. In the event that the value of the investment actually made by Hydac pursuant to this agreement is greater or less than the aforementioned contract amount, the incentive grants to be provided hereunder will be adjusted upward or downward on a pro-rata basis.

6. Hydac specifically agrees that in the event that all or any portion of this agreement or any incentive grant or payment to be made hereunder is declared to be unconstitutional, illegal, or otherwise enjoined by a court of competent jurisdiction, Hydac shall indemnify and hold harmless Lincoln County and its Board of Commissioners, individually and collectively, from any loss or liability and shall reimburse Lincoln County by the amount of any such grant or payment.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first above written.

Hydac International

By: _____
President

ATTEST:

Secretary

LINCOLN COUNTY

By: _____
Alex E. Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board of Commissioners

NORTH CAROLINA

LINCOLN COUNTY

This the ____ day of _____, 2010, personally came before me _____ and acknowledged that he/she is Secretary of Hydac, a Pennsylvania corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by him/her as its Secretary.

Witness my hand and official stamp or seal, this ____ day of _____, 2010.

My Commission Expires: _____

Notary Public

NORTH CAROLINA

LINCOLN COUNTY

This the _____ day of _____, 2010, personally came before me Amy S. Atkins, Clerk to the Board of Commissioners of Lincoln County, North Carolina, who being by me duly sworn says that she knows the common seal of the County of Lincoln, North Carolina and is acquainted with Alex E. Patton, who is the Chairman of the Board of Commissioners of Lincoln County, North Carolina, and that she, the said Amy S. Atkins, is the Clerk to the Board of Commissioners of Lincoln County, North Carolina, and saw the Chairman of the Board of Commissioners of Lincoln County, North Carolina, sign the foregoing instrument and affix said seal to said instrument and that she, the said Amy S. Atkins, signed her name in attestation of said instrument in the presence of said Chairman of the Board of Commissioners of Lincoln County, North Carolina.

My Commission Expires: _____

Notary Public

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

UPON MOTION by Commissioner Arena, the Board voted 4-1 to approve
Resolution #2010-31: Resolution to Adopt Economic Incentive Grant Agreement with
Hydac International

Capital Project Report – Burns Whittaker: Burns Whittaker presented the Capital Project Reports.

Finance Officer's Report - Leon Harmon: Leon Harmon presented the Finance Officer's Report.

County Manager's Report: George Wood presented the County Manager's Report. He asked for the Board to appoint a voting delegate to the annual conference.

UPON MOTION by Commissioner Carlton, the Board voted unanimously to appoint Commissioner Klein to serve as the voting delegate.

Mr. Wood suggested the Board hold a work session on July 12 to discuss the water and sewer rate study.

County Attorney's Report: Jeff Taylor gave updates on the Union County APFO case.

Vacancies/Appointments: UPON MOTION by Commissioner Carlton, the Board voted 4 – 1 (Mitchem against) to make the following appointments:

Vacancies:

Nursing and Adult Care Home Community Advisory Committee
LNRC
Pathways – 4 seats

Appointments:

EDA Board

- Reappoint George Arena
-

Planning Board

- Appoint John Anderson
- Appoint Dr. Richard Pence
- Reappoint Tom Campbell

Nursing and Adult Care Home Advisory Committee

- Appoint Sheldon Painter Lutz
- Appoint Julia Gaskill

Gaston College Board of Trustees

- Appoint Paul E. Hubacher

Environmental Review Board

- Reappoint Henry Fogle
- Reappoint Charles Wallace

Agricultural District Advisory Board

- Reappoint John Beam
- Reappoint Rex Lynch

JCPC

- Susan Avery

Pathways

- Deedie Martin

Calendar: Chairman Patton presented the July 2010 calendar.

Chairman Patton reminded the Board of the Ribbon Cutting at the Animal Shelter on June 22 at 11:30 a.m. and the Ribbon Cutting on Saturday, June 26 at the new Lincoln CMC Hospital.

Chairman Patton reminded the Board that all Commissioners have to attend ethics training by the end of the year.

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

Amy S. Atkins, Clerk
Board of Commissioners

Alex E. Patton, Chairman
Board of Commissioners