

## **BUDGET WORKSHOP – MARCH 12, 2021**

The 2021 annual Budget Work Session was held on March 12, 2021 in the Council Chambers of City Hall, located at 114 West Sycamore Street beginning at 8:00 a.m.

Council Members in attendance were:

**WHITE      POINSETTE      EADDY      JETTON**

Mayor Ed Hatley called the work session to order, after which turning the meeting over to City Manager Ritchie Haynes. Mr. Haynes began by thanking the members of Council for giving staff the opportunity to stand before them and present their request. After addressing some housekeeping rules and explaining the general flow of the meeting, Mr. Haynes turned to the agenda, beginning with Strategic Plan. He did thank staff, noting that they did a great job not overloading the budget with their request. He announced that budget (in all three funds) is currently balanced.

### **INFRASTRUCTURE**

Fire Chief Ryan Heaver began with Goal #1 - Infrastructure. Chief Heavner gave a brief overview of this portion of the strategic plan, explaining that the list was evaluated by the committee, adding to and/or revising listed items as needed. Due to the amount of water related items included, Chief Heavner did defer to Utilities Director Robert Pearson and Business Services Director David Ramsey for details and clarification of several items.

Directing attention to the tasks typed in red and the one task highlighted in yellow, Chief Heavner addressed each of the ongoing projects under 1.1 Communication, 1.2 Sewer, 1.3 Water, 1.4 Electric, 1.5 Streets and 1.6 Buildings.

### **EMPLOYEE BENEFITS**

Human Resources Director Tanya Osborne presented the update for strategic planning Goal #2 – Employee Benefits. Mrs. Osborne began by identifying staff members that serve on this committee. Addressing the items in red, she spoke to the topic of retiree health insurance program option, which is listed under 2.2 health Insurance Comparisons, and 2.3 401k. She also reported on items listed under 2.5 Employee Salary Movement, 2.6, Compensation Equities, 2.10 Paid Family Leave, 2.11 Personnel Policy Revisions, 2.12 Drug and Alcohol Policy Revision, 2.14 Birthday (Personal Day) and 2.15 Cemetery Plot Payment Plan. Mrs. Osborne expounded on each proposed benefit, detailing the specifics.

In conclusion, Mrs. Osborne reported on the success of the Service Award Recognition change that was approved by Council last year. She spoke to the huge benefit of the additional Emergency Paid Leave that Council approved in January, and she also gave a brief update on the status of COVID vaccinations for employees. There was some discussion generated among Council and staff regarding eligibility for this benefit if vaccination is refused and several of the other policy revisions and benefits included and/or proposed. There was more discussion regarding recruitment difficulties and the need to look into the current process in relation to our public safety employees.

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### **DOWNTOWN DEVELOPMENT**

Laura Elam, Planning Director addressed Council regarding Downtown Development and the status of some of the projects currently underway in the downtown area. Prior to giving her report, City Manager Ritchie Haynes gave a general overview of his plans to have only one strategic plan, combining the City's and the Steering Committees into a single plan.

Mrs. Elam reported on development activity and growth in downtown, despite COVID. Stressing the creativity of former City Manager Steve Zickefoose, she reviewed several successful projects such as the Eureka Mill project, which is now Brick Tree Brewing. She spoke to one of the most popular projects, Burton Farms, as another success story, informing Council that the owner is currently looking to possibly open up a restaurant in the former Harvest Moon location.

Reported projects currently underway include Local Roots and Untapped. Mrs. Elam also touched on the residential growth, listing the Aspen Station Townhomes. Some discussion was generated regarding the other sites to be developed, with Councilman Eaddy requesting that the terms of the agreement be researched, verifying what can or can not be done. Mrs. Elam also identified projects that are in the planning stages such as the Burton Farms restaurant, a restaurant to the rear of Sound City building and a potential restaurant on the street level, with loft living on the upper floor in the Reinhart Building.

Some discussion was generated regarding several other businesses in and around town. Councilman Eaddy asked if Council can be notified when new businesses move into town in order for them to be able to inform citizens when asked. Demolition and construction for the new parking lot that will replace a section of the Lincoln Times New building was also discussed.

### **RECREATION**

Public Service Director Nathan Eurey addressed several of the tasks listed under Strategic Planning Goal #4 – Recreation, starting with Task 1.6.1, the shade structure/sail for splash pad. Mr. Eurey continued speaking to those items listed as follows: Task 2 – Master Plan & Pedestrian/Bike Study, Task 3 – City Park. Mr. Eurey mentioned to Council the possibility of establishing a revolving saving account so that funds will be in place when matching funds are required in regards to applying for grant funding. Planning Director Laura Elam spoke to Task 4, briefly updating Council on the status of Phase 4 of the rail-trail. She confirmed that several of the necessary properties have been acquired but reminded Council of the obstacles when dealing with the railroad in regards to ownership rights and negotiations.

Mr. Eurey continued, speaking to the issues related to the cameras on the rail trail and what is being done to address it. Discussion was generated regarding the importance of this equipment being in place for the City's protection. Mr. Eurey also gave an update on the Rail-Trail Committee project to install a plaza area on the north side of the tunnel and to construct a performance stage area at First Federal Park. He informed that an application for a Timken Grant has been submitted to help fund the project. Funding from the Lincoln Tourism Development Authority has also been requested and secured. Mr. Eurey spoke to Task 5 – Future Land Acquisitions, Task 6 –

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Facility Improvements, Task 7 – Betty Ross Park Expansion and Task 8 – Lincolnton Dog Park. Mr. Eurey announced a mid to late April Dog Park opening. Some discussion was generated in response to a question regarding the naming of the park. He also suggested the possibility of a phase II for the project that would include step to access the park from the rail-trail and some type of cross-fit workout station.

In conclusion, Mr. Eurey asked for direction on proceeding with drafting a smoking ordinance, which would ban smoking on all city owned property. He also presented a request to explore forming a Friends of the Parks and Recreation Group or Foundation. Mr. Eurey explained that this would be somewhat of a 501c3 fundraising arm of the Parks and Recreation Department that would allow the department to take donations and grants. I would also be useful in estate planning. Money would supplement the department and be used for scholarship and/or other persons with financial difficulties. After some discussion between Council and staff, Councilmembers voiced their support, directing staff to proceed with researching and moving forward with both a smoking ordinance and forming a Friends Group/Foundation. Mayor Hatley announced a ten minute break would be taken before continuing.

### **GROWTH NEEDS**

Upon returning from the break, City Manager Ritchie Haynes took a few minutes to welcome both Councilwoman Christine Poinsette and Finance Director Pam McBryde to their first work session in their respective roles.

As outlined on the Agenda, City Manager Ritchie Haynes addressed item #2 – Growth Needs. Mr. Haynes began, explaining the information being presented are the request submitted by each departments above what was allocated for the previous year. He stated that the request total 2.4 million dollars, and explained what was being requested and why.

	<b><u>Department</u></b>	<b><u>Requested</u></b>
<b>4110</b>	<b>City Manager/Clerk</b>	0
<b>4120</b>	<b>Human Resources</b>	
	Training and Business	1,000
	Additional random testing	1,800
	Adobe Acrobat Pro Software	1,000
		3,800
<b>4130</b>	<b>Finance</b>	0
<b>4280</b>	<b>General Expense</b>	8,807
<b>4285</b>	<b>General Debt Service</b>	30,000
<b>4310</b>	<b>Police</b>	
	Downtown Pay- Parking and Community Service	80,000
	Certificate and MPO Pay	8,000
	Taser Contract Costs	50,000
	E-Crash Yearly Service	1,500

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	In Car Computers	22,000
	Misc Equipment	12,000
	2 Patrol Trykes	21,000
	Rollkall Off Duty Software	950
	LexiPol Policy and Procedure Softwar	23,000
	Grounds and Maintenance	10,000
	Inkless Fingerprint System Software	14,000
	(2) 48 port switches for new building	9,000
		251,450
<b>4340</b>	<b>Fire</b>	
	Part-time Increase	3,500
	New cell phone for part-time inspector	500
	Contract for IAP development for special events	12,500
	CAD Freedom Software	2,500
	Replace broken equipment on Engine 2	7,500
		26,500
4510	Public Works	0
4520	Street	
	Skid Steer Attachments	10,000
4530	Equipment Services	0
4710	Solid Waste	
	Tipping Fees	1,500
4910	Planning/Zoning	
	Code Enforcement demos and abatements	45,500
4930	Bus & Comm. Dev	15,000
6100	Recreation	
	Part-time Administrative Assistant	13,000
	Supplies	2,000
	Gas & Oil	1,000
	Training & Business	2,000
	Equipment Repair	4,000
	Repair Highland Drive Shelter	20,000
	Shade Structure-FFP	20,500
	Cameras - Rail Trail	15,000
	Amenities for Plaza Project	20,000
	Divider Curtain-Gym	13,500
	Existing Ballfield Sod & Irrigate	65,000
	Betty Ross Park Cameras	20,000
	Amenities for Dog Park & steps to Rail Trail	36,000
	Grade and gravel turnaround at Hollybrook	11,500
	Replace Backstop	11,500
	Repave 2 sections at Hollybrook	21,000

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	Automated Gates at Betty Ross and Highland Drive	23,500
		299,500
	Fund 10	692,057
	Department	Requested
7100	Water Treatment	
	PLC Replacement	30,000
	Valve Replacement	60,000
	Floc Drives	25,000
	Clari Track Repair	15,000
		130,000
7110	Dist & Collection	
	Wet Well Wizard	16,000
	Clarks Creek Station Upgrade	200,000
	Hoyle Street Gravity Line	75,000
	South Fork Sewer Crossing	75,000
	Generators - Lift Stations	125,000
	Spare pump for Betty Ross Lift Station	55,000
	Poplar Street sewer line repair	60,000
		606,000
7120	Wastewater	
	Rebuild #3 pump	25,000
	Automatic transfer switch	30,000
	DAF parts	150,000
	Replace diffuser head at aeration basin	100,000
	Road repair	45,000
	Roof Repairs	30,000
	Repair lid on #3 digester	100,000
		480,000
	Fund 61	1,216,000
7200	Electric	
	Pole Setter	150,000
	Reel Trailer	20,000
	Gaston Street Line Improvements	100,000
	Misc. Equipment	3,000
	Traffic Controllers	60,000
	Medium Size Trachoe	120,000
	Washpit	100,000
	Fund 63	553,000
	Total All Funds	2,461,057

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Mr. Haynes did refer to department heads, asking them to give more details regarding some of the request submitted. And again, reiterated these request are in addition to what was requested the previous year.

### **COUNCIL DISCUSSION ITEMS**

Several department heads gave updates on the status of ongoing projects. Public Services Director Nathan Eurey addressed Council regarding the Parks and Recreation Master Plan. Mr. Eurey laid out where things are on the project timeline with the master plan and what has been completed thus far since the kickoff in August 2020. He referenced site visits, the Master Plan kick-off meeting, Community input survey launch, Community Engagement meetings and Virtual Focus Group meetings. Mr. Eurey informed that the plan is currently being written, with a projected completion date being sometime in June.

Chief Ryan Heavner gave an update on the Boger City Fire Department merger status, reporting that nothing but positive input has been received. He noted many of the positives that will come out of this union, one being the positive position this merger has put the City in. Chief Heavner informed that dissolution paperwork will begin the first of April, as Boger City feel there is no reason not to proceed with dissolving their Charter and membership. He continued saying that relief funds should be transferred around the end of April, with General Fund monies being transferred to the City at the end of June. In response to a question from Mayor Hatley, City Manager Ritchie Haynes confirmed that the property will be annexed into the city limits once ownership is transferred, starting the process after July 1<sup>st</sup>.

City Manager Ritchie Haynes, along with Human Resources Director Tanya Osborne, summarized the Pay and Class Study information. Mr. Haynes reminded Council of the current system being used, assuring Council that the funds needed to accommodate Group A is in the proposed balanced budget. Mrs. Osborne talked briefly about the various steps her department uses for getting the necessary information for this process to be successful. She spoke to the difficulty of the Public Safety group, and the next to address salary adjustment for this group in the near future. There was much discussion around this topic and the difficulties in recruitment and retention, with a number of suggestions/ recommendations from staff and Council to address the issue.

City Manager Ritchie Haynes reported on a cemetery vault requirement study recently conducted. Mr. Haynes stated that Gastonia, Newton, Hickory, Belmont, Statesville, Lenoir, Cherryville, Mooresville and Maiden were contacted regarding their policy. He informed that Statesville and Cherryville were the only two that do not required vaults to be used in their cemetery. Some discussion was generated as to the reason for the requirement and the additional cost that will accompany such a requirement. City Manager Ritchie Haynes recommended that staff create draft a policy and present to Council for consideration at a future meeting.

Community Relations Director Laura Morris gave an update on the status of City of Lincoln logo trademark/service mark study. Upon presenting the information, Ms. Morris recommended that a licensing agreement always be required before approving a usage request. She also recommended requiring a process of review prior to final approval of any request submitted as

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revisions and/or modifications may be needed. Some discussion regarding liability was generated with Councilman Jetton expressing his concern with having the City's logo on a beer can. Councilman Eaddy communicated his thoughts in reference to the logo and the purpose behind creating it. There was a consensus among council members to proceed with putting the necessary steps in place. Councilman Eaddy suggested that the owners of Brick Tree be contacted informed of Councils wishes in regards to the use of the logo.

Before ending this portion of the meeting, City Manager Ritchie gave councilmember the opportunity to ask questions. After questions/comments were addressed, department heads were dismissed, as councilmembers and remaining staff broke for lunch.

### **CITY MANAGER'S OFFICE OVERVIEW/RECOMMENDATIONS**

Leaving the 2021/2022 Goals to be discussed last, City Manager Ritchie Haynes began, presenting each item as follows:

Mandated Expenses  
Zero Based Budget Cuts  
Estimated Tax Revenues  
Balancing/Growth Requests Approved  
CMO/Recommendations/Highlights  
Donations  
Line Item Budget

Mr. Haynes welcomed and addressed questions from Council members as he explained what was being presented. Much discussion was generated during this portion of the meeting, with Mr. Haynes sharing what his plans are moving forward in a number of the funds. Infrastructure repair, street paving and sidewalks, and indebtedness repayment were a few of the topics discussed. Growth request were again reviewed, with Mr. Haynes highlighting the difference between what was requested and what was approved in each department.

Continuing to the next item, the 2021-22 City Manager's Office recommendations and highlights were presented as follows:

#### **General Fund \$11,037,157**

- No tax rate increase
- New Revenue- Property Tax- \$50,000
- New Revenue -Sales Tax- \$215,000
- Restored Revenue -Sales Tax- \$200,000; *FY2021 Covid-19 reduction*
- Implement Salary Study - Phase 1- \$260,000
- Retirement Rate Increase - \$45,000
- Retiree Health Insurance Increase- \$54,900
- Replace 10 Police vehicles- Enterprise
- Allot \$36,000 to Police Department for Capital
- Allot \$10,000 to Police Department for Misc. Equipment
- Allot \$7,500 to Fire Department for Capital

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- Allot \$10,000 to Fire Department for Misc. Equipment
- Allot \$18,000 to Fire Department for Building Needs
- Providing year six funding for DDA administrative position- \$42,000
- Rail Trail Landscaping Fund- \$10,000
- Allot \$50,000 to Parks & Recreation for Capital as follows:
  - Rail Trail Cameras - \$15,000
  - Hollybrook Paving - \$21,000
  - Entry Gates - Betty Ross & Highland Drive - \$14,000
- \$150,000 from NCMVT for street paving/sidewalks
- Fund Balance Available \$3.4M = 31%

### **Water and Sewer Fund \$8,196,950**

- No rate increase
- Retirement Rate Increase - \$18,480
- Allot \$130,000 to Water Treatment Plant as follows:
  - PLC - \$30,000
  - Valve Replacement - \$60,000
  - Floc Drives-(2) - \$25,000
  - Clad Trac Repairs-(2) - \$15,000
- Allot \$364,500 to Waste Water Treatment Plant as follows:
  - Rebuilt #3 Pump Head - \$25,000
  - DAF Parts - \$64,500
  - Aeration Basin Diffuser Head - \$100,000
  - Road Repair - \$45,000
  - Garage Roof - \$30,000
  - #3 Digester Lid - \$100,000
- Allot \$535,000 to Distribution and Collection as follows:
  - Clarks Creek Rebuild Upgrade - \$200,000
  - Lift Station Generator-Country Club - \$75,000
  - Lift Station Generator-27 West - \$50,000
  - Popular Street Sewer Line - \$60,000
  - Hoyle Street Gravity Line - \$75,000
  - Southfork Crossing - \$75,000
- Fund Balance Available \$3.5M = 43%

### **Electric Fund \$7,797,350**

- No increase in rates
- Retirement Rate Increase - \$5,640
- Allot \$433,000 to Electric Department for Capital as follows:
  - Yard Machine - \$150,000
  - Line Reel - \$20,000
  - Gaston Street Improvements - \$100,000
  - Traffic Controller - \$60,000
  - Smart Phones-(3) - \$3,000
  - Wash Pit - \$100,000

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- Building Maintenance - \$90,000
- System Maintenance Increase - \$120,000
- Fund Balance Available \$1.4M = 20%

**Powell Bill Fund \$305,000**

- Paving of City Streets- \$140,000
- Maintenance of City Streets- \$120,000
- Capital Projects- \$45,000
- Fund Balance Available \$288,000 = 95%

**Boger City Fire District Fund \$985,000**

- Implement Salary Study — Phase 1- \$28,150
- Retirement Rate Increase - \$5,160
- Salaries & Benefits- \$692,300
- Operational Costs- \$158,700
- Capital - \$134,000

City Manager Ritchie Haynes presented the following donation request. There was some discussion regarding the benefits received from the various organizations for the funds requested. Mr. Haynes voiced his recommendation regarding each request with Council deliberating and providing guidance and direction. There was much discussion surrounding the issue of litter on our City streets and the best way to address the problem, agreeing that an organized plan should be implemented for city streets. Mr. Haynes suggested speaking with representatives for the Keep Lincoln County Beautiful to address the NCDOT streets.

Donations	2019	2020	2021	Requests 2022	Approve 2022
American Legion Medal Honor		1,000	1,000	1,000	1,000
Keep Lincoln County Beautiful			1,500		
Lincolnton High School - Sign			29,000		-
Arts Council	-	6,000	6,000	8,500	6,000
Historical Association	-	6,000	15,000	10,000	7,500
Lincoln Cultural Center	40,000	40,000	40,000	40,000	40,000
Chamber of Commerce	17,100	17,100	17,100	17,100	17,100
DDA Administrator	48,000	42,000	42,000	42,000	42,000
LEDA	55,000	60,000	65,000	66,807	66,807
Humane Society	2,000	2,000	2,000	2,000	2,000
Communities in Schools- City	5,000	5,000	5,000	7,500	7,500
Hessed House of Hope	5,000	5,000	5,000	5,000	5,000
Other Requests	-	-	-	2,000	
<b>City Donation Total</b>	<b>172,100</b>	<b>184,100</b>	<b>228,600</b>	<b>201,907</b>	<b>194,907</b>

1 cents = \$97,225

\$194,907 = 2.00 cents on Tax Rate

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Mr. Haynes voiced his desire to meet with the representatives from the organizations to obtain additional information regarding this requests.

The City Incentive Grants program was discussed. City Manager Ritchie Haynes provided council members with information obtained from the School of Government regarding the legal structure of these grants. Mr. Haynes stated that instead of grants, the School of Government has suggested that the city offer loans as an option to businesses to promote economic growth. He listed a number of different ways it can be done. Mr. Haynes asked for permission to study and research the topic. Staff would submit a loan program proposal to Council to be adopted at a later date. The plan of action to research was agreed upon. Attention was directed to the information on the CDBG-ED Project, as well as material on the Industrial Development Incentive Grant Program for new and existing industries. There were more discussion on the current project underway with Sparty Holdings, Inc.

Streets Paving and Sidewalk study was presented and discussed. City Manager Ritchie Haynes identified the work that was done this year, and also revealed his plan to pave Water Street and Sycamore Street. He also plans to pave all side streets between Water Street and Sycamore Street, putting these streets on the same paving cycle as Main Street.

City Manager Ritchie Haynes spoke to a request from the Lincoln Meadows Homeowners Association to adopt the sidewalks in the Lincoln Meadows Subdivision. A site plan was provided, showing the area in question. Much discussion was generated regarding this request among councilmembers. Mr. Haynes informed that since sidewalks were not initially inspected, there is no way of knowing if they meet the required standard. Mr. Haynes listed the options to choose from, recommending that the current sidewalks be adopted after site inspections are performed. He also suggested that the agreement require that all new sidewalks be inspected upon installation. Council gave their consent for Mr. Haynes to move forward with investigating this request, after which he will report back on his findings.

City Manager Ritchie Haynes gave Council an update on the status of the ABC store request. Per a request from Tommy Huskey, Councilman Eaddy made a motion to approve a resolution authorizing the local ABC Board to set aside a portion of remaining gross receipts as a fund for specific capital improvements. Councilwoman Poinsette seconded. Members voted 4-0 in favor of the motion. *(resolution attached to and made an official part of these minutes)*

Mayor Ed Hatley informed members of Council of a conversation he had with Gene Poinsette, Chair of the Lincoln County ABC Board. Mayor Hatley volunteered to make arrangements to have informal discussions with the County representatives. Councilman Eaddy, the Mayors appointment to the City ABC Board would be included in these discussions.

Disposition of city-owned property at 600 Huss Street and the Welcome Center loft property was briefly discussed. The City Manager listed the options available, giving his opinion for both. July 4<sup>th</sup> Celebration activities were also discussed, with Mr. Haynes informing of plans to continue with the fireworks display and parade. There are no plans for children's activities this year and no decision has been made on access to the stadium. Other activities, such as the Apple Festival was talked about as well.

City Manager Ritchie Haynes polled Council on their choice a sign for the Welcome Center. All members voted on the standard logo. Mr. Haynes also asked for Councils opinion on the parking lot design and how to address issues that may be created for the church due to the impervious surface being installed.

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Council directed City Manager Ritchie Haynes to send an email to Representative Saine asking him to become a co-sponsor of H.B. 257. Councilman Eaddy made a motion to request support of H.B. 257. Members voted 4-0 in favor of the motion. *(resolution attached to and made an official part of these minutes)*

**ADJOURNMENT**

With no other business to discuss, Councilman Jetton made a motion to adjourn. Members voted 4-0 in favor of the motion.

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Daphne Ingram, City Clerk

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Ed Hatley, Mayor

(R-03-21)

**A RESOLUTION AUTHORIZING THE LOCAL ABC BOARD  
TO SET ASIDE A PORTION OF REMAINING GROSS RECEIPTS  
AS A FUND FOR SPECIFIC CAPITAL IMPROVEMEMTS**

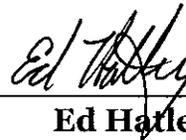
**WHEREAS**, the City of Lincolnton, having received a request from the Lincolnton ABC Board, has considered the need for specific capital improvements; and

**WHEREAS**, with approval of the appointing authority for the board, the local board may set aside a portion of the remaining gross receipts as a fund for specific capital improvements; and

**WHEREAS**, the Lincolnton City Council did, at is March 4<sup>th</sup> , 2021 city council meeting, approve a minimum contribution of \$110,000 to the City of Lincolnton of the remaining gross receipts for two years from the ABC Board, to pay capital costs resulting from the purchase of a second ABC store within the city limits.

**NOW THEREFORE, BE IT RESOLVED** that the Lincolnton City Council supports the efforts of the Lincolnton ABC Board to set aside a portion of remaining gross receipts as a fund for specific capital improvements, agreeing to accept a minimum contribution of \$110,000 each year, for the next two years.

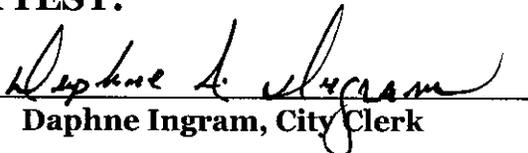
**This 12<sup>th</sup> day of March, 2021**



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**Ed Hatley, Mayor**

**ATTEST:**



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**Daphne Ingram, City Clerk**



**CITY COUNCIL**  
Ed L. Hatley, Mayor  
Martin A. Eaddy, Mayor Pro-Tem  
Mary Frances White  
Christine Poinsette  
Roby Jetton



**CITY MANAGER**  
Ritchie Haynes  
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**CITY CLERK**  
Daphne Ingram  
[dingram@lincolntonnc.org](mailto:d Ingram@lincolntonnc.org)  
**CITY ATTORNEY**  
Thomas J. Wilson, Jr.

**(R-04-21)**

**RESOLUTION SUPPORTING H.B. 257 TO POTENTIALLY REDUCE THE AMOUNT THAT LINCOLNTON RATEPAYERS CONTRIBUTE TO THE CATAWBA NUCLEAR STATION DECOMMISSIONING FUND**

**WHEREAS**, House Bill 257 was just introduced in the N.C. House of Representatives and will significantly benefit Lincolnton; and

**WHEREAS**, H.B. 257 will potentially reduce the amount that Lincolnton ratepayers contribute to the Catawba Nuclear Station decommissioning fund by allowing the power agency to invest the fund through the state's existing Ancillary Governmental Participant Investment Program (AGPIP) managed by the State Treasurer; and

**WHEREAS**, a recent analysis estimates that with the new, lower earnings assumptions projected for the fund as currently invested, the required increase in contributions by ratepayers in Lincolnton and 18 other North Carolina municipalities could result in a 6% wholesale rate increase to NCMPA1 member cities and towns; and

**WHEREAS**, investing through the AGPIP fund could enable lower electric rates – as much as an 8% decrease in wholesale rates – to the 19 communities (assuming current assumptions of revenue, costs, and projected and actual market returns hold true); and

**WHEREAS**, House Bill 257 has the full support of the North Carolina Municipal Power Agency No. 1 Board of Commissioners and Electricities of North Carolina.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Lincolnton, North Carolina that we support House Bill 257 and urge our Representative to do the same.

**Adopted the 12<sup>th</sup> day of March, 2021**

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**Ed Hatley, Mayor**

**ATTEST:**

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**Daphne Ingram, City Clerk**