

**MINUTES
LINCOLN COUNTY BOARD OF COMMISSIONERS
MONDAY, FEBRUARY 19, 2018**

The Lincoln County Board of County Commissioners met February 19, 2018 at the Citizens Center, Commissioners Room, 115 West Main Street, Lincolnton, North Carolina, at 6:30 P.M.

Commissioners Present:

Bill Beam, Chair
Anita McCall, Vice Chair
Carrol Mitchem
Richard Permenter
Martin Oakes

Others Present:

Kelly G. Atkins, County Manager
Wesley Deaton County Attorney
Amy S. Atkins, Clerk to the Board

Call to Order: Chairman Beam called the February 19, 2018 meeting of the Lincoln County Board of Commissioners to order. He called for a moment of silence and led in the Pledge of Allegiance.

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

**AGENDA
Lincoln County Board of Commissioners Meeting
Monday, February 19, 2018
6:30 PM**

**James W. Warren Citizens Center
115 West Main Street
Lincolnton, North Carolina**

Call to Order - Chairman Bill Beam

Moment of Silence

Pledge of Allegiance

1. Adoption of Agenda
2. Consent Agenda
 1. Surplus Property
 2. Waived fees
 - Gaston College Nursing Pinning Ceremony

- Stars Benefit Showcase
- Piedmont Council, Boy Scouts Banquet
- 3. Minutes to be approved - 2/5/18
- 4. Tax Request for Releases
- 3. Planning Board Recommendations - Randy Hawkins
- 4. Public Hearing - Industrial Development Incentive Grant for Project Henk - Kara Brown
- 5. Presentation Lincoln County Schools' Needs - Dr. Lory Morrow, Superintendent
- 6. Public Comments
- 7. Statement of delinquent 2017 taxes which are a lien on real property - Susan Sain
- 8. Shanklin Library Maintenance Discussion - John Henry
- 9. Two Way Radio Payment - Deanna Rios
- 10. Budget Ordinance Amendment #5 and Budget Ordinance Amendment #6 - Deanna Rios
- 11. Finance Officer's Report - Deanna Rios
- 12. County Manager's Report
- 13. County Commissioners' Report
- 14. County Attorney's Report
- 15. Vacancies/Appointments
 - Board of Health Appointments
- 16. Calendar
- 17. Other Business
- Information Only - No Action Needed
 - Register of Deeds Report
 - Property Tax Collection Report
- 18. Closed Session Concerning Economic Development at the Airport
- Adjourn

UPON MOTION by Commissioner McCall, the Board voted unanimously to adopt the agenda removing Closed Session.

Consent Agenda: Mr. Atkins reviewed the items on the Consent Agenda.

1. Surplus Property
2. Waived fees
 - o Gaston College Nursing Pinning Ceremony

- Stars Benefit Showcase
 - Piedmont Council, Boy Scouts Banquet
3. Minutes to be approved - 2/5/18
 4. Tax Request for Releases

UPON MOTION by Commissioner Oakes, the Board voted unanimously to approve the Consent Agenda as presented.

Planning Board recommendations: Randy Hawkins presented the following:

CUP #374 Jamar Wright, applicant (Parcel ID# 55206) A request for a conditional use permit to sell vehicles in the B-G (General Business) district. The proposed 0.71-acre site is located at 3485 E. NC 27 Hwy., on the east side of N.C. 27 about 100 feet north of Joshua Court, in Ironton Township.

The Planning Board voted 7-0 to recommend approval.

UPON MOTION by Commissioner Oakes, the Board voted unanimously to approve the findings of fact as submitted by the Planning Board.

UPON MOTION by Commissioner Oakes, the Board voted unanimously to approve CUP #374 – Jamar Wright, applicant, as recommended by the Planning Board.

CUP #375 Michael Forrest, applicant (Parcel ID# 57419) A request for a conditional use permit to sell vehicles in the I-G (General Industrial) district. The proposed 1.0-acre site is located at 4330 Racing Drive, on the east side of Racing Drive about 800 feet south of N.C. 16 Business, in Catawba Springs Township.

The Planning Board voted 7-0 to recommend approval.

UPON MOTION by Commissioner Permenter, the Board voted unanimously to approve the Findings of Fact as submitted by the Planning Board.

UPON MOTION by Commissioner Permenter, the Board voted unanimously to approve CUP #375 – Michael Forrest, applicant, as recommended by the Planning Board.

ZMA #646 James Hunter, applicant (Parcel ID# 34170) A request to rezone 15 acres from R-T (Transitional Residential) to R-SF (Residential Single-Family). The property is located about 2,000 feet west of Little Egypt Road and 3,200 feet north of N.C. 73 in Catawba Springs Township.

The Planning Board voted 7-0 to recommend approval.

UPON MOTION by Commissioner Oakes, the Board voted unanimously to approve the statement of consistency and reasonableness as submitted by the Planning Board.

UPON MOTION by Commissioner Oakes, the Board voted unanimously to approve ZMA #646 – James Hunter, applicant, as recommended by the Planning Board.

Public Hearing – Industrial Development Incentive Grant for Project Henk: Chairman Beam opened the public hearing concerning an Industrial Development Incentive Grant for Project Henk. Being no speakers, Chairman Beam declared the public hearing closed.

UPON MOTION by Commissioner McCall, the Board voted unanimously to approve Resolution #2018-9: Resolution to Adopt Economic Incentive Grant Agreement with Project Henk.

**RESOLUTION TO ADOPT ECONOMIC INCENTIVE
GRANT AGREEMENT WITH Project Henk.**

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, Project Henk, has developed plans for expansion of their manufacturing equipment 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, Project Henk.
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 19^h day of February, 2018.

Bill Beam, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy Atkins, Clerk to the Board

LINCOLN COUNTY INCENTIVE GRANT AGREEMENT

ARTICLE I.

NORTH CAROLINA

LINCOLN COUNTY

THIS AGREEMENT is made and entered into as of the 19th day of February 2018 by and between LINCOLN COUNTY, a body corporate and politic (hereinafter referred to as “the County”), and Project Henk, a North Carolina corporation (hereinafter referred to as “Project Henk”).

WITNESSETH:

WHEREAS, Project Henk has developed plans for the installation of manufacturing equipment in Lincoln County, North Carolina;

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 Project Henk 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

February 19, 2018
Public Hearing - Zoning

forth, the parties hereby agree as follows:

1. On or before January 1, 2019, Project Henk shall begin construction of a new facility and installation of equipment and machinery in Lincoln County, North Carolina.
2. Within two years of the effective date of this agreement (said effective date being referred in item 1.), Project Henk shall make an investment upon such site in (building/land and/or machinery and equipment of \$11,000,000, (the expected capital investment) of which \$9,980,000 will qualify for incentives under the Lincoln County Industrial Incentive Grant Policy.
3. Within two years of the effective date of this agreement, Project Henk shall provide at such site at least 56 new jobs paying average annual wages of \$60,000.
4. In consideration of the performance of the aforesaid obligations by Project Henk, the County will provide cash grants to Project Henk of \$45,733.35 per year for a seven-year period. Lincoln County will pay such grants beginning in the tax year after the project's completion. Grants will be paid to Project Henk within 30 days after Project Henk 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 I grant under the Lincoln County Industrial Development Incentive Grant Policy for New and Existing Industries.
5. Project Henk shall on a no less than annual basis provide evidence satisfactory to the County of how many jobs (as provided in Paragraph 3 herein) it has maintained.
6.
 - a. In the event that the value of the investment actually made by Project Henk pursuant to this agreement is greater or less than the Expected Capital Investment then the grant will be equitably adjusted upward or downward on a pro-rata basis.
 - b. In the event that the number of people in qualifying jobs actually employed by Project Henk pursuant to this Agreement in any year during the term of the Agreement is fewer than the Expected Number of Jobs, then the County may, in its discretion, reduce the amount of the Grant to be paid for the year (or seek reimbursement for the Grant already paid for said year) in the amount of \$1,000.00 per job shortfall.
7. Project Henk 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, Project Henk 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.

By: _____
President

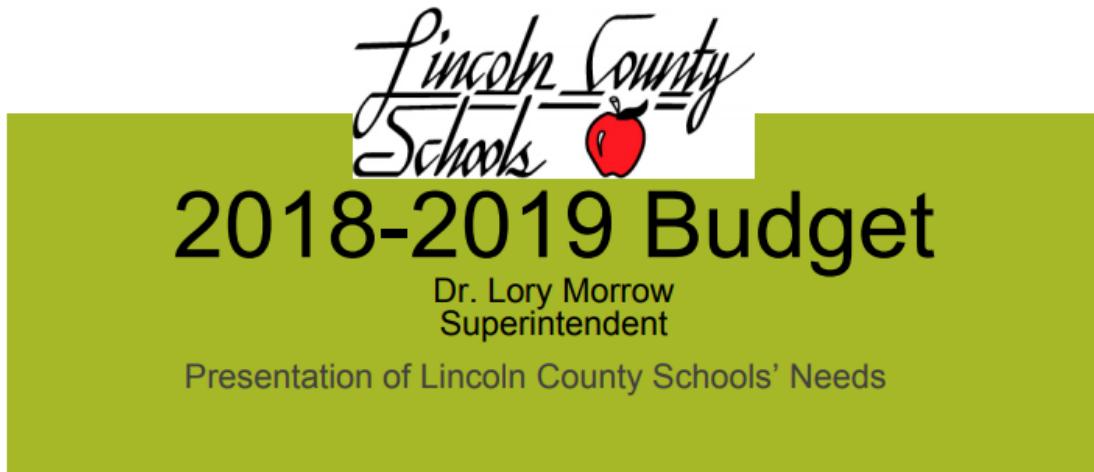
LINCOLN COUNTY

By: _____
Bill Beam, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board of Commissioners

Presentation – Lincoln County Schools’ Needs: Dr. Lory Morrow, Superintendent, shared the following Power Point Presentation:



2018-2019 Budget Goals

1. Provide adequate staffing and instructional resources for the purpose of quality instruction
2. Upgrade technology to provide opportunities for digital learning
3. Maintain a safe and appropriate learning environments
4. Create opportunities for leadership development across the district

House Bill 90 Phase-in Regular Classroom Teacher Positions

	State funded	Local funded	Total
2017-18	529	23	552
2018-19 <small>No Combination Classrooms; Maintain Current Staffing in Middle/High School</small>	523	30	553
<small>* includes maintaining current staffing levels in Elementary Art, Music, PE</small>			

House Bill 90 Phase-in Ratios

Grade	Grade	LEA Average	Individual Maximum	Enhancement 1:191
2018-19	K-3	20	23	25%
2019-20	K-3	19	22	50%
2020-21	K-3	18	21	75%
2021-22	K	18	21	100%
	1	16	19	100%
	2-3	17	20	100%

HB 90 Update Projected Local Expense

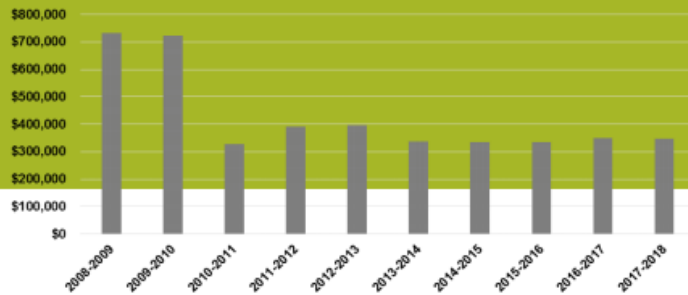
Description:	Amount:
30 Teaching positions (included 7% supplement):	\$1,178,070.00
Social Security Costs (7.65%):	\$ 90,122.36
Retirement Costs (18.44% - up 7.65%):	\$ 217,236.11
Hospitalization Costs (\$6104 - up 4%):	\$ 183,120.00
	\$1,668,548.47

Instructional Supplies

Year	Allotment	Difference
2008-2009	\$731,925	
2009-2010	\$722,369	(\$9,556)
2010-2011	\$327,563	(\$394,806)
2011-2012	\$391,806	\$64,243
2012-2013	\$396,446	\$4,640
2013-2014	\$339,000	(\$57,446)
2014-2015	\$334,113	(\$4,887)
2015-2016	\$335,613	\$1,500
2016-2017	\$350,647	\$15,034
2017-2018	\$348,150	(\$2,497)
2018-2019	\$300,000	LOCAL

State-allotted Instructional Supplies has been reduced \$383,775 since 2008-2009.

The per pupil allotment for 2017-2018 is \$30.54 compared to \$60.02 in 2008-2009.



Goal 1: Teaching Positions and Instructional Supply Needs				
HB 90 Phase-in				
<u>Locally Funded Needs</u>		<u>FY 1718 Amount:</u>		<u>FY 1819 Amount:</u>
Regular Classroom Positions:	23	\$895,274.00	30	\$1,178,070.00
Social Security Costs:	7.65%	\$68,488.46	7.65%	\$90,122.36
Retirement Costs:	17.13%	\$153,360.44	18.44%	\$217,236.11
Hospitalization Costs:	\$5,869.00	\$134,987.00	\$6,104.00	\$183,120.00
Instructional Materials and Supplies		<u>\$0.00</u>		<u>\$300,000.00</u>
	Total FY 1718	\$1,252,109.90	Total FY1819	\$1,968,548.47

*** To meet Goal 1, Lincoln County Schools will need an additional **\$716,438.57** for FY1819 in Current Expense Funds.

Operational/Classroom Technology

Current Inventory
5300: Total Computers and Laptops (not including Tablets or Chromebooks)
716: Dell Optiplex 740 and 745 Models (10 years old)
2195: Dell Optiplex 755 (9 years old)
734: Dell Optiplex 760 and 780 Models (7-8 years old)

Operational/Classroom Technology

District Refresh Program for Outdated Technology		
Computer Refresh Cycle Per Year	Replace all computers over 8 years	\$250,000.00
Smartboard, Promethean, Projector Per Year	Replace class projection over 8 years	\$500,000.00
Non-Erate Network Equipment Per Year	Replace all network equipment over 10 years	\$500,000.00
Subtotal		\$1,250,000.00

Goal 2: Operational/Classroom Technology

- 2017-2018 Operational Technology Expenditures = **\$312,000.00**
- 2018-2019 Anticipate to spend **\$320,000.00** from additional capital funds from the county commissioners on computer replacement. We also have plans to spend **\$400,000.00** in 2019-2020 on computer replacements.
- This leaves a need for the 2018-2019 school year of **\$930,000.00** in additional capital funds for operational technology replacement.

Vehicle Needs

11 Vehicles		
Department	Vehicle Need	Amount
Child Nutrition	Refrigeration truck \$115,000.00 Service van \$30,000	\$ 145,000.00
Maintenance	2 Service van \$30,000 per unit	\$ 60,000.00
Transportation	4 Activity buses \$78,000 per unit, Service van \$30,000, Service vehicle \$23,000	\$ 365,000.00
ITS	Service van \$30,000	\$ 30,000.00
Total:		\$ 600,000.00

ITS and Transportation Security Costs

ITS	Transportation
Elementary Cameras: \$50,000.00	2 Cameras: \$125,000.00
Secondary Cameras: \$60,000.00	4 Cameras: \$150,000.00
Maintenance: <u>\$25,000.00</u>	
\$135,000.00	*On every bus
Note: Maintenance costs are per year.	Note: These units have a 3 year warranty and estimated maintenance cost should be less than \$2,000.00 per year after 3 years.

Capital Improvement Budget

2017-2018 LCS Capital Budget = **\$1,800,000.00** (non-personnel costs)
This includes Maintenance and Custodial Supplies

LCS utilized \$785,000.00 from the additional capital allotment from the commissioners and have the remaining \$200,000.00 left to be utilized for the Kiser renovation.

From an operations budget perspective, we are asking to be restored to **\$2,100,000.00** for an annual equipment budget due to facility needs that have not been reported in the BAISCA report.

Goal 3: Maintain Safe and Appropriate Environment

	FY1718	FY1819 Request
Building Security Cameras	\$ 0.00	\$ 135,000.00
Bus Security Cameras	\$ 0.00	\$ 150,000.00
Capital Expenses/Projects (Operational)	\$1,800,000.00	\$ 300,000.00**
Vehicles	\$ 170,000.00	\$ 430,000.00**
Total Amount	\$ 1,970,000.00	\$ 1,015,000.00**

***This represents new requests in addition to current appropriations*

Leadership Development

Targeted Groups:

- New Teachers
- Veteran Teachers
- Teacher Leadership Development
- Administrators

Goal 4: Leadership Development

	FY1718	FY1819
Leadership Training for target groups	\$0.00	\$50,000

Summary of Goals and Additional Requests

Goals	FY1819 Request
Goal 1-Provide classroom teachers and instructional supplies	\$ 716,438.57
Goal 2-Update operation/classroom technology	\$ 930,000.00
Goal 3-Maintain safe and appropriate learning environment	\$ 1,015,000.00
Goal 4-Create opportunities for leadership development	\$ 50,000.00
Total Amount	\$ 2,711,438.57

Total Request for FY1819

Current Expense Appropriations FY 1718	\$ 18,270,288.00
Capital Appropriations FY 1718 **	\$ 1,729,091.00
Total Appropriations FY 1718	\$ 19,999,379.00
Additional Requests per Goal Summary Slide	\$ 2,711,438.57
Total Request for FY 1819	\$ 22,710,817.57

Public Comments: Chairman Beam opened Public Comments.
Being no speakers, Chairman Beam closed Public Comments.

Statement of Delinquent 2017 taxes which are a lien on real property: UPON MOTION by Commissioner Mitchem, the Board voted unanimously Resolution #2018-10: Resolution Ordering the Advertising of Real Estate Property Tax Liens.

Pursuant to NCGS 105.369(a), the amount of delinquent 2017 taxes which are a lien on real estate property is \$3,494,125.07. A complete listing of these delinquent taxes is on file at the Lincoln County Tax Department.

Upon receipt of this statement, the governing board must order advertising of the unpaid delinquencies. It is our recommendation that this advertisement appear one (1) time between March 1 and June 30, 2018, as required per NCGS 105.369 (a), in the Lincoln Times News. This delinquent list will also be posted in the Lincoln County Courthouse upon approval by the board.

Resolution # _____: A RESOLUTION ORDERING THE ADVERTISING OF
DELINQUENT REAL ESTATE PROPERTY TAX LIENS

THAT WHEREAS, NCGS 105.369(a) requires the Tax Administrator to report to the Board of Commissioners the delinquent tax liens on real property; and

WHEREAS, the same statute requires the Board of Commissioners to order that these liens be published one (1) time between March 1 and June 30; and

WHEREAS, the Tax Administrator has submitted said listing of the delinquent tax liens on real property;

NOW THEREFORE, BE IT RESOLVED by the Lincoln County Board of Commissioners that the Tax Administrator is hereby ordered to publish the list of delinquent tax liens on real property.

Passed and adopted this the 19th day of February 2018

BY: _____
Bill Beam, Chair
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins, Clerk to the Board

Shanklin Library Maintenance Discussion: John Henry presented the following:

On Wednesday, January 7, 2018 during a heavy rain, it was discovered that there is major water infiltration through the CMU foundation. There have been past discussions concerning drainage issues and past attempts to get funding to fix the drainage issues. The uncorrected drainage has led to other issues with the structure of the building. At this time we are treating this as an emergency and emergency procurement procedures are being followed as allowed by NCGS 143-129(e)(2).

No action required at this time. This is a report as required by the County Purchasing Policy since repairs will be greater than \$50,000.

Two Way Radio Payment:

The Tower Project that was closed in FY 17 has some invoices that have not been paid. The Commissioners asked at a previous meeting that Two Way representatives come and answer questions.

February 19, 2018
Public Hearing - Zoning

Several years ago, the County had Two Way Radio install towers and radio equipment in several areas of the County in order to improve the radio communication in the County. There is one unpaid invoice to Two Way that was unknown to current staff until recently. Two Way and the County reviewed the spreadsheets and have determined that the amount unpaid is \$90,937.71.

UPON MOTION by Commissioner Oakes, the Board voted unanimously to approve the payment to Two Way Radio.

Budget Ordinance Amendment #5 and Budget Ordinance Amendment #6: Deanna Rios presented Budget Ordinance Amendments #5 and #6 for the Board's approval.

UPON MOTION by Commissioner Oakes, the Board voted unanimously to approve Budget Ordinance Amendment #5 and #6 as presented.

Finance Officer's Report: Deanna Rios presented the Finance Officer's Report.

County Manager's Report: Mr. Kelly Atkins informed the Board of the March 22 Budget Retreat.

County Attorney's Report: Nothing reported.

County Commissioners' Report: Commissioner McCall informed the Board that she will be attending the NaCO Conference in Washington, DC representing the Board of Commissioners and North Carolina and will miss the first meeting in March.

Vacancies/Appointments: **UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to approve the reappointments of Kirk Gavel, Ginger Lusk and Sheldon Lutz to the Board of Health.

Other Business: Andrew Bryant gave a brief presentation on the Highway 73 Corridor Plan.

Closed Session Concerning Economic Development at the Airport: **UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to enter closed session concerning the Airport.

Chairman Beam announced that no action was taken in closed session.

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

Amy S. Atkins, Clerk
Board of Commissioners

Bill Beam, Chairman
Board of Commissioners