



June 25, 2018  
Council Work Session Meeting

Mayor Bryan Hough  
Mayor Pro-Tem Perry Toomey  
Councilwoman Carolyn Breyare  
Councilman Charles McCorkle  
Councilman Jeff Meadows  
Councilman David Moore  
Councilwoman Lauren Shoemaker  
Kemp Michael, City Attorney  
Danny Jackson, City Manager

**CITY OF MOUNT HOLLY  
MOUNT HOLLY CITY COUNCIL WORK SESSION  
Location: Council Chambers**



**June 25, 2018  
6:30 P.M.**

**CALL TO ORDER BY THE MAYOR**

**INVOCATION**

**SET THE AGENDA**

**CONSENT AGENDA**

1. Approval of End of the Year Budget Amendments
2. Approval of Reduction of the Standby Letter of Credit to 30% for Dutchman's Ridge Phase 4

**AGENDA**

1. Consideration and Approval of the Budget Ordinance, Fee Schedule and CIP for Fiscal Year 2018-2019 *Africa Otis*
2. Consideration and Approval of the System Development Fee Ordinance *Kemp Michael*
3. Consideration and Approval of the Lease Agreement with the Gaston County Art Guild
4. Discussion of South Gateway Utilities and Transportation *Brian DuPont*
5. Closed Session - pursuant to N.C.G.S 143-318.11 (a)(3 and 5)
6. Adjourn



## City of Mount Holly Action Agenda Item

|                                                                                                                    |                                                                                                  |
|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>To:</b> City Council                                                                                            | <b>Date:</b><br>6/25/2018                                                                        |
| <b>From:</b> Africa Otis                                                                                           | <b>Meeting Date:</b><br>6/25/2018                                                                |
| <b>Agenda Item to be considered:</b> Consideration and approval of year end budget amendments.                     |                                                                                                  |
|                                                                                                                    |                                                                                                  |
| <b>Will this require a public hearing?</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO     |                                                                                                  |
| <b>Background/Purpose of Request:</b> To allow staff to make necessary amendments to the 2017-2018 adopted budget. |                                                                                                  |
| <b>Fiscal Impact:</b>                                                                                              |                                                                                                  |
| Will Item affect current budget                                                                                    | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| Reviewed by Finance Director                                                                                       | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| Preaudit Certification required                                                                                    | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Capital Project Ordinance required                                                                                 | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Budget Transfer required                                                                                           | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| <b>Total City Dollars:</b>                                                                                         |                                                                                                  |
| <b>Budget Code</b>                                                                                                 |                                                                                                  |
| Reviewed by City Attorney                                                                                          | <input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> N/A |
| <b>Manager/Staff Recommendation:</b><br>Approve budget amendments as attached                                      |                                                                                                  |
| <b>Result of City Council Decision:</b><br>_____                                                                   |                                                                                                  |
| <b>Attachments:</b><br>1. Budget Amendment Form                                                                    |                                                                                                  |



## City of Mount Holly Action Agenda Item

|                                                                                                                                                                                                        |                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|
| <b>To:</b> City Council                                                                                                                                                                                | <b>Date:</b> 06/15/18                                          |
| <b>From:</b> Chief Don Roper                                                                                                                                                                           | <b>Meeting Date:</b> 06/25/18                                  |
| <b>Agenda Item to be considered:</b> Amend budget to appropriate funds from the 911 fund balance for the purchase of a new Uninterrupted Power Supply(UPS) in dispatch not budgeted from general fund. |                                                                |
| <b>Will this require a public hearing?</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO                                                                                         |                                                                |
| <b>Background/Purpose of Request:</b> To replace current system for protection from future power outages.                                                                                              |                                                                |
| <b>Fiscal Impact:</b>                                                                                                                                                                                  |                                                                |
| Will Item affect current budget                                                                                                                                                                        | X YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| Reviewed by Finance Director                                                                                                                                                                           | X YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| Preaudit Certification required                                                                                                                                                                        | <input type="checkbox"/> YES X NO <input type="checkbox"/> N/A |
| Capital Project Ordinance required                                                                                                                                                                     | <input type="checkbox"/> YES X NO <input type="checkbox"/> N/A |
| Budget Transfer required                                                                                                                                                                               | X YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| <b>Total City Dollars:</b>                                                                                                                                                                             | \$16348.77                                                     |
| <b>Budget Code</b>                                                                                                                                                                                     | 23-10-4325-298                                                 |
| Reviewed by City Attorney                                                                                                                                                                              | <input type="checkbox"/> YES X NO <input type="checkbox"/> N/A |
| <b>Manager/Staff Recommendation:</b><br>Approve budget amendments as attached                                                                                                                          |                                                                |
| <b>Result of City Council Decision:</b>                                                                                                                                                                |                                                                |
| <b>Attachments:</b><br>1. Budget Amendment Form                                                                                                                                                        |                                                                |



**CITY OF MOUNT HOLLY**  
**FY 17-18 Budget Amendment**

| Account Number | Description                    | Debit         | Credit        |
|----------------|--------------------------------|---------------|---------------|
| 10-10-4340-121 | Salaries                       | \$ 130,000.00 |               |
| 10-00-3302-230 | Federal Grants                 |               | 54,611.00     |
| 10-00-3991-000 | Fund Balance Appropriated      |               | 75,389.00     |
| 23-10-4325-298 | Furniture Fixtures & Equipment | 16,349.00     |               |
| 23-00-3991-000 | Fund Balance Appropriated      |               | 16,349.00     |
| 62-91-7140-199 | Contract Services              | 130,000.00    |               |
| 62-91-3991-000 | Fund Balance Appropriated      |               | 130,000.00    |
|                |                                |               |               |
|                |                                |               |               |
|                |                                |               |               |
|                |                                |               |               |
|                |                                |               |               |
|                |                                |               |               |
|                |                                |               |               |
|                | TOTAL                          | \$ 276,349.00 | \$ 276,349.00 |

Date Submitted: 25-Jun-18

Finance Officer: \_\_\_\_\_

City Manager: \_\_\_\_\_

Department Comments:

To appropriate funding for end of year budget amendments



## City of Mount Holly Action Agenda Item

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>To:</b> Mayor and City Council                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Date:</b> June 15, 2018                                                                       |
| <b>From:</b> David E. Johnson, PE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Meeting Date:</b> June 25, 2018                                                               |
| <b>Agenda Item to be considered:</b><br>Reduction of the Irrevocable Standby Letter of Credit posted for Dutchman's Ridge Phase 4 in accordance with the Subdivision and Land Development Ordinance.<br><br><br>                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                  |
| <b>Will this require a public hearing?</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                  |
| <b>Background/Purpose of Request :</b><br>Phase 4 letter of credit of \$293,595.30 was posted by East Dutchman, LLC on May 11, 2017 and is automatically extended for each subsequent year beyond May 11, 2019. This phase of Dutchman's Ridge has over 80% of the homes closed and the developer has placed the surface course of asphalt. The developer has also completed most all of the identified punch list items. They are asking for a reduction to 30% of the total amount at this time.<br><br>If approved, the LOC amount required will be \$88,078.59<br><br><br><br> |                                                                                                  |
| <b>Fiscal Impact:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                  |
| Will Item affect current budget                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Reviewed by Finance Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Preaudit Certification required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Capital Project Ordinance required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> N/A |
| Budget Transfer required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> N/A |
| <b>Total City Dollars:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$                                                                                               |
| <b>Budget Code</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                  |
| Reviewed by City Attorney                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| <b>Manager/Staff Recommendation:</b> <u>Recommend reduction of the Letter of Credit as requested by East Dutchman LLC.</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                  |
| <b>Result of City Council Decision:</b><br><br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                  |
| <b>Attachments:</b> LOC, Cost Estimate, East Dutchman LLC request, Site Inspector approval memo                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                  |



201 MILAN PARKWAY, 1ST FLOOR, BIRMINGHAM, AL 35211.  
S.W.I.F.T. UPNBUS44MIA TELEX 6737871 UPBMIA  
PHONE (866)828-6928 FAX (205)420-6019

IRREVOCABLE STANDBY LETTER OF CREDIT: 55108218

DATE: MAY 11, 2017

APPLICANT:  
EAST DUTCHMAN, LLC  
4301 FAIRVIEW OAKS DRIVE  
CHARLOTTE, NC 28211

BENEFICIARY:  
CITY OF MOUNT HOLLY  
400 EAST CENTRAL AVE.  
ATTN: JONATHAN WILSON  
MOUNT HOLLY, NC 28120

AMOUNT: USD\$293,595.30

DATE OF EXPIRATION: MAY 11, 2019

PROJECT NAME: DUTCHMANS RIDGE, PHASE 4

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR FAVOR IN THE AGGREGATE AMOUNT UP TO U.S. TWO HUNDRED NINETY THREE THOUSAND FIVE HUNDRED AND NINETY FIVE AND 30/100 (\$293,595.30), AVAILABLE BY YOUR DRAFT(S) AT SIGHT DRAWN ON US, SIGNED BY THE CITY OF MOUNT HOLLY, AND PRESENTED FOR PAYMENT AT OUR COUNTERS, WHICH MUST BE ACCOMPANIED BY THIS LETTER AND THE FOLLOWING DOCUMENTATION:

THIS ORIGINAL LETTER OF CREDIT SHALL BE HONORED BY THE UNDERSIGNED WHEN PRESENTED TOGETHER WITH ALL AMENDMENTS THERETO AND A STATEMENT SIGNED ON BEHALF OF BENEFICIARY BY ITS MAYOR OR CITY MANAGER CONTAINING THE FOLLOWING LANGUAGE: "THE UNDERSIGNED CERTIFIES THAT EAST DUTCHMAN, LLC HAS FAILED TO COMPLY IN A TIMELY MANNER WITH THE TERMS AND CONDITIONS SET FORTH IN THE DUTCHMANS RIDGE SUBDIVISION AGREEMENT, PHASE 4, LOTS 12-35, 98-104, 120-129, 145-149, 165-170 AND 2 COS LOTS, DATED MAY 05, 2017."

WE HEREBY ENGAGE WITH YOU THAT DRAFT(S) DRAWN UNDER AND IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE LETTER OF CREDIT WILL BE DULY HONORED IF PRESENTED AT OUR COUNTERS AT REGIONS BANK, 2131 AYRSLEY TOWN BLVD, SUITE 100, CHARLOTTE, NC 28273, ATTN: WILLIAM DAVID JEWELL ON OR BEFORE MAY 11, 2019.

DRAFT(S) MUST BE MARKED "DRAWN UNDER REGIONS BANK LETTER OF CREDIT NUMBER 55108218, DATED MAY 11, 2017" AND MUST BE PRESENTED TOGETHER WITH THE DOCUMENTS AS SPECIFIED. IN THE EVENT THAT ANY DRAFT DRAWN ON THIS LETTER OF CREDIT IS DISHONORED, WE WILL PROVIDE TO YOU WITHOUT DELAY A WRITTEN STATEMENT TO THE REASONS FOR SUCH DISHONOR BY DELIVERING THE STATEMENT TO THE CITY OF MOUNT HOLLY VIA FACSIMILE.



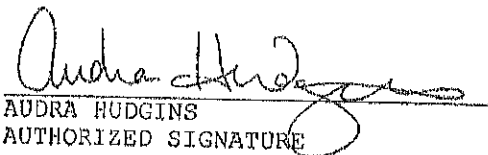
Our reference Number: 55108218

Page: 2

THIS CREDIT SHALL EXPIRE MAY 11, 2019, PROVIDED THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR AN ADDITIONAL PERIOD OF ONE YEAR FROM THE INITIAL AND EACH FUTURE EXPIRATION DATE UNLESS, NOT LESS THAN SIXTY(60) DAYS PRIOR TO THE THEN-RELEVANT EXPIRATION DATE, REGIONS BANK NOTIFIES THE CITY OF MOUNT HOLLY BY CERTIFIED MAIL, OVERNIGHT COURIER, OR OTHER MANNER SHOWING PROOF OR CONFIRMATION OF DELIVERY, THAT THE BANK ELECTS NOT TO EXTEND THIS CREDIT FOR AN ADDITIONAL PERIOD. UPON THE CITY'S RECEIPT OF SUCH NOTIFICATION, THE CITY MAY DRAW ITS SIGHT DRAFT ON BANK PRIOR TO THE THEN-RELEVANT EXPIRATION DATE FOR THE UNUSED BALANCE OF THIS LETTER OF CREDIT, WHICH SHALL BE ACCOMPANIED BY THE CITY'S SIGNED WRITTEN STATEMENT THAT "THE CITY OF MOUNT HOLLY RECEIVED THE NOTIFICATION OF REGIONS BANK'S ELECTION NOT TO EXTEND."

THIS CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES (ISP98), ICC PUBLICATION NO. 590 AND TO THE EXTENT NOT INCONSISTENT THEREWITH, ARTICLE 5 OF THE UNIFORM COMMERCIAL CODE OF THE STATE OF NORTH CAROLINA.

REGIONS BANK,

  
AUDRA HUDGINS  
AUTHORIZED SIGNATURE

SIGNED, SEALED AND DATED THIS 11TH DAY OF MAY, 2017.



Feb-16

Rev 2

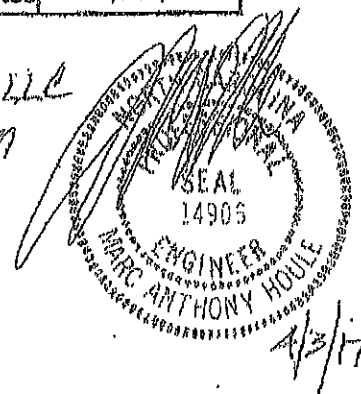
# Financial Estimate Requirements for Developers

Date:

4/3/2017

| Item                                    | Required amount | Unit | Unit Cost  | Total Units              | Item Cost    |
|-----------------------------------------|-----------------|------|------------|--------------------------|--------------|
| <b>Streets and Sidewalk</b>             |                 |      |            |                          |              |
| 7.0" ABC Base Course                    | 10%             | SY   | \$15.00    | 6,335                    | \$ 9,502.50  |
| 2.0" IM Course                          | 10%             | SY   | \$14.00    | 6335                     | \$ 8,869.00  |
| Milling IM Course                       | 10%             | SY   | \$5.00     | 6335                     | \$ 3,167.50  |
| 1.5" Surface Course                     | 100%            | SY   | \$12.00    | 6335                     | \$ 76,020.00 |
| 2.0' Valley Gutter                      | 10%             | LF   | \$27.00    | 4525                     | \$ 12,217.50 |
| 5.0' Sidewalk                           | 100%            | LF   | \$25.00    | 2307                     | \$ 57,675.00 |
| Street Signs                            | 100%            | EA   | \$500.00   | 3                        | \$ 1,500.00  |
| Barricades                              | N/A             | EA   | \$1,000.00 | 0                        | \$ -         |
| Handicap ramp                           | 100%            | EA   | \$600.00   | 5                        | \$ 3,000.00  |
| <b>Drainage/Storm</b>                   |                 |      |            |                          |              |
| Structure Repair                        | 10%             | EA   | \$2,500.00 | 25                       | \$ 6,250.00  |
| System clean out                        | Once            | EA   | \$1,500    | 1                        | \$ 1,500.00  |
| <b>Water</b>                            |                 |      |            |                          |              |
| Test & Chlorinate                       | 1               | EA   | \$750.00   | 1                        | \$ 750.00    |
| Tap to Test                             | 1               | EA   | \$100.00   | 1                        | \$ 100.00    |
| Water Repairs                           | 10% total       | LF   | \$100.00   | 2298                     | \$ 22,980.00 |
| <b>Sewer</b>                            |                 |      |            |                          |              |
| Air Test                                | 1               | EA   | \$500.00   | 0                        | \$ -         |
| Mandrel Test                            | 1               | EA   | \$500.00   | 0                        | \$ -         |
| Manhole adjust                          | 10%             | EA   | \$750.00   | 10                       | \$ 750.00    |
| Repairs                                 | 10% total       | LF   | \$100.00   | 2020                     | \$ 20,200.00 |
| <b>Erosion Control</b>                  |                 |      |            |                          |              |
| Rip Rap                                 |                 | Ton  | \$75.00    | 0                        | \$ -         |
| Removal of ERSC                         | 100%            | EA   | \$5,000.00 | 2                        | \$ 10,000.00 |
| Seeding & Fertilization                 | 100%            | SY   | \$3.75     | 2715                     | \$ 10,181.25 |
| <b>Miscellaneous</b>                    |                 |      |            |                          |              |
|                                         |                 |      |            |                          | \$ -         |
|                                         |                 |      |            |                          | \$ -         |
|                                         |                 |      |            |                          | \$ -         |
| Note: Percentage total of plan quantity |                 |      |            | Total Cost of Items      |              |
|                                         |                 |      |            | \$244,662.75             |              |
|                                         |                 |      |            | 120% Financial Guarantee |              |
|                                         |                 |      |            | \$293,595.30             |              |

East Outdormen, LLC  
Thomas Driscoll  
Manager



YARBROUGH-WILLIAMS & HOULE, INC.  
730 WINDSOR OAK COURT CHARLOTTE, NC 28273  
P.O. BOX 1198 PINEVILLE, NC 28134  
PHONE (704) 556-1990 FAX (704) 556-0505

East Dutchman, LLC

4301 Fairview Oaks Drive

Charlotte, N. C. 28211

Mount Holly City Hall

400 East Central Ave.

Mount Holly, N. C. 28120

Attention Derek Dixon

May 16, 2018

Dear Derek:

As we have completed the majority of the work required in Phase 4 of Dutchman Ridge subdivision, we are requesting a bond reduction of 70% from the original amount of \$293,595.30. You sent me a list of things that need to be finished in the attached email and a final walk will determine the balance of the items needing to be fixed.

Let me know if you need anything else from us in this regard.

Sincerely,



Tom Pearson

Managing Member

Cc Rick Judson

Trepp McMahon

Mike Conley

## Thomas Pearson

---

**From:** Derek Dixon <derek.dixon@mtholly.us>  
**Sent:** Wednesday, May 16, 2018 1:56 PM  
**To:** Thomas Pearson  
**Cc:** Trepp McMahon; Rick Judson; David Johnson  
**Subject:** Re: Dutchman Ridge Phase 4

Tom,

Please send the Phase 4 bond reduction request in writing to Mount Holly City Hall (400 East Central Ave, Mount Holly, NC 28120) Attn Derek J Dixon. You may email it me as well. The reduction can be up to 70% of the original bond amount.

Please note that there is sidewalk that has not been placed that may need repair at the time of the final walk. Streetlights are currently not in place, there is some sidewalk lips that need to be ground, and some various miscellaneous items that can be addressed at the final walk through.

Thank you  
Derek J Dixon

On Wed, May 16, 2018 at 11:50 AM, Thomas Pearson <tdpearson@bellsouth.net> wrote:

Since we have put the final top coat on the streets and repaired the curb, etc, and we need to get a reduction on our Letter of Credit. Please let me know what I have to do to get a reduction? Thanks Tom

Tom Pearson

*Pearson Land Corporation*

704-617-7200



Derek J Dixon  
Site Inspector  
Direct: (315) 882-2429



## City of Mount Holly Action Agenda Item

|                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>To:</b> City Council                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Date:</b> June 21, 2018                                                                       |
| <b>From:</b> Danny Jackson, City Manager                                                                                                                                                                                                                                                                                                                                                                                     | <b>Meeting Date:</b> June 25, 2018                                                               |
| <b><u>Agenda Item to be considered:</u></b> Agenda Item #1 – Approval of Budget Ordinance, Fee Schedule and Capital Improvement Plan for Fiscal Year 2018-2019                                                                                                                                                                                                                                                               |                                                                                                  |
| <br>                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                  |
| <b>Will this require a public hearing?</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO                                                                                                                                                                                                                                                                                                               |                                                                                                  |
| <b><u>Background/Purpose of Request :</u></b> The Public Hearing to consider adoption of the 2018-2019 Fiscal Year Budget was held on June 11, 2018. The actual vote was delayed until June 25, 2018. Enclosed is the Budget Ordinance that is required by state law to be adopted. Also enclosed is the Fee Schedule and Capital Improvement Plan (CIP). The Budget Ordinance for the ABC is included for your information. |                                                                                                  |
| <b><u>Fiscal Impact:</u></b>                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                  |
| Will Item affect current budget                                                                                                                                                                                                                                                                                                                                                                                              | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Reviewed by Finance Director                                                                                                                                                                                                                                                                                                                                                                                                 | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| Preaudit Certification required                                                                                                                                                                                                                                                                                                                                                                                              | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Capital Project Ordinance required                                                                                                                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Budget Transfer required                                                                                                                                                                                                                                                                                                                                                                                                     | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| <b>Total City Dollars:</b>                                                                                                                                                                                                                                                                                                                                                                                                   | \$                                                                                               |
| <b>Budget Code</b>                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                  |
| Reviewed by City Attorney                                                                                                                                                                                                                                                                                                                                                                                                    | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| <b><u>Manager/Staff Recommendation:</u></b> Motion to approve the Budget Ordinance, Fee Schedule and Capital Improvement Plan                                                                                                                                                                                                                                                                                                |                                                                                                  |
| <b><u>Result of City Council Decision:</u></b><br>_____                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                  |
| <b><u>Attachments:</u></b> Budget Ordinance, Fee Schedule and Capital Improvement Plan                                                                                                                                                                                                                                                                                                                                       |                                                                                                  |



## CITY of MOUNT HOLLY

Bryan Hough, Mayor  
Perry Toomey, Mayor Pro Tem  
Carolyn Breyare, Councilwoman  
Charles McCorkle, Councilman  
Jeff Meadows, Councilman  
David Moore, Councilman  
Lauren Shoemaker, Councilwoman  
Danny Jackson, City Manager

400 East Central Ave. Post Office Box 406 Mount Holly, NC 28120704-827-3931 704-822-2933 fax [www.mtholly.us](http://www.mtholly.us)

June 21, 2018

Honorable Mayor Bryan Hough and City Council,

The proposed fiscal year 2018-2019 Budget for the City of Mount Holly has been submitted for your review and consideration. Please join me in thanking all of the employees who have been involved with preparing the submitted budget. The submitted budget meets all of the statutory requirements of North Carolina. The recommended tax rate remains the same as evidenced below. The budget serves as the financial plan for the next fiscal year.

### GENERAL FUND

The General Fund is approximately \$12.5 million dollars for the upcoming fiscal year. This is a 14.8% increase from last year's adjusted budget. The tax rate remains the same at \$.53 per \$100 of value.

Expenditures for the general fund will include a 3% (COLA) for personnel. The City's healthcare coverage will remain the same as last year.

The Budget Highlights have already been submitted and reviewed by the City Council and also outlines in more detail the particulars of the general fund in the submitted budget.

### UTILITY FUND

The Enterprise Fund is approximately \$7.0 million dollars for the upcoming fiscal year. This is a 9.3% increase from last year's budget. There is not an increase in utility rates being proposed for the 2018-2019 fiscal year budget.

Expenditures for the Enterprise Fund will include a 3% (COLA) for personnel. The City's healthcare coverage will remain the same as last year.

The submitted Budget Highlights outlines other particulars of the submitted budget.

### CLOSING

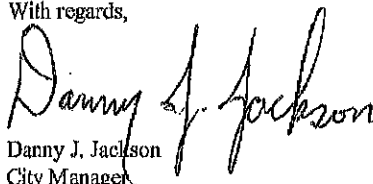
All of the city employees played a tremendous part in preparing the budget, as usual and expected. The Department Heads and others have worked real hard and have been very cooperative and sensitive to the budgetary constraints that we all have to endure.

Special thanks go to Mrs. Africa Otis, Finance Officer, Ms. Hollingsworth and Mr. Miles Braswell, Assistant City Manager, for their diligent oversight during the budget process.

Miles, Africa and Amy have really worked hard to not only prepare and assist with next year's budget; they have worked to ensure that the current year's budget has been monitored to alleviate problems. We as a staff proudly take on the responsibility to carry out the will of the City Council and to serve our citizens.

I want to thank the Mayor and the City Council for its direction, trust and willingness to allow staff to submit a budget that we think will address the needs of the city. It is also my contention that the budget is fiscally responsible enough to enhance the public trust in our government. We look forward to the coming year ahead, which includes its challenges.

With regards,

  
Danny J. Jackson  
City Manager

**2018-2019 BUDGET ORDINANCE  
FOR THE CITY OF MOUNT HOLLY, NORTH CAROLINA**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOUNT HOLLY AS FOLLOWS:**

**SECTION 1:** That the following amounts are hereby appropriated for the operation of the City Government and its activities for the fiscal year beginning July 1, 2018 and ending June 30, 2019 according to the following schedules:

**SCHEDULE A – GENERAL FUND REVENUES**

|                                    |                      |
|------------------------------------|----------------------|
| Real & Personal Property Taxes     | \$ 7,006,024         |
| Sales Tax                          | 2,568,422            |
| Franchise Fees / Business Licenses | 1,108,711            |
| Fees and Permits                   | 821,118              |
| Investments & Other                | 489,623              |
| Transfers and Fund Balance         | 516,802              |
| <b>TOTAL GENERAL FUND</b>          | <b>\$ 12,510,700</b> |

**SCHEDULE A – GENERAL FUND EXPENDITURES**

|                           |                      |
|---------------------------|----------------------|
| Legislative               | \$ 275,294           |
| Administrative            | 2,044,666            |
| Police                    | 3,737,864            |
| Fire                      | 2,180,014            |
| Garage                    | 185,607              |
| Street & Sanitation       | 2,353,948            |
| Planning & Zoning         | 605,342              |
| Parks & Recreation        | 1,127,965            |
| <b>TOTAL GENERAL FUND</b> | <b>\$ 12,510,700</b> |

**SCHEDULE B – UTILITY FUND REVENUES**

|                           |                    |
|---------------------------|--------------------|
| Water and Sewer Charges   | \$ 5,943,394       |
| Stormwater Charges        | 253,503            |
| Investments & Other       | 174,096            |
| Transfers & Fund Balance  | 665,692            |
| <b>TOTAL UTILITY FUND</b> | <b>\$7,036,685</b> |

**SCHEDULE B – UTILITY FUND EXPENDITURES**

|                           |                     |
|---------------------------|---------------------|
| Water                     | \$ 2,538,835        |
| Sewer                     | 2,164,390           |
| Utilities Maintenance     | 2,105,876           |
| Stormwater                | 227,584             |
| <b>TOTAL UTILITY FUND</b> | <b>\$ 7,036,685</b> |

**SCHEDULE C – STREET SYSTEM FUND REVENUES**

|                              |                |
|------------------------------|----------------|
| Powell Bill Funds            | \$ 405,000     |
| Interest and Miscellaneous   | 1,000          |
| Transfers & Fund Balance     | 525,218        |
| <br>TOTAL STREET SYSTEM FUND | <br>\$ 931,218 |

**SCHEDULE C – STREET SYSTEM FUND EXPENDITURES**

|                                  |                |
|----------------------------------|----------------|
| Maintenance & Resurfacing        | \$ 300,000     |
| Maintenance & Repair – Sidewalks | 224,113        |
| Contract Services                | 407,105        |
| <br>TOTAL STREET SYSTEM FUND     | <br>\$ 931,218 |

**SCHEDULE D – E-911 FUND REVENUES**

|                           |               |
|---------------------------|---------------|
| PSAP Revenue              | \$ 66,436     |
| Fund Balance Appropriated | 5,731         |
| <br>TOTAL E-911           | <br>\$ 72,167 |

**SCHEDULE D – E-911 FUND EXPENDITURES**

|                   |               |
|-------------------|---------------|
| PSAP Expenditures | \$72,167      |
| <br>TOTAL E-911   | <br>\$ 72,167 |

**SCHEDULE E – TOURISM DEVELOPMENT AUTHORITY REVENUES**

|                                  |               |
|----------------------------------|---------------|
| Occupancy Tax                    | \$ 74,875     |
| <br>TOTAL TOURISM DEV. AUTH FUND | <br>\$ 74,875 |

**SCHEDULE E – TOURISM DEVELOPMENT AUTHORITY EXPENDITURES**

|                                  |               |
|----------------------------------|---------------|
| Tourism Expenditures             | \$ 74,875     |
| <br>TOTAL TOURISM DEV. AUTH FUND | <br>\$ 74,875 |

**SCHEDULE F – CAPITAL RESERVE REVENUES**

|                           |                |
|---------------------------|----------------|
| Fund Balance Appropriated | \$440,000      |
| <br>TOTAL CAPITAL RESERVE | <br>\$ 440,000 |

**SCHEDULE F – CAPITAL RESERVE EXPENDITURES**

|                                |                |
|--------------------------------|----------------|
| Transfer to Water & Sewer Fund | \$ 440,000     |
| <br>TOTAL CAPITAL RESERVE      | <br>\$ 440,000 |

**SECTION 2:** That there is hereby levied the following rate of tax on each one hundred dollars (\$100.00) valuation of taxable property situated and lying and being within the confines and limits of the City of Mount Holly and as listed for taxes as of January 1, 2018, for the purpose of raising revenue for the current year's property tax, as set forth in the estimates of revenue, and in order to finance the foregoing appropriations in the amount of Fifty-Three cents (53).

**SECTION 3:** That copies of this ordinance will be kept on file at City Hall and shall be furnished to the City Clerk and Finance Officer to provide direction in the collection of revenues and disbursement of City funds.

**SECTION 4:** That the City Manager shall serve as Budget Officer. The Budget Officer shall be authorized to reallocate departmental appropriations among the various expenditures within each department. The Budget Officer is authorized during the month of June 2019 to effect interdepartmental transfers of minor budget amendments not to exceed fifteen percent (15%) of the appropriated funds for the department's allocation, which is being reduced. Notification of all such transfers or amendments shall be made to the City Council at their next regular meeting of that body following the transfers.

**SECTION 5:** That interfund transfers of moneys shall be accomplished only by authorization from the City Council. The utilization of any contingency appropriation, in any amount, shall be accomplished only by the authorization from the City Council. Approval of a contingency appropriation shall be deemed a budget amendment, which transfers funds from the contingency appropriation to the appropriate object of expenditure.

**SECTION 6:** That the North Carolina Local Government Budget and Fiscal Control Act authorizes the City Council to amend the budget ordinance at any time during the fiscal year, so long as it complies with North Carolina General Statutes. The City Council must approve all budget amendments, except where the Budget Officer is authorized to make limited transfers.

**SECTION 7:** That this ordinance and the budget documents shall be the basis for the financial plan of the City of Mount Holly during the 2018 - 2019 Fiscal Year. The Budget Officer shall administer the budget. The accounting system shall establish records, which are in consonance with this budget and this ordinance and the appropriate statutes of the State of North Carolina.

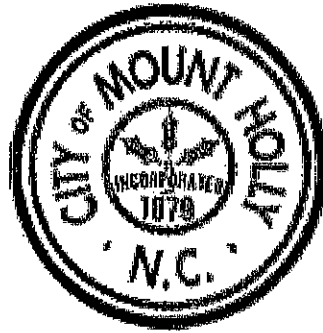
Adopted this 25<sup>th</sup> day of June, 2018

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Amy Miller, City Clerk

---

Bryan Hough, Mayor



City of Mount Holly  
Fee Schedule  
Effective July1, 2018

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## **Chapter 1-0**

# **Administrative**

### **Tax Rate**

The Tax rate for the City of Mount Holly is fifty three cents (\$0.53) on each one hundred dollars (\$100.00) valuation of taxable property situated and lying and being within the confines and limits of the City of Mount Holly and as listed for taxes as of January 1 2016.

### **Tag Fee**

\$5.00 per vehicle

### **Copies**

\$0.20 per copy

### **Late Payments (except Tax and Utility bills)**

8% annual interest rate compounded monthly on any debt over 30 days overdue, with the exception of Tax and Utility bills.

### **Interest on Delinquent Taxes**

2% the first month after January 6<sup>th</sup>.  
0.75% each month thereafter.

### **Penalty for Returned Check**

\$25.00 or 10%

### **Garnishment/Attachment Notice Fee**

\$30.00 per notice

### **Golf Cart Application and Registration Fee**

\$35.00 application fee for inspection

\$5.00 registration display sticker

## Planning & Development Fees

|                                                     | Current                                                        |
|-----------------------------------------------------|----------------------------------------------------------------|
| <b>Sign Permits</b>                                 |                                                                |
| Residential                                         | \$30.00                                                        |
| Commercial                                          | \$50.00                                                        |
| <b>Zoning Permits</b>                               |                                                                |
| Residential                                         |                                                                |
| New                                                 | \$100.00                                                       |
| Additions                                           | \$50.00                                                        |
| Renovations (no expansions)                         | \$25.00                                                        |
| Miscellaneous (pools, decks, garages, etc.)         | \$50.00                                                        |
| Fences                                              | \$25.00                                                        |
| Home Occupations                                    | \$100.00                                                       |
| Commercial                                          |                                                                |
| New                                                 |                                                                |
| Up to 1,000 sq. ft.                                 | \$150.00                                                       |
| 1,000 sq. ft. to 5,000 sq. ft.                      | \$300.00                                                       |
| 5,000 sq. ft. to 10,000 sq. ft.                     | \$400.00                                                       |
| Greater than 10,000 sq. ft.                         | \$500.00 (plus<br>\$50.00 per<br>additional 10,000<br>sq. ft.) |
| Existing                                            |                                                                |
| Renovations                                         | \$25.00                                                        |
| Additions                                           | \$50.00                                                        |
| Other                                               |                                                                |
| Zoning Compliance (business)                        | \$100.00                                                       |
| Miscellaneous (incidental items to main<br>project) | \$50.00                                                        |
| <b>Applications</b>                                 |                                                                |
| Variance                                            |                                                                |
| Residential                                         | \$250.00                                                       |
| Commercial                                          | \$350.00                                                       |
| Planned Unit Development (PUD)                      | \$300.00                                                       |
| Appeals                                             | \$300.00                                                       |
| Text Amendment                                      | \$250.00                                                       |
| Subdivisions                                        | \$200.00 or \$5.00<br>per lot whichever<br>is greater          |
| <b>General Rezoning</b>                             |                                                                |
| 2 acres or less                                     | \$300.00                                                       |
| 2-10 acres                                          | \$400.00                                                       |
| 10 acres or more                                    | \$600.00                                                       |
| <b>Conditional District Rezoning</b>                |                                                                |
| 2 acres or less                                     | \$300.00                                                       |
| 2-10 acres                                          | \$500.00                                                       |
| 10 acres or more                                    | \$800.00                                                       |
| TIA – Fee TBD at time of Application                |                                                                |
| ROW Closure Petition                                | \$500.00                                                       |

|                                              |                |
|----------------------------------------------|----------------|
|                                              | Current        |
| <b>Special Use</b>                           |                |
| 2 acres or less                              | \$300.00       |
| 2-10 acres                                   | \$500.00       |
| 10 acres or more                             | \$800.00       |
| <b>Reviews</b>                               |                |
| <b>Construction Plans</b>                    |                |
| Major subdivision or commercial site plan    | \$750.00       |
| Minor subdivision                            | \$300.00       |
| Re-submittal                                 | \$100.00       |
| Financial guarantees (per written agreement) | \$500.00       |
| <b>Final plat</b>                            |                |
| Major subdivision or commercial site plan    | \$750.00       |
| Minor subdivision                            | \$300.00       |
| Re-submittal                                 | \$100.00       |
| <b>Engineer Fees</b>                         |                |
| <b>Residential</b>                           |                |
| Less than 25 lots                            | \$500.00       |
| 25-50 lots                                   | \$1,000.00     |
| More than 50 lots                            | \$2,000.00     |
| <b>Commercial*</b>                           |                |
| 0-5 Acres                                    | \$500.00       |
| More than 5 acres                            | \$1,000.00     |
| <b>Watershed Review</b>                      |                |
| Less than 10 acres                           | \$500.00       |
| More than 10 acres                           | \$40.00/acre   |
| <b>Driveway cut</b>                          |                |
| Residential                                  | \$25.00        |
| Commercial                                   | \$50.00        |
| Industrial                                   | \$100.00       |
| <b>Construction Inspection</b>               |                |
| Water                                        | \$100.00       |
| Sewer                                        | \$100.00       |
| BMP                                          | \$100.00       |
| Road                                         | \$100.00       |
| Failed Inspection Re-Inspection              | \$50.00        |
| <b>Other</b>                                 |                |
| PERC Test Application                        | \$10.00        |
| Zoning Verification Letter                   | \$10.00        |
| Demolition                                   | \$10.00        |
| <b>Manuals</b>                               |                |
| Zoning Ordinance                             | \$15.00        |
| Subdivision Ordinance                        | \$15.00        |
| Land Development Guidelines                  | \$35.00        |
| Compact Discs                                | \$10.00        |
| Maps                                         | Size Dependent |
| Business Registration Fee                    | \$10.00        |
| Lost Zoning Permit Replacement               | \$5.00         |
| Public Involvement Meeting                   | \$500          |

\*Engineer Fees for Commercial Projects are to include Civic, Institutional and Industrial

**Chapter 1-2**

**Annexation Fees**

|              |           |
|--------------|-----------|
| < 10 acres   | \$2000.00 |
| 10-200 acres | \$5000.00 |
| > 200 acres  | \$8000.00 |

This fee may be waived at the City Council's discretion.

## Municipal Complex Rental Fees

|                          | Current      |
|--------------------------|--------------|
| <b>Resident</b>          |              |
| Full Hall                | \$1,200.00   |
| North Half Hall          | \$650.00     |
| <b>Non Resident</b>      |              |
| Full Hall                | \$1,700.00   |
| North Half Hall          | \$650.00     |
| <b>Civic Group</b>       |              |
| Inside City              | \$500.00     |
| Outside City             | \$1500.00    |
| <b>Cleaning</b>          |              |
| Full Hall                | \$200.00     |
| North Half Hall          | \$150.00     |
|                          |              |
| Excess Hours – Past 11pm | \$125.00/ Hr |
| Security                 | \$25/Hr      |
|                          |              |
|                          |              |
|                          |              |
|                          |              |
|                          |              |

## Training Rooms

| Resident            | First Three Hours (3) | Each Additional Hour |
|---------------------|-----------------------|----------------------|
| A or B              | \$25.00               | \$25.00              |
| A and B             | \$50.00               | \$50.00              |
| <b>Non Resident</b> |                       |                      |
| A or B              | \$50.00               | \$50.00              |
| A and B             | \$100.00              | \$100.00             |
|                     |                       |                      |
|                     |                       |                      |

\*Note – Upstairs space can be rented upon special approval by the City Manager for a fee of \$1500.00 plus \$200.00 cleaning fee.

## Recreation Fees

|                                                 |                |
|-------------------------------------------------|----------------|
| *Old Gym                                        | Current        |
| Resident                                        | \$50.00/hr     |
| Non-Resident                                    | \$150.00/hr    |
| Tournament -- No Lights                         |                |
| Resident                                        | \$100.00/day   |
| Non-Resident                                    | \$200.00/day   |
| Ball field                                      |                |
| Resident                                        | \$5.00/hr      |
| Non-Resident                                    | \$15.00/hr     |
| Ball field -- Lights                            |                |
| Resident                                        | \$10.00/hr     |
| Non-Resident                                    | \$20.00/hr     |
| Picnic Shelter -- Small                         |                |
| Resident                                        | \$25.00/3 hrs  |
| Non-Resident                                    | \$50.00/3 hrs  |
| Picnic Shelter - Large                          |                |
| Resident                                        | \$50.00/4 hrs  |
| Non-Resident                                    | \$100.00/4hrs  |
| Fitness Center per month                        |                |
| Resident                                        | \$10/ month    |
| Non-Resident                                    | \$30.00/ month |
| Group Campsites at Mt. Island Park at Mt. Holly |                |
| Resident                                        | \$25.00/day    |
| Non-Resident                                    | \$50.00/day    |
| Adult Athletics                                 |                |
| Softball & Basketball - Per Team                |                |
| Resident                                        | \$500.00       |
| Non-Resident                                    | \$550.00       |
| Softball & Basketball -- Individual             |                |
| Resident                                        | \$55.00        |
| Non-Resident                                    | \$60.00        |
| Volleyball - Per Team                           |                |
| Resident                                        | \$175.00       |
| Non-Resident                                    | \$225.00       |
| Volleyball - Individual                         |                |
| Resident                                        | \$20.00        |
| Non-Resident                                    | \$25.00        |
| Soccer, Dodgeball & Kickball -- Per Team        |                |
| Resident                                        | \$300.00       |
| Non-Resident                                    | \$350.00       |
| Soccer, Dodgeball & Kickball -- Individual      |                |
| Resident                                        | \$35.00        |
| Non-Resident                                    | \$40.00        |
| Flag Football -- Per Team                       |                |
| Resident                                        | \$350.00       |
| Non-Resident                                    | \$400.00       |

\* Note -- Old Gym cannot be rented for parties

## Recreation Fees con't.

| <b>Youth Athletics -- except indoor soccer and girls volleyball</b> | <b>Current</b> |
|---------------------------------------------------------------------|----------------|
| Resident                                                            | \$50.00        |
| Non-Resident                                                        | \$75.00        |
| <b>Indoor Soccer &amp; Girls Volleyball</b>                         |                |
| Resident                                                            | \$30.00        |
| Non-Resident                                                        | \$55.00        |

Chapter 2-3

## Recreation – Tuckaseege Rec Center Rental for Profit and Private Organizations

| Use of Facility<br>(3 hour minimum) | Current     | Use of Facility -<br>Tuckaseege and Old Gym<br>(use own equipment) | 1-10 hrs       | 11+ hrs        |
|-------------------------------------|-------------|--------------------------------------------------------------------|----------------|----------------|
| Resident - For parties              | \$50.00/hr  | Resident - For practices                                           | \$20.00/hr     | \$15/hr        |
| Non-Resident-For<br>parties         | \$150.00/hr | Non-Resident-For<br>practices                                      | \$60/hr        | \$45/hr        |
| Use of Storage                      | Not Allowed | Use of Storage                                                     | Not<br>Allowed | Not<br>Allowed |
| Use of PA System                    | Not Allowed | Use of PA System                                                   | Not<br>Allowed | Not<br>Allowed |
| Electrical Hookup                   | No Charge   | Electrical Hookup                                                  | Not<br>Allowed | Not<br>Allowed |
| Kitchen                             | No Charge   | Kitchen                                                            | Not<br>Allowed | Not<br>Allowed |
| Chairs & Tables                     | No Charge   | Chairs & Tables                                                    | Not<br>Allowed | Not<br>Allowed |

Recreation Department may also require a police officer for certain events.

\$50.00 non refundable clean up fee.

\$100.00 refundable damage fee.

## Chapter 2-4

# Special Event Vendor Fees

|                                       |                |
|---------------------------------------|----------------|
| Arts & Crafts, Business selling items | \$25.00        |
| Business not selling anything         | \$17.50        |
| Non-Profit food vendor                | \$45.00/10 ft. |
| Commercial food Vendor                | \$50.00/10 ft. |
| Rides & entertainment                 | \$75.00/space  |
| Civic or Church not selling anything  | No Charge      |

## Water & Sewer

| Water & Sewer                                               | Current                      |
|-------------------------------------------------------------|------------------------------|
| Water (per 1,000 gallons)                                   |                              |
| Residential                                                 |                              |
| Basic Tier (Under 2,000 gallons per month)                  | \$3.35                       |
| 1 <sup>st</sup> Tier (2,001 – 6,000 gallons per month)      | \$3.35                       |
| 2 <sup>nd</sup> Tier (6,001 – 10,000 gallons per month)     | \$3.59                       |
| 3 <sup>rd</sup> Tier (10,000 plus gallons per month)        | \$3.83                       |
| Non-Residential                                             |                              |
| Basic Tier (Under 2,000 gallons per month)                  | \$4.19                       |
| 1 <sup>st</sup> Tier (2,001 – 6,000 gallons per month)      | \$4.19                       |
| 2 <sup>nd</sup> Tier (6,001 – 10,000 gallons per month)     | \$4.64                       |
| 3 <sup>rd</sup> Tier (10,000 – 9,999,999 gallons per month) | \$5.09                       |
| 4 <sup>th</sup> Tier (10,000,000 plus gallons per month)    | \$5.70                       |
| Outside customers are double the inside rate                |                              |
| Tap Fees                                                    |                              |
| ¾" Inside city                                              | \$900.00                     |
| ¾" Outside city                                             | \$1,800.00                   |
| 1" Inside city                                              | \$1,100.00                   |
| 1" Outside city                                             | \$2,200.00                   |
| 1-1/2" Inside city                                          | \$2,000.00                   |
| 1-1/2" Outside city                                         | \$4,000.00                   |
| 2" Inside city                                              | \$3,000.00                   |
| 2" Outside city                                             | \$6,000.00                   |
| Wet Tap on existing customer service line                   | \$600.00                     |
| Sewer (per 1,000 gallon)                                    |                              |
| Residential                                                 |                              |
| Basic Tier (Under 2,000 gallons per month)                  | \$3.07                       |
| 1 <sup>st</sup> Tier (2,001 – 6,000 gallons per month)      | \$3.07                       |
| 2 <sup>nd</sup> Tier (6,001 – 10,000 gallons per month)     | \$3.41                       |
| 3 <sup>rd</sup> Tier (10,000 plus gallons per month)        | \$3.55                       |
| Non-Residential                                             |                              |
| Basic Tier (Under 2,000 gallons per month)                  | \$3.83                       |
| 1 <sup>st</sup> Tier (2,001 – 6,000 gallons per month)      | \$3.83                       |
| 2 <sup>nd</sup> Tier (6,001 – 10,000 gallons per month)     | \$4.28                       |
| 3 <sup>rd</sup> Tier (10,000 – 9,999,999 gallons per month) | \$4.74                       |
| 4 <sup>th</sup> Tier (10,000,000 plus gallons per month)    | \$3.00                       |
| Outside customers are double the inside rate                |                              |
| Tap Fees                                                    |                              |
| 4" Inside city                                              | \$850.00                     |
| 4" Outside city                                             | \$1,700.00                   |
| Over 4" Inside city                                         | Negotiable                   |
| Over 4" Outside city                                        | Negotiable                   |
| Cleanout                                                    | \$100.00                     |
| Minimum Bill                                                | 2,000 gallons                |
| Pretreatment (See worksheet)                                | Actual<br>Analytical<br>Cost |

|                                              |            |
|----------------------------------------------|------------|
| Radio Read Meter                             |            |
| ¾"                                           | \$300.00   |
| 1"                                           | \$375.00   |
| 1 ½"                                         | \$520.00   |
| 2"                                           | \$700.00   |
| <b>Other Fees</b>                            |            |
| Service Deposit for owners & renters         |            |
| Inside City                                  | \$50.00    |
| Outside City                                 | \$65.00    |
| Late Fee (after 16 <sup>th</sup> )           | \$15.00    |
| Delinquent Penalty (after 26 <sup>th</sup> ) | \$30.00    |
| Lock Fee                                     | \$15.00    |
| Broken Lock Replacement                      | \$30.00    |
| Returned Check Fee                           | \$20.00    |
| Meter Tampering/Testing Fee                  | \$100.00   |
| Irrigation cut off                           | \$75.00    |
| Irrigation reconnection                      | \$75.00    |
|                                              |            |
| Stormwater                                   | \$2.50/REU |
|                                              |            |

## Chapter 3-1A

### Capital Recovery Capacity Fee

| Meter Size | Water     | Wastewater | Total     |
|------------|-----------|------------|-----------|
| ¾"         | \$1,230   | \$4,665    | \$5,895   |
| 1"         | \$3,074   | \$11,663   | \$14,737  |
| 1 ½"       | \$6,149   | \$23,326   | \$29,475  |
| 2"         | \$9,838   | \$37,321   | \$47,159  |
| 3"         | \$19,675  | \$74,642   | \$94,317  |
| 4"         | \$30,743  | \$116,628  | \$147,371 |
| 6"         | \$61,485  | \$233,255  | \$294,740 |
| 8"         | \$98,376  | \$373,209  | \$471,585 |
| 10"        | \$147,565 | \$559,813  | \$707,378 |
| 12"        | \$207,513 | \$787,237  | \$994,750 |

## Streets & Sanitation

|                                   | Current    |
|-----------------------------------|------------|
| Residential (up to 2 cans)        | \$6.50     |
| Additional Can                    |            |
| Purchase                          | No Cost    |
| Service                           | \$6.50     |
| Recycling                         |            |
| Residential (up to 2 cans)        | \$3.00     |
| Business (up to 5 cans)           | \$3.00     |
| Commercial Rollout (up to 5 cans) | \$11.50    |
| Additional Can                    |            |
| Purchase                          | No Cost    |
| Service                           | \$11.50    |
| Bulk Container                    | Contracted |
| Bulk Item                         |            |
| Depend on Weight and or Size      | \$15.00    |
| Appliances**                      | \$25/ item |
| Tires                             |            |
| Must be off rim                   | \$5/ tire  |
| Mattress                          | \$20.00    |
| Box Spring                        | \$5.00     |
| Mattress and Box Spring           | \$25.00    |

\*\* City does not pick up computer monitors and televisions.

# Fire

|                                              | Current                                   |
|----------------------------------------------|-------------------------------------------|
| <b>Fire Plan Review</b>                      |                                           |
| Construction Cost < \$100,000                | \$ 100.00                                 |
| Construction Cost \$100,000 to \$500,000     | \$ 150.00                                 |
| Construction Cost \$500,001 to \$1,000,000   | \$ 175.00                                 |
| Construction Cost \$1,000,001 to \$5,000,000 | \$ 200.00                                 |
| Construction Cost > \$5,000,001              | \$ 225.00                                 |
| Fire Alarm Shop Drawings Review              | \$100.00                                  |
| Fire Sprinkler Shop Drawings                 | \$100.00                                  |
|                                              |                                           |
| <b>Performance Test</b>                      |                                           |
| Hydrant Test other than requested flow       | \$125.00                                  |
| Fire Pumps                                   | \$130.00                                  |
| Sprinklers                                   | \$130.00                                  |
| Fire Alarm (New Construction)                | \$150.00                                  |
| Fire Alarm (up-fit)                          | \$125.00                                  |
| Standpipe Systems                            | \$150.00                                  |
| Auto Fire Existing System (Hood System)      | \$150.00                                  |
|                                              |                                           |
| <b>Miscellaneous Fees</b>                    |                                           |
| Construction Permit                          | \$50.00                                   |
| Hazardous Material Permit                    | \$150.00                                  |
| Hazardous material Permit Renewal            | \$100.00                                  |
| Construction Warming Fire                    | \$75.00                                   |
| Spraying or Dipping of Flammable Finishes    | \$100.00                                  |
| Blasting Permit                              | \$100.00                                  |
| Fireworks Permit                             | \$75.00                                   |
| Hydrant Flow Test                            | \$75.00                                   |
| Tank Removal Permit                          | \$75.00                                   |
| NC Mandatory Permits (Chapter 1)             | \$75.00                                   |
| Tent Permit (larger than 400 square feet)    | \$75.00                                   |
| ABC Inspection                               | \$100.00                                  |
| Fire Code Violations (based on days past 30) | \$100.00 -<br>\$300.00 (based<br>on type) |
| Foster Home Inspection                       | \$25.00                                   |
| Order to Remedy Violations                   | \$100.00 -<br>\$300.00 (based<br>on type) |

***CITY OF MOUNT HOLLY***  
***CAPITAL IMPROVEMENT PLAN***  
***2018 – 2023***

Prepared by the Administration Department  
City of Mount Holly  
June 2018

|                          |                   |
|--------------------------|-------------------|
| City Manager:            | Danny Jackson     |
| Assistant City Manager:  | Miles Braswell    |
| Finance Director:        | Africa Otis       |
| Deputy Finance Director: | Amy Hollingsworth |

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**CITY of MOUNT HOLLY**

Bryan Hough, Mayor  
Perry Toomey, Mayor Pro Tem  
Carolyn Breyare, Councilwoman  
Charles McCorkle, Councilman  
Jeff Meadows, Councilman  
David Moore, Councilman  
Lauren Shoemaker, Councilwoman  
Danny Jackson, City Manager

400 East Central Ave. Post Office Box 406 Mount Holly, NC 28120704-827-3931 704-822-2933 fax [www.mtholly.us](http://www.mtholly.us)

To: Mayor and City Council  
From: Mr. Danny Jackson  
Date: June 21, 2018  
Re: Capital Improvement Plan

I am delighted to submit the Mount Holly, North Carolina Fiscal Year 2018-2019 to 2022-2023 Capital Improvement Plan (CIP). The CIP is a five year financial guideline for infrastructure improvements, facility construction and improvement, and equipment acquisition. The CIP will be reviewed annually in conjunction with the annual budget. Minor changes will be made each year, with major revisions occurring every other year.

In order to be included in the Mount Holly CIP, a capital item or project must have a useful life of more than one year and have an initial cost of at least \$5,000. All capital items not meeting these criteria are included in the annual operating budget. The City's emphasis on long-range capital improvement planning focuses attention on the current and future needs of the community and on balancing those needs with the City's fiscal resources.

Respectfully Submitted,

Danny J. Jackson  
City Manager

## ***GOAL STATEMENT***

1. Evaluate the need, and plan for the infrastructure essential to providing superior services for the public and promoting enhancement of the tax base.
2. Optimize operational efficiency through planned investment in facilities and equipment necessary to meet service requirements in a cost efficient and effective manner.
3. Delineate and secure resources necessary for the practical implementation of programs desired of the town by the public at large.
4. Plan and provide for adjustment necessary as a result of changing regulatory or resource base conditions.

## ***POLICY GUIDELINES***

The following policy is intended as a guide in the preparation, adoption, and implementation of the City of Mount Holly's five year Capital Improvements Plan (CIP). The purpose of this program is to create a format under which the City of Mount Holly can take a comprehensive approach to capital facilities planning and resource management. The key feature of the CIP is the apportionment of capital costs among the years of the forecast period.

It is intended by the adoption of this policy that the nonrecurring projects, facilities, or equipment costs exceeding five thousand dollars in capital expenditure be included in this Capital Improvements Program or its amendments or revisions. This document shall bear no legal relationship to the annual operating budget for the City of Mount Molly, but shall be used as a planning, analysis, and information resource to aid in sound budgetary practice.

Recognition shall hereby be given to the need for a multi-year approach to resource and infrastructure development and the essential need to keep this and related documents up to date and reflective of new and changing information.

Finally, this document shall be used as a tool to promote the orderly economic development of suitable commercial and industrial areas, and to sustain a superior level of public service for the citizens of Mount Holly. To this end, a commitment to the allocation of resources necessary for essential infrastructure development shall be incorporated as part of this program.

**FIVE YEAR  
CAPITAL IMPROVEMENTS PLAN  
2018-2023**

June 2018  
City of Mount Holly  
Resolution of Adoption of the 2018-2023 Five Year Capital Improvements Plan

**WHEREAS**, the City of Mount Holly is committed to the provision of superior quality public services; and

**WHEREAS**, the economic constraints placed on local governments require a sound approach to the provision of services; and

**WHEREAS**, a multi-year approach to planning for investment in public facilities offers unique advantages in meeting the need for public services in an economically restrained environment; and

**WHEREAS**, the City of Mount Holly has responded to the need for a multi-year approach to facilities planning through the creation of a Five Year Capital Improvements Plan;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council for the City of Mount Holly that the goals, policies, procedures, and projects contained in the document titled the "City of Mount Holly Five Year Capital Improvements Plan" dated June 2018 is hereby adopted as the official capital improvements plan for the City of Mount Holly, North Carolina.

Duly resolved this 25<sup>th</sup> day of June, 2018.

\_\_\_\_\_  
Bryan M. Hough, Mayor

Attest:

\_\_\_\_\_  
Amy Miller, City Clerk

2018 - 2023 CIP

| General Fund                                                |       | 2018-2019  | 2019-2020    | 2020-2021  | 2021-2022  | 2022-2023  |
|-------------------------------------------------------------|-------|------------|--------------|------------|------------|------------|
| <b>Administration</b>                                       |       |            |              |            |            |            |
| North Main Street Parking Lot                               | AD 1  | \$ 153,000 |              |            |            |            |
| Outdoor Seating - Grand Hall                                | AD 2  | \$ 70,000  |              |            |            |            |
| Dumpster Screening - Municipal Complex                      | AD 3  | \$ 35,000  |              |            |            |            |
| Signage - Municipal Complex                                 | AD 4  | \$ 18,000  |              |            |            |            |
| Replacement Server                                          | AD 5  |            | \$ 25,000    |            |            |            |
| Data Backup Solution                                        | AD 6  |            | \$ 17,000    |            |            |            |
| Municipal Complex Phone Upgrade                             | AD 7  |            | \$ 14,000    |            |            |            |
| Truck Replacements                                          | AD 8  |            | \$ 30,000    | \$ 30,000  |            |            |
| HVAC Units (3) at the Massey Building                       | AD 9  |            | \$ 30,000    |            |            |            |
| Accounting Software/Server - Finance                        | AD 10 |            | \$ 75,000    |            |            |            |
| Painting 2nd Floor and PD Office                            | AD 11 |            |              |            |            | \$ 20,000  |
| Dehumidification Basement Level (Historical Soc.)           | AD 12 |            | \$ 6,500     |            |            |            |
| Refurbishment - Flooring, carpet, windows (Historical Soc.) | AD 13 |            | \$ 5,500     | \$ 4,000   |            |            |
| <b>Police</b>                                               |       |            |              |            |            |            |
| New Patrol Vehicles                                         | PD 1  | \$ 83,120  | \$ 85,000    | \$ 85,000  | \$ 85,000  | \$ 85,000  |
| New in Car Camera Systems                                   | PD 2  | \$ 16,500  | \$ 16,500    | \$ 16,500  | \$ 16,500  | \$ 16,500  |
| Handheld Radio Replacements                                 | PD 3  | \$ 15,000  | \$ 15,000    | \$ 15,000  | \$ 15,000  | \$ 15,000  |
| Radio System Consoles                                       | PD 4  | \$ -       | \$ 7,875     | \$ 7,875   | \$ 7,875   | \$ 7,875   |
| Bi-directional Amplifier                                    | PD 5  | \$ 17,000  |              |            |            |            |
| Roof Repair                                                 | PD 6  | \$ 30,000  |              |            |            |            |
| <b>Fire</b>                                                 |       |            |              |            |            |            |
| New Radio Swap                                              | FD 1  | \$ 17,000  |              |            |            |            |
| Ladder Truck                                                | FD 2  |            | \$ 1,000,000 |            |            |            |
| Fire & Rescue Boat                                          | FD 3  |            |              | \$ 145,000 |            |            |
| Fire Engine                                                 | FD 4  |            |              |            | \$ 515,000 |            |
| Breathing Air Compressor                                    | FD 5  |            |              |            |            | \$ 65,000  |
| Feasibility Land Study (Catawba Hgts)                       | FD 8  |            | \$ 15,000    |            |            |            |
| Land Acquisition (Catawba Hgts)                             | FD 9  |            |              |            | \$ 400,000 |            |
| HVAC Units (3) and Dehumidification (Killian)               | FD 10 |            | \$ 36,000    |            |            |            |
| Parking Lot Sealcoat & Markings (Killian)                   | FD 11 |            |              | \$ 7,500   |            |            |
| HVAC Replacement (Catawba Hgts)                             | FD 12 |            |              |            | \$ 9,000   |            |
| <b>Streets and Solid Waste</b>                              |       |            |              |            |            |            |
| Rear Load Garbage Truck                                     | SS 1  | \$ 200,000 |              | \$ 200,000 |            | \$ 200,000 |
| Knuckle Boom Truck                                          | SS 2  |            |              |            |            | \$ 150,000 |
| Pick Up Trucks - F350                                       | SS 3  |            | \$ 50,000    |            | \$ 50,000  |            |
| Snow Plow (for F350)                                        | SS 4  |            | \$ 6,000     |            | \$ 6,000   |            |
| Sand/Salt Hopper Spreader (for F350)                        | SS 5  |            | \$ 5,000     |            | \$ 5,000   |            |

2018 - 2023 CIP

| General Fund                              |       | 2018-2019    | 2019-2020    | 2020-2021    | 2021-2022    | 2022-2023    |
|-------------------------------------------|-------|--------------|--------------|--------------|--------------|--------------|
| Automated Garbage Truck                   | SS 6  |              | \$ 250,000   |              |              |              |
| Dump Truck F450                           | SS 7  |              |              | \$ 140,000   |              | \$ 140,000   |
| Scag Mower                                | SS 8  |              |              | \$ 8,500     |              |              |
| Street Sweeper Truck                      | SS 9  |              |              |              | \$ 150,000   |              |
| <b>Garage</b>                             |       |              |              |              |              |              |
| Trailer Caddy                             | GR 1  | \$ 8,175     |              |              |              |              |
| F-350 Pick Up Truck                       | GR 2  |              | \$ 50,000    |              |              |              |
| <b>Parks</b>                              |       |              |              |              |              |              |
| Greenway Pedestrian Counters              | PR 1  | \$ 16,000    |              |              |              |              |
| Security Cameras - Parks                  | PR 2  | \$ 16,000    |              |              |              |              |
| Maintenance Truck                         | PR 3  |              | \$ 35,000    |              |              |              |
| Gator for Parks and Greenway Maint        | PR 4  |              | \$ 7,000     |              |              |              |
| Scag Mower                                | PR 5  |              | \$ 8,500     |              |              |              |
| Sport Court Replacement - Tuck Gym        | PR 6  |              |              | \$ 60,000    |              |              |
| Ford Explorer                             | PR 7  |              |              | \$ 30,000    |              |              |
| Dutchman's Creek Greenway Construction    | PR 8  |              |              | \$ 400,000   |              |              |
| Dutchman's Creek Greenway Bridge          | PR 9  |              |              |              |              | \$ 1,000,000 |
| HVAC Replacement (Tuck Gym)               | PR 10 |              |              | \$ 15,000    |              |              |
| Parking Lot Sealcoat (Tuck Gym)           | PR 11 |              |              |              |              | \$ 11,500    |
| Replace Storage Building (Tuck Gym)       | PR 12 |              | \$ 8,800     |              |              |              |
| <b>Planning</b>                           |       |              |              |              |              |              |
| Strategic Vision Plan Tasks (Project IBD) | PE 1  | \$ 20,000    |              |              |              |              |
| Planning Vehicle Replacement              | PE 2  |              | \$ 30,000    |              |              |              |
| Downtown Wayfinding Signs - Parking       | PE 3  |              | \$ 10,000    |              |              |              |
| South Gateway Median Improvement          | PE 4  |              | \$ 100,000   |              |              |              |
| <b>TOTALS</b>                             |       | \$ 714,795   | \$ 1,938,675 | \$ 1,164,375 | \$ 1,250,375 | \$ 1,719,875 |
| <b>Total CIP</b>                          |       | \$ 6,788,095 |              |              |              |              |

| Enterprise Fund                                            | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 | 2022-2023 |
|------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Field Maintenance</b>                                   |           |           |           |           |           |
| <b>Vehicle Replacement</b>                                 |           |           |           |           |           |
| AWD Sport Utility Vehicle                                  |           | 25,000    |           |           |           |
| Trk #206 - 4WD Regular cab 1500 w/ 6cyl and tow pack       |           | 23,000    |           |           |           |
| Trk #209 - 4WD Double cab 1500 w/ 8 cyl and tow pack       |           |           | 25,000    |           |           |
| 2 WD Dual rear wheel Crew Cab and Chassis w/ 8ft Serv body |           |           | 37,000    |           |           |
| 4WD Regular cab 1500 w/ 6cyl and tow pack                  |           |           |           | 23,000    |           |
| <b>New/Replacement Waterlines</b>                          |           |           |           |           |           |
| B Ave/Mellier replacement                                  | 90,000    |           |           |           |           |
| Gaston Ave replacement                                     |           | 105,000   |           |           |           |
| Hoover Ave replacement                                     |           |           | 141,000   |           |           |
| Craig St replacement                                       |           |           |           | 140,000   |           |
| Howie Dr & Extension replacement                           |           |           |           |           | 217,000   |
| <b>New/Replacement Sewerlines</b>                          |           |           |           |           |           |
| Parallel Gravity Sewer line North                          |           | 1,000,000 | 1,000,000 | 100,000   |           |
| Downtown sewer lining Central Ave                          | 150,000   |           |           |           |           |
| Downtown sewer lining S Main St                            |           |           | 150,000   |           |           |
| North Water Tank                                           |           |           |           |           |           |
| Summit Ave replacement                                     |           |           |           | 82,000    |           |
| Globe/McGinn's relocate sewer mains                        |           |           |           |           | 138,000   |
| Inflow & Infiltration Rehab                                |           | 100,000   | 100,000   | 100,000   | 100,000   |
| Dutchman Pump Station upgrade                              |           |           |           | 300,000   |           |
| S Gateway Pump Station and Force Main                      |           | 2,500,000 | 2,500,000 |           |           |
| Woodcock                                                   |           |           |           |           | 100,000   |
| <b>WATER</b>                                               |           |           |           |           |           |
| North Svc Area Pump Improvements                           | 200,000   |           |           |           |           |
| Mud Valve Replacement                                      |           | 80,000    |           |           |           |
| Software Hach Wims                                         |           |           | 34,000    |           |           |
| Generator/Auto Transfer Switch                             |           |           |           | 75,000    |           |
| Catawba Ave connection PRV                                 |           |           |           | 200,000   |           |
| Finger Trough/Plate Settlers                               |           |           |           |           | 60,000    |
| Lane Rd loop                                               |           |           |           |           | 150,000   |
| New North Water Tank                                       |           |           |           | 1,000,000 | 2,000,000 |
| Parking Lot Sealcoat and Pavement Markings                 |           | 8,000     |           |           |           |
| HVAC Units (3) Replacement                                 |           | 29,700    |           |           |           |

2018 - 2023 CIP

| Enterprise Fund                | 2018-2019  | 2019-2020 | 2020-2021  | 2021-2022 | 2022-2023 |
|--------------------------------|------------|-----------|------------|-----------|-----------|
| <b>SEWER</b>                   |            |           |            |           |           |
| Replace 3 & 4 Clarifier Drives | 120,000    |           |            |           |           |
| WWTP Force Main & Pump Station |            |           | 7,000,000  | 7,000,000 |           |
| Decommission WWTP              |            |           |            |           | 5,000,000 |
| <b>STORMWATER</b>              |            |           |            |           |           |
| Vehicle Replacement            |            |           |            |           |           |
| 2018 Malibu LS                 |            | 17,000    |            |           |           |
| <b>Projects</b>                |            |           |            |           |           |
| KL Pope drainage               |            | 250,000   |            |           |           |
| N Main parking lot             |            | 250,000   |            |           |           |
| W Central SCM                  |            |           | 400,000    |           |           |
| Dutchman Creek/Highland        |            |           |            | 200,000   |           |
| Globe St/McGinnis drainage     |            |           |            |           | 500,000   |
| <b>TOTALS</b>                  | 560,000    | 4,387,700 | 11,387,000 | 9,220,000 | 8,265,000 |
| <b>Total CIP</b>               | 33,819,700 |           |            |           |           |

**2018-2019  
BUDGET ORDINANCE  
FOR THE MOUNT HOLLY TOURISM DEVELOPMENT AUTHORITY**

**BE IT ORDAINED BY THE BOARD OF THE MOUNT HOLLY TOURISM DEVELOPMENT AUTHORITY AS FOLLOWS:**

**SECTION 1:** That the following amounts are hereby appropriated for the operation of the Tourism Development Authority and its activities for the fiscal year beginning July 1, 2018 and ending June 30, 2019 according to the following schedule:

**TOURISM FUND REVENUES**

|                           |                  |
|---------------------------|------------------|
| Occupancy Taxes           | \$ 74,875        |
| <b>TOTAL TOURISM FUND</b> | <b>\$ 74,875</b> |

**TOURISM FUND EXPENDITURES**

|                                          |                  |
|------------------------------------------|------------------|
| General Operating Expenses               | \$ 7,550         |
| Association Dues, Conventions and Travel | 5,500            |
| Marketing Expenses                       | 33,000           |
| Events                                   | 25,325           |
| Summer Events Calendar                   | 3,500            |
| <b>TOTAL TOURISM FUND</b>                | <b>\$ 74,875</b> |

**SECTION 2:** That copies of this ordinance will be kept on file at City Hall and shall be furnished to the City Clerk and Finance Officer to provide direction in the collection of revenues and disbursement of Tourism funds.

**SECTION 3:** That the North Carolina Local Government Budget and Fiscal Control Act authorizes the TDA Board to amend the budget ordinance at any time during the fiscal year, so long as it complies with North Carolina General Statutes. The City Council must approve all budget amendments.

**SECTION 7:** That this ordinance and the budget documents shall be the basis for the financial plan of the Tourism Development Authority of Mount Holly during the 2018 - 2019 Fiscal Year. The accounting system shall establish records, which are in consonance with this budget and this ordinance and the appropriate statutes of the State of North Carolina.

Adopted this 25<sup>th</sup> day of June, 2018

---

Wendy Foster, Chairman

## **Budget Message - Mount Holly ABC Board Fiscal Year 2018-2019**

The Annual Budget for the Mount Holly ABC Board has been prepared in accordance with GS18B-702 "Financial Operations of Local Boards.

The financial components addressed by the budget are: Revenues, Costs of Sales, Taxes, Operating Expenses, Capital Outlays, Capital Reserves Used, and Mandatory Distributions required by GS18B-805.

### **Highlights:**

- **Overall Sales** - FY 2018 sales decreased less than 1% due to the opening of the Belmont store in December 2017. Budgeted Sales for FY 2019 are projected to increase approximately 6% over FY 2018 budget. There is the possibility of a new ABC store opening in Stanley in FY 2019.
- **Costs of Goods Sold %** should remain flat.
- **Taxes** are expected to increase approximately 7% due to volume increase.
- **Operating Expenses** are estimated to increase approximately 10.7% over FY 2018 budget.
- **Wages** will increase 16.9% over FY 2018 budget due to an increase in compensation and in the number of employees.
- **Health Care, Dental and 401K Costs** will have a slight increase.
- **Interest Income** will be earned on CDs.
- **Municipal Disbursements** - A distribution of \$140,000 was budgeted by the Mount Holly ABC Board to the City of Mount Holly for the Fiscal Year 2017-2018. The amount of distribution will increase to \$180,000 for FY 2019 with quarterly payments of \$45,000. As last year, an additional distribution is expected to occur after YE audit.
- The Board maintains a sufficient level of **working capital** as defined by Rule 4NCAC 2R.0902 which sets the minimum level at 2 weeks of Sales and complies to the Commission rule for a Board with sales greater than 1.5 million to have 4 months working capital.
- The Board has no anticipation of incurring any additional debt during this reporting period.
- The Budget is prepared using historical and current information as well as guidelines provided by the NC ABC Commission.

---

Tammy Thomas - General Manager

| FINAL | BUDGET DOCUMENT                                                                                                                                                                                                                                                                                                                                 |  |  |           |             |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|-----------|-------------|
|       | Mount Holly ABC BOARD                                                                                                                                                                                                                                                                                                                           |  |  |           |             |
|       | Fiscal Year 2018-2019                                                                                                                                                                                                                                                                                                                           |  |  |           |             |
|       | The following budget establishing revenues and setting expense appropriations is hereby adopted and effective July 1, 2018, through June 30, 2019.                                                                                                                                                                                              |  |  |           |             |
|       | <i>Section 1. Estimated Revenues.</i> It is estimated that the revenues listed below will be available during the fiscal year beginning July 1, 2018 and ending June 30, 2019 to meet the operational and functional appropriations as set forth in Section 2, in accordance with the chart of accounts prescribed by the state ABC Commission. |  |  |           |             |
|       | <b>Estimated Revenues:</b>                                                                                                                                                                                                                                                                                                                      |  |  |           |             |
|       | Sales                                                                                                                                                                                                                                                                                                                                           |  |  |           | \$2,152,550 |
|       | <i>Section 2. Appropriations.</i> The following expenses are hereby appropriated for fiscal year 2017 - 2018 and are funded by the revenues made available through Section 1, herein.                                                                                                                                                           |  |  |           |             |
|       | <b>Appropriations:</b>                                                                                                                                                                                                                                                                                                                          |  |  |           |             |
|       | Taxes Based on Revenue                                                                                                                                                                                                                                                                                                                          |  |  |           | \$488,406   |
|       | <b>Cost of Goods Sold</b>                                                                                                                                                                                                                                                                                                                       |  |  |           | \$1,192,041 |
|       | <b>Operating Expenses</b>                                                                                                                                                                                                                                                                                                                       |  |  |           |             |
| 1     | Salaries & Wages                                                                                                                                                                                                                                                                                                                                |  |  | \$163,655 |             |
| 2     | Local Board Expense - Gastonia                                                                                                                                                                                                                                                                                                                  |  |  | 30,000    |             |
| 3     | Repairs & Maintenance                                                                                                                                                                                                                                                                                                                           |  |  | 12,500    |             |
| 4     | Utilities                                                                                                                                                                                                                                                                                                                                       |  |  | 19,400    |             |
| 5     | Insurance - General & Bonds                                                                                                                                                                                                                                                                                                                     |  |  | 11,700    |             |
| 6     | Store/Office Supplies                                                                                                                                                                                                                                                                                                                           |  |  | 11,000    |             |
| 7     | Employee Miscellaneous                                                                                                                                                                                                                                                                                                                          |  |  | 3,500     |             |
| 8     | Professional Services                                                                                                                                                                                                                                                                                                                           |  |  | 12,800    |             |
| 9     | Security Monitoring                                                                                                                                                                                                                                                                                                                             |  |  | 2,900     |             |
| 10    | Credit Card Fees                                                                                                                                                                                                                                                                                                                                |  |  | 30,000    |             |
| 11    | Leasing Equipment                                                                                                                                                                                                                                                                                                                               |  |  | 1,300     |             |
| 12    | Non-Capitalized Expenses                                                                                                                                                                                                                                                                                                                        |  |  | 2,000     |             |
| 13    | Contingencies                                                                                                                                                                                                                                                                                                                                   |  |  | 15,000    |             |
| 14    | Local Board per Diem                                                                                                                                                                                                                                                                                                                            |  |  | 5,400     |             |
| 15    | Miscellaneous                                                                                                                                                                                                                                                                                                                                   |  |  | 5,800     |             |
|       | <b>Total</b>                                                                                                                                                                                                                                                                                                                                    |  |  |           | \$326,955   |
|       | <b>Capital Outlay:</b>                                                                                                                                                                                                                                                                                                                          |  |  |           |             |
|       | Painting and repairs to building                                                                                                                                                                                                                                                                                                                |  |  |           | \$10,000    |
|       | <b>Debt Service/Lease:</b>                                                                                                                                                                                                                                                                                                                      |  |  |           |             |

|  |                                                                                                                                                                                                                                                                |  |  |         |             |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|---------|-------------|
|  | (define)                                                                                                                                                                                                                                                       |  |  |         | \$0         |
|  |                                                                                                                                                                                                                                                                |  |  |         |             |
|  | <b>Total Estimated Expenses</b>                                                                                                                                                                                                                                |  |  |         | \$2,017,402 |
|  |                                                                                                                                                                                                                                                                |  |  |         |             |
|  | Mandatory 3 1/2% & Bottle Tax                                                                                                                                                                                                                                  |  |  | \$0     |             |
|  | Law Enforcement                                                                                                                                                                                                                                                |  |  | 8,404   |             |
|  | Alcohol Education & Rehab.                                                                                                                                                                                                                                     |  |  | 11,766  |             |
|  | Other County/Municipal                                                                                                                                                                                                                                         |  |  | 180,000 |             |
|  | Other Distributions                                                                                                                                                                                                                                            |  |  | \$0     |             |
|  | <b>Total Distributions</b>                                                                                                                                                                                                                                     |  |  |         | \$200,170   |
|  |                                                                                                                                                                                                                                                                |  |  |         |             |
|  | <b>TOTAL EXPENDITURE SUMMARY</b>                                                                                                                                                                                                                               |  |  |         | \$2,217,572 |
|  |                                                                                                                                                                                                                                                                |  |  |         |             |
|  | Working Capital Retained                                                                                                                                                                                                                                       |  |  |         | -\$65,022   |
|  | (Appropriated Fund Balance)                                                                                                                                                                                                                                    |  |  |         | 0           |
|  |                                                                                                                                                                                                                                                                |  |  |         |             |
|  | <b>Total Expense, Distribution &amp; Reserve</b>                                                                                                                                                                                                               |  |  |         | \$2,152,550 |
|  |                                                                                                                                                                                                                                                                |  |  |         |             |
|  |                                                                                                                                                                                                                                                                |  |  |         |             |
|  | <p><i>Section 3.</i> Copies of this Budget Document shall be furnished to the [appointing authority], the state ABC Commission, and to the Budget Officer and Finance Officer to be kept on file by them for their direction in the disbursement of funds.</p> |  |  |         |             |
|  |                                                                                                                                                                                                                                                                |  |  |         |             |
|  |                                                                                                                                                                                                                                                                |  |  |         |             |
|  | <i>Approved by the Mount Holly ABC Board on June 11, 2018</i>                                                                                                                                                                                                  |  |  |         |             |
|  |                                                                                                                                                                                                                                                                |  |  |         |             |
|  | <p><b>This document must be reviewed, any adjustments made, and revised copy emailed to NC by June 30</b></p>                                                                                                                                                  |  |  |         |             |



## City of Mount Holly Action Agenda Item

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>To:</b> City Council                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Date:</b> June 21, 2018                                                                       |
| <b>From:</b> Danny Jackson, City Manager                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>Meeting Date:</b> June 25, 2018                                                               |
| <b><u>Agenda Item to be considered:</u></b> Agenda Item #2 – Approval of System Development Fee Ordinance                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                  |
| <br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                  |
| Will this require a public hearing? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                  |
| <b><u>Background/Purpose of Request:</u></b> The Public Hearing to consider adoption of a System Development (Capital Recovery) Fee Ordinance was held on June 11, 2018. The actual vote on the matter was delayed until the June 25, 2018 City Council Work Session. The City Council is now called upon to vote on a Resolution approving the System Development Fee Analysis and a Resolution Establishing System Development Fees for Water and Sewer. Please find enclosed a copy of the mentioned Resolutions. |                                                                                                  |
| <b><u>Fiscal Impact:</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                  |
| Will Item affect current budget                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Reviewed by Finance Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| Preaudit Certification required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Capital Project Ordinance required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Budget Transfer required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| <b>Total City Dollars:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$                                                                                               |
| <b>Budget Code</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                  |
| Reviewed by City Attorney                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A |
| <b><u>Manager/Staff Recommendation:</u></b> Motion to approve a Resolution for the System Development Fee Analysis and Resolution Establishing System Development Fees for Water and Sewer.                                                                                                                                                                                                                                                                                                                          |                                                                                                  |
| <b><u>Result of City Council Decision:</u></b><br>_____                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                  |
| <b><u>Attachments:</u></b> Resolutions for System Development Fee Analysis and Establishing fees for water and sewer                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                  |

## MEMORANDUM

To: Mayor and City Council

From: Kemp A. Michael and Marie M. Anders

Dated: June 6, 2018

Re: Proposed System Development Fee Analysis

As part of the new statutory process in NCGS 162A, Article 8, to establish System Development Fees, at the April 23, 2018, regular Council meeting, the Council received a proposed System Development Fee Analysis dated April 18, 2018, prepared by its consultant, Raftelis Financial Consultants, Inc. At that meeting, Council passed a resolution directing staff to post the analysis on the City's website and solicit written comments from the public. In addition, Council called for a public hearing on the proposed System Development Fee analysis to be held at the regular Council meeting on June 11, 2018.

The System Development Fee analysis was posted on the City's website on April 24, 2018, with instructions on how to submit comments through the website, in person at the Municipal Complex, or by mailing comments. In addition, a notice was published in the Gaston Gazette and on the City's Facebook page per instructions from Council. The comment period extends to Friday, June 8, 2018, but to date there have been no comments submitted.

Therefore, a public hearing will be held during the regular Council meeting on June 11, 2018. After the close of the public hearing, the Council may consider adopting the System Development Fee analysis. Attached is a draft resolution for that purpose.

After Council has adopted a System Development Fee Analysis, the next step is to adopt a schedule of system development fees to be included in the Fee Schedule for the fiscal year 2018-2019. These fees may be established at the June 11, 2018, meeting following the adoption of the System Development Fee Analysis. Attached is a draft resolution for that purpose. The System Development Fees contained in the draft resolution are the maximum fees that can be charged based upon the attached Analysis. Of course, the Council may adopt fees that are equal to or less than the maximum shown on Exhibit A. Exhibit A also shows the current fees for water and waste water for new residential and nonresidential development.

PLEASE CALL MARIE AT ANY TIME DURING YOUR MEETING TO DISCUSS ANY ISSUES OR ANSWER ANY QUESTIONS YOU MAY HAVE. SHE WILL BE IN WASHINGTON, D.C., AND WILL BE STANDING BY FOR ANY CALLS DURING YOUR MEETING.

**Exhibit A**

**Exhibit 3 – Calculated Maximum Residential System Development Fees**

| Single-Family                             | Water   | Wastewater |
|-------------------------------------------|---------|------------|
| Cost per GPD                              | \$3.42  | \$12.96    |
| GPD per ERU                               | 360     | 360        |
| Calculated System Development Fee per ERU | \$1,230 | \$4,665    |
| Existing System Development Fee per ERU   | \$1,541 | \$3,061    |

**Exhibit 4 – Calculated Maximum System Development Fees for Non-Residential Customers**

| Meter Size | EXISTING   |            | PROPOSED   |            |
|------------|------------|------------|------------|------------|
|            | Water      | Sewer      | Water      | Sewer      |
| 3/4"       | \$ 1,541   | \$ 3,061   | \$ 1,230   | \$ 4,665   |
| 1"         | \$ 3,853   | \$ 7,652   | \$ 3,074   | \$ 11,663  |
| 1.5"       | \$ 7,707   | \$ 15,309  | \$ 6,149   | \$ 23,326  |
| 2"         | \$ 12,331  | \$ 24,485  | \$ 9,838   | \$ 37,321  |
| 3"         | \$ 24,661  | \$ 48,970  | \$ 19,675  | \$ 74,642  |
| 4"         | \$ 38,533  | \$ 76,516  | \$ 30,743  | \$ 116,628 |
| 6"         | \$ 77,067  | \$ 153,032 | \$ 61,485  | \$ 233,255 |
| 8"         | \$ 123,306 | \$ 244,852 | \$ 98,376  | \$ 373,209 |
| 10"        | \$ 184,960 | \$ 367,277 | \$ 147,565 | \$ 559,813 |
| 12"        | \$ 260,100 | \$ 516,484 | \$ 207,513 | \$ 787,237 |

**RESOLUTION APPROVING THE SYSTEM DEVELOPMENT FEE ANALYSIS  
PREPARED BY ELAINE CONTI OF RAFTELIS FINANCIAL CONSULTANTS, INC.,  
DATED APRIL 18, 2018**

WHEREAS, the City of Mount Holly retained the services of Raftelis Financial Consultants, Inc., ("Raftelis") to prepare an analysis under the provisions of NCGS 162A, Article 8, to be used by the City to establish System Development Fees ("Fees"); and,

WHEREAS, the City Council has carefully considered the analysis ("Analysis") prepared by Raftelis dated April 18, 2018, said Analysis and the calculations contained therein being incorporated herein by reference, and has determined that the "Capacity Buy-in" approach should be used to determine the Fees; and,

WHEREAS, the Analysis and a public hearing notice have each been published as required by NCGS 162A-209, the City Council held a public hearing on June 11, 2018, on the question of the adoption of the Analysis, and written comments and comments provided at the public hearing, if any, have been duly considered by the City Council; and,

WHEREAS, the Analysis, under the Buy-in approach, is hereby adopted by the City Council, subject to the passage of a resolution establishing the Fees not to exceed the maximum Fees set forth in the Analysis.

NOW THEREFORE, upon motion by \_\_\_\_\_, seconded by \_\_\_\_\_, this resolution has passed unanimously on June 25, 2018, effective as of the date hereof.

\_\_\_\_\_  
Bryan Hough, Mayor

A RESOLUTION ESTABLISHING SYSTEM DEVELOPMENT FEES  
FOR WATER AND SEWER

WHEREAS, the City Council has passed a resolution dated June 25, 2018, adopting the System Development Fee Analysis ("Analysis") prepared by Elaine Conti of Raftelis Financial Consultants, Inc., dated April 18, 2018, after following the statutory procedures outlined in NCGS 162A, Article 8; and,

WHEREAS, the Analysis set forth the maximum Residential System Development Fees and the maximum Non-Residential System Development Fees for water and sewer; and,

WHEREAS, the City Council has carefully studied the Analysis and any public comments submitted on the Analysis, and hereby establishes the System Development Fees for water and sewer as set forth on that Exhibit A attached hereto, effective July 1, 2018; and,

WHEREAS, the City Council hereby repeals that ordinance entitled "Capital Recovery Fee Assessment for Water and Sewer Connection," Resolution# 042417A, effective July 1, 2018.

NOW THEREFORE, upon motion by \_\_\_\_\_, seconded by \_\_\_\_\_, this resolution has passed unanimously on June 25, 2018, effective as of July 1, 2018.

\_\_\_\_\_  
Bryan Hough, Mayor



## City of Mount Holly Action Agenda Item

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         |                                        |                              |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------------------------------------|------------------------------|----------------------------------------|------------------------------|------------------------------|------------------------------|----------------------------------------|------------------------------|---------------------------------|------------------------------|----------------------------------------|------------------------------|------------------------------------|------------------------------|----------------------------------------|------------------------------|--------------------------|------------------------------|----------------------------------------|------------------------------|----------------------------|----|--|--|--------------------|--|--|--|---------------------------|-----------------------------------------|-----------------------------|------------------------------|
| <b>To:</b> City Council                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Date:</b> June 21, 2018              |                                        |                              |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| <b>From:</b> Danny Jackson, City Manager                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Meeting Date:</b> June 25, 2018      |                                        |                              |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| <b>Agenda Item to be considered:</b> <i>Agenda Item #3 – Approval of Lease Agreement with the Gaston County Art Guild</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                         |                                        |                              |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| <b>Will this require a public hearing?</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                         |                                        |                              |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| <b>Background/Purpose of Request :</b> <i>The proposed Lease Agreement with the Gaston County Art Guild (GCAG) has been completed and advertised as required. Ms. Marie Anders (Deputy City Attorney) has prepared the agreement based upon input from City Council, GCAG and staff. The required advertisement in the newspaper has expired. Ms. Anders will provide an update on the matter.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                         |                                        |                              |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| <b>Fiscal Impact:</b> <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="width: 40%;">Will Item affect current budget</td><td style="width: 15%;"><input type="checkbox"/> YES</td><td style="width: 15%;"><input checked="" type="checkbox"/> NO</td><td style="width: 30%;"><input type="checkbox"/> N/A</td></tr><tr><td>Reviewed by Finance Director</td><td><input type="checkbox"/> YES</td><td><input checked="" type="checkbox"/> NO</td><td><input type="checkbox"/> N/A</td></tr><tr><td>Preaudit Certification required</td><td><input type="checkbox"/> YES</td><td><input checked="" type="checkbox"/> NO</td><td><input type="checkbox"/> N/A</td></tr><tr><td>Capital Project Ordinance required</td><td><input type="checkbox"/> YES</td><td><input checked="" type="checkbox"/> NO</td><td><input type="checkbox"/> N/A</td></tr><tr><td>Budget Transfer required</td><td><input type="checkbox"/> YES</td><td><input checked="" type="checkbox"/> NO</td><td><input type="checkbox"/> N/A</td></tr><tr><td><b>Total City Dollars:</b></td><td colspan="3">\$</td></tr><tr><td><b>Budget Code</b></td><td colspan="3"></td></tr><tr><td>Reviewed by City Attorney</td><td><input checked="" type="checkbox"/> YES</td><td><input type="checkbox"/> NO</td><td><input type="checkbox"/> N/A</td></tr></table> |                                         | Will Item affect current budget        | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> NO | <input type="checkbox"/> N/A | Reviewed by Finance Director | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> NO | <input type="checkbox"/> N/A | Preaudit Certification required | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> NO | <input type="checkbox"/> N/A | Capital Project Ordinance required | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> NO | <input type="checkbox"/> N/A | Budget Transfer required | <input type="checkbox"/> YES | <input checked="" type="checkbox"/> NO | <input type="checkbox"/> N/A | <b>Total City Dollars:</b> | \$ |  |  | <b>Budget Code</b> |  |  |  | Reviewed by City Attorney | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| Will Item affect current budget                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <input type="checkbox"/> YES            | <input checked="" type="checkbox"/> NO | <input type="checkbox"/> N/A |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| Reviewed by Finance Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <input type="checkbox"/> YES            | <input checked="" type="checkbox"/> NO | <input type="checkbox"/> N/A |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| Preaudit Certification required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <input type="checkbox"/> YES            | <input checked="" type="checkbox"/> NO | <input type="checkbox"/> N/A |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| Capital Project Ordinance required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <input type="checkbox"/> YES            | <input checked="" type="checkbox"/> NO | <input type="checkbox"/> N/A |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| Budget Transfer required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <input type="checkbox"/> YES            | <input checked="" type="checkbox"/> NO | <input type="checkbox"/> N/A |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| <b>Total City Dollars:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$                                      |                                        |                              |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| <b>Budget Code</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                         |                                        |                              |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| Reviewed by City Attorney                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            | <input type="checkbox"/> N/A |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| <b>Manager/Staff Recommendation:</b> <i>Motion to approve the Lease Agreement with the Gaston County Art Guild</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                         |                                        |                              |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| <b>Result of City Council Decision:</b><br><br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                         |                                        |                              |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |
| <b>Attachments:</b> <i>Proposed Lease Agreement with the Gaston County Art Guild</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                         |                                        |                              |                                        |                              |                              |                              |                                        |                              |                                 |                              |                                        |                              |                                    |                              |                                        |                              |                          |                              |                                        |                              |                            |    |  |  |                    |  |  |  |                           |                                         |                             |                              |

## MEMORANDUM

TO: Mayor, City Manager, and City Council of the City of Mount Holly

FROM: Marie M. Anders, Assistant City Attorney

RE: Gaston County Art Guild proposed lease of Massey building

DATE: June 21, 2018

At the April 23, 2018, work session, the Council considered a proposal from the Gaston County Arts Guild (GCAG) to lease the Massey building. Council directed the City Attorney's office to work with the City Manager and the GCAG to bring forward a proposed lease to review and discuss, which proposed lease was brought before the Council at the May 14, 2018, regular meeting. Clyde Davis with the GCAG appeared before the Council and several other members of the GCAG came to the Council meetings to show their support throughout this process. At the May 14 meeting, the Council passed a resolution in accordance with NCGS 160A-272 directing that 30 days' notice be published in the newspaper that Council intends to authorize this lease as proposed.

As required by the statute, notice was published in the Gaston Gazette describing the lease and the property to be leased and stating the Council's intent to authorize the proposed lease at the June 25, 2018, Council meeting. Therefore, the lease as previously proposed last month is before you again. The next step in order to proceed with this lease is for the Council to adopt a resolution authorizing the Mayor to execute this lease.

This week, I have spoken with a couple of members of the GCAG who have advised that the GCAG is going through the transition of an election of their board of directors and officers at this time. It is my understanding that the GCAG will be meeting next week and will complete their elections and take up the matter of this lease as well at their meeting. Therefore, I am asking that Council's resolution to authorize the Mayor to execute this lease be contingent upon the GCAG also authorizing the lease and give the Mayor the authority to make non-substantive changes to the lease if requested by the GCAG.

NORTH CAROLINA

LEASE AGREEMENT

GASTON COUNTY

THIS LEASE, effective as of the \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the CITY OF MOUNT HOLLY, a North Carolina municipal corporation, as Lessor ("City"), and GASTON COUNTY ART GUILD, a North Carolina nonprofit corporation, as Lessee ("Lessee");

WITNESSETH:

WHEREAS, City is authorized by NCGS 160A, Article 12, to lease property it owns if the Council determines that the property will not be needed by the City for the term of the lease; and,

WHEREAS, City is the owner of certain property located at 500 E. Central Ave., Mount Holly, NC, tax parcel ID # 220660, Mount Holly, North Carolina (the "Property"); and

WHEREAS, the City Council of the City of Mount Holly has determined that the Property will not be needed by the City for its exclusive use during the term of the lease; and

WHEREAS, Lessee wishes to lease the Property for the purpose of an art gallery, a gift shop, and art studios for sublease to artists.

NOW, THEREFORE, in consideration of the terms, conditions and covenants hereinafter set forth, the City does hereby lease to Lessee, and Lessee does hereby lease from the City the Property under the terms and conditions hereinafter set forth:

1. Effective Date -- Duration. This lease shall be effective as of the date appearing hereinabove and shall exist and continue, unless sooner terminated as hereinafter provided, for five (5) years from the date as stated above. Initial possession or occupancy of the Property under this Lease shall commence immediately upon the execution of the Lease by both parties and shall continue uninterrupted throughout the duration of the Lease, subject only to the City's rights of entry for inspection and certain maintenance.
2. Rent/Consideration. Lessee shall pay to City as rent for the Property the following amounts (collectively the "Lease Payment"): an amount equal to ninety percent (90%) of all amounts received by Lessee for the sublease of any portion of the Premises ("Gross Sublease Payments"). Lease Payments shall be due monthly on or before the 15<sup>th</sup> day of each month and shall be determined based upon the receipts from the previous month. Rental Payments shall be accompanied by a detailed report setting forth the Gross Sublease Payments indicating the amount of each payment and the sub-lessee from whom it was received.
3. Option to Renew. Provided that Lessee is not then in default of any of the terms of this Lease and the lease is not otherwise terminated, Lessee shall have the option to extend

this lease for a maximum of five successive one year periods. In order for such extensions to be exercised, Lessee must give written notice to the City of its intent to extend this lease no later than sixty (60) days prior to the expiration of the then existing term. In the event that Lessee extends the Lease as provided in this section, all terms and conditions of this Lease shall continue in effect. The annual lease amount shall be subject to renegotiation for each period said lease is extended.

4. Construction, Alterations or Improvement. Lessee will be responsible for any construction, alterations or improvements necessary for its use of the Property for a gallery and artists' studios. Lessee shall make no alterations, improvements or structural changes of any kind to the Property without the express written consent of the City. At the termination of the lease, Lessee shall, if requested by City, remove or cause to be removed any alterations or improvements installed by Lessee and return the Property to its prior condition, excepting normal wear and tear.
5. Utilities. City shall be responsible for the payment of electric, water, sewer, and natural gas utilities. Lessee shall be responsible for the payment of all other utilities required by the Lessee.
6. Use. Lessee may use the Property for the purposes of an art gallery, artists' studios, classroom space, a gift shop, and arts-related activities and events, providing that there is a resident tenant on premises. Lessee shall not permit the Property to be used for any purpose that will injure or damage the Property. Lessee will not use or keep in Property anything that would in any way adversely affect the terms and conditions of the City's fire insurance coverage. Lessee shall not use nor permit its sublessees to use the Property as a residence. The City may use the Property for events without charge, provided that the City would ask for Lessee's consent to hold events in the Property, which consent would not be unreasonably withheld.
7. Maintenance. Lessee will be responsible for maintaining the interior of the Property.
8. Sales and Use Taxes. Lessee agrees to pay any and all sales, use or other taxes that may be legally due and owing to any governmental agency.
9. Inspection. The City may cause the Property to be inspected at any time.
10. Subleasing/Assignment. It is contemplated by the parties that the Lessee shall sublease portions of the Property for use as artist studios. Lessee agrees that such sub-lessees shall pay rent for leased space as set forth on the schedule which is attached hereto as Exhibit A and incorporated herein by reference. Lessee shall enter into a written sublease with every sub-lessee which shall contain the applicable rent for the space leased and shall incorporate and require compliance with the rules and regulations which are attached hereto as Exhibit B and incorporated herein by reference.
11. Indemnification and Insurance. Lessee agrees to indemnify, hold harmless and defend the City, its officers, agents and employees from and against any and all claims, loss,

damage, liability or expense whatsoever, including reasonable attorney's fees, arising out of or resulting from Lessee's use, occupancy, conduct or management of the Property. Lessee agrees to further indemnify, hold harmless and defend the City, its officers, agents and employees from and against any and all claims, loss, damage, liability or expense, including reasonable attorney's fees, arising out of or resulting from any breach or default on the part of Lessee in the performance of any responsibility or covenant to be performed pursuant to the terms of this Lease, or arising out of or resulting from any act of negligence of Lessee, its officers, agents or employees.

Lessee at its own expense shall carry General Comprehensive Liability insurance in the amount of not less than One Million (\$1,000,000.00) dollars combined single limit for both personal injury and property damage and Fire Legal Liability insurance with an insurance company with an insurance company acceptable to the City and authorized to do business in the State of North Carolina, which policies shall name the City of Mount Holly as an additional insured. Such policies shall further contain provisions that the City will be given thirty (30) days' written notice of any intent to terminate such insurance by either Lessee or the insuring company. Lessee will furnish certificates of insurance evidencing such coverage prior to the effective date of this Lease and upon each renewal of such coverage.

Lessee agrees to purchase workers' compensation insurance in accordance with North Carolina workers' compensation law (three or more employees). Coverage shall be maintained in accordance with statutory requirements with limits of not less than \$100,000 per each accident.

12. Notice. Any notices required or permitted to be given by either party hereunder shall be in writing sent to the persons and addresses below and shall be made and given by either delivering the notice to the persons indicated or depositing the notice in the United States Post Office postpaid addressed to the other party at its last known place of business.

For City:      Danny J. Jackson  
                    City Manager  
                    400 E. Central Ave.  
                    Mount Holly, NC 28120

For Lessee: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

13. Equal Opportunity. Lessee agrees that during the term of this lease and any extended terms, it shall not exclude anyone from participation in, deny anyone the benefits of, or otherwise subject anyone to discrimination because of the person's race, religion, sex, age, color, national origin, or physical or mental handicap.

14. Termination.

(a) In the event that either party shall fail to perform, keep and observe any of the terms, covenants, and conditions herein contained on its part to be performed and shall remain in default thereof for a period of thirty (30) days after written notice from the party not in

default calling attention to such default or condition, the party not in default may declare this Lease terminated and canceled and:

- i. In the case of city, City may take possession of the Property without prejudice to any other legal remedy it might have on account of default.
- ii. In the case of Lessee, Lessee may vacate the Property without prejudice to any other legal remedy it may have on account thereof.

(b) City may terminate this lease at any time with or without cause by giving ninety (90) days' written notice of termination to the Lessee.

15. Waiver of Liability. Lessee shall maintain its own property insurance against theft or damage to any and all personal property that it stores in or about the Property. Lessee assumes all risk and responsibility in connection with the safekeeping of all its equipment and personal property left on the leased premises and furthermore, agrees to hold the City harmless for any damages of whatever nature occurring to said property while it is located on the demised premises. All subleases executed by Lessee for any part of the Property shall include a provision holding the City harmless for the loss or any damages to personal property belonging to the sublessee.
16. No Rights/Benefits to Third Parties. This Agreement is intended to inure only to the benefit of Lessee and City. This Agreement is not intended to create, nor shall be deemed or construed to create, any rights in any third parties.
17. No Doctrine of Construction Against the Drafter. Both Parties acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been reviewed by legal counsel for both City and Lessee, or both parties have had an opportunity to seek counsel. As such, the doctrine of construction against the drafter shall have no application to this Agreement.
18. Holding Over. If Lessee shall, with the knowledge or consent of the City, continue to remain upon the Property after the expiration of the term of this Lease, then in such case Lessee shall become a tenant at will.
19. Waivers. It is agreed between the parties that no waiver of any term or condition of this Lease shall be construed to be a waiver of any succeeding breach of the same or any other term or condition.
20. Amendments. Any and all amendments to this Lease must be in writing signed by Lessee and the City.
21. Binding on Successors and Assigns. All covenants and agreements of this Lease shall be binding upon and inure to the benefit of the respective successors and assigns of the City and Lessee.

## EXHIBIT "A"

### SCHEDULE OF RENTS

Rents for artist studio spaces shall be based on a set charge of at least \$1.35 per square foot with a premium charge of \$25 should the studio have a window providing natural light. Each space shall be assigned a monthly rent by the President of the Gaston County Art Guild.

Volunteer time provided by each artist occupying studio space on the Property shall be required. Each artist tenant shall be required to provide a minimum of 8 hours per month devoted to tending the gallery as set forth in Exhibit "B". In addition, each artist tenant is expected to provide additional volunteer time toward maintaining and operating the Gaston County Art Guild and its programs. This includes, but is not limited to, work such as planning, arranging, and hanging sales shows; chairing or serving on committees; managing subtenant matters (when assigned); and other duties necessary for the operation of the Gaston County Art Guild and its programs. Required and expected volunteer work is deemed a part of the consideration provided for occupancy of a studio in the same manner as rent. Failure of any studio occupant to provide said volunteer work or to otherwise adhere to the rules set forth in Exhibit "B" shall be treated in the same manner as failure to pay rent.

The City Manager and the President of the Gaston County Art Guild shall review rents and occupancy rates from time to time, and in consultation with each other may adjust rents of studio spaces up or down based upon supply, demand, operational costs and the continued viability and growth of the Gaston County Art Guild and its programs.

STATE OF NORTH CAROLINA

NOTARY ACKNOWLEDGMENT

COUNTY OF GASTON

I, \_\_\_\_\_, a Notary Public in and for said County and State, do hereby certify that Amy Miller personally came before me this day and acknowledged that he/she is City Clerk of the CITY OF MOUNT HOLLY, a North Carolina municipal corporation, and that by authority duly given and as the act of the City Council of the City of Mount Holly, NC, the foregoing instrument was signed in its name by Bryan M. Hough as its Mayor, sealed with its corporate seal, and attested by Amy Miller as its City Clerk.

Witness my hand and notarial seal, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

(seal)

STATE OF NORTH CAROLINA

NOTARY ACKNOWLEDGMENT

COUNTY OF GASTON

I, \_\_\_\_\_, a Notary Public in and for said County and State, do hereby certify that \_\_\_\_\_ personally came before me this day and acknowledged that he/she is \_\_\_\_\_ of GASTON COUNTY ART GUILD, a North Carolina non-profit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by him/her on behalf of the said corporation.

Witness my hand and notarial seal, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

(seal)

22. Severability. In the event that any provisions herein shall be deemed invalid or unenforceable, the other provisions, hereof shall remain in the full force and effect, and be binding upon the parties hereto.
23. Applicable Law. This Agreement shall be interpreted and enforced according to the laws of the State of North Carolina. Any legal action regarding the enforcement of this Agreement must be filed in the appropriate Court in Gaston County, State of North Carolina, having jurisdiction in the matter.
24. Integrated Contract. Neither party has made any representation or promise, except as contained herein, or in come further writing signed by the party making such representation or promise.
25. Counterparts. This agreement may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.
26. Miscellaneous. The headings, captions and numbers in this Agreement are solely for convenience and shall not be considered in construing or interpreting any provision in this Agreement. Wherever appropriate in this Agreement, personal pronouns shall be deemed to include other genders and the singular to include the plural, if applicable.

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first set out above.

CITY:  
CITY OF MOUNT HOLLY

By: \_\_\_\_\_ (SEAL)  
Bryan M. Hough, Mayor

Attest:

\_\_\_\_\_  
Amy Miller, City Clerk

LESSEE:  
GASTON COUNTY ART GUILD

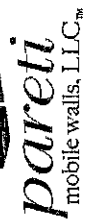
By: \_\_\_\_\_ (SEAL)  
Name:  
Title:

## EXHIBIT "B"

### Gaston County Art Guild (GCAG) Rules for Tenant Occupancy

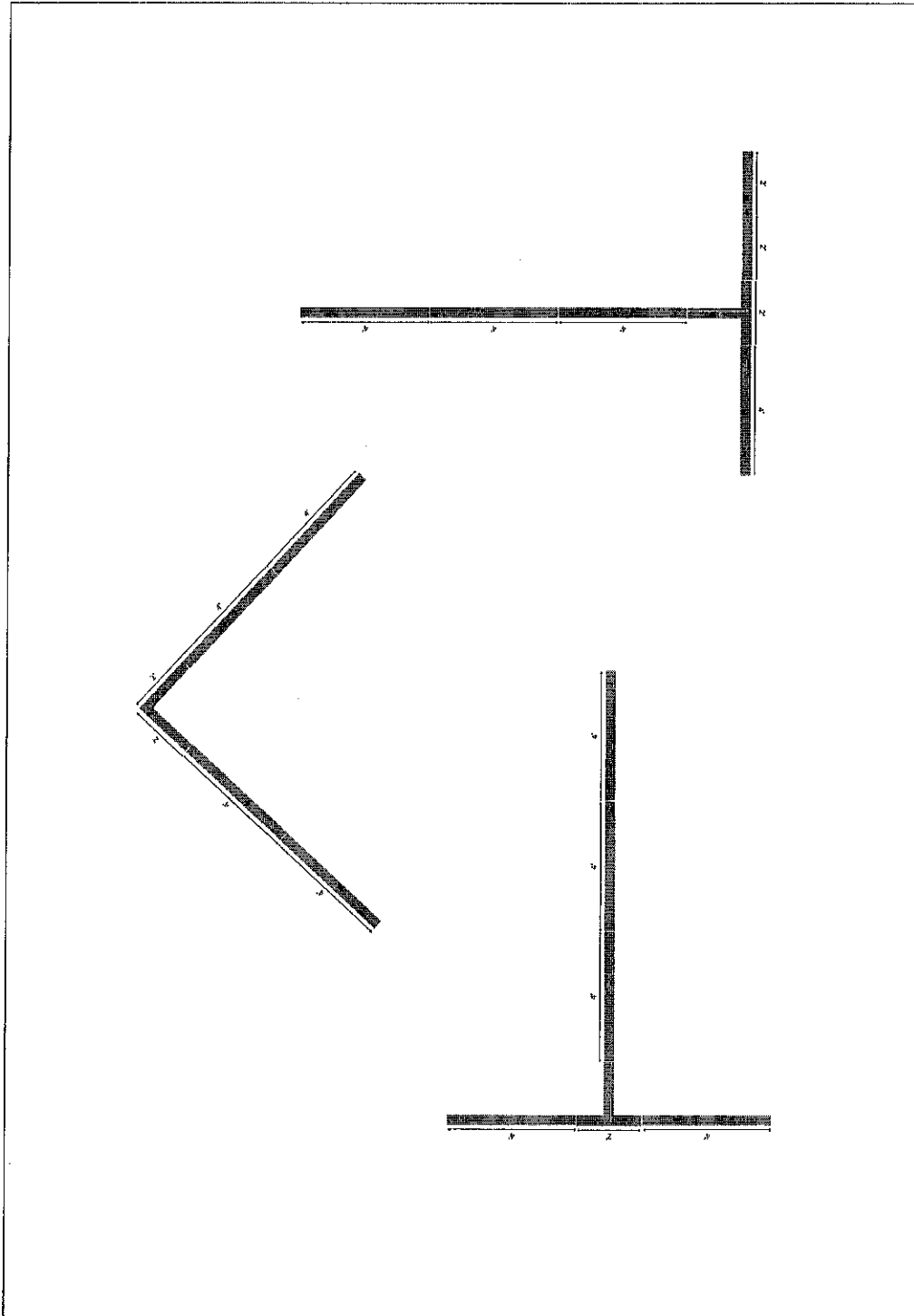
1. Space is leased to artists for the purpose of creating works of art. Continued occupancy of each artist's space is contingent on the regular presence of the artist for the purpose of creating art and such other standards as the master tenant, GCAG, may deem appropriate for the continued viability and financial success of GCAG. At the beginning of each artist's sublease from GCAG, a security deposit in the amount of \$50 shall be collected and held in a separate account. Security deposits will be refunded at the termination of the artist's sublease of a studio if vacated in a satisfactory manner. The officers of GCAG will determine the refund.
2. Rent is due in full the first of the month. Rent will be considered late after the 7<sup>th</sup> day of the month and a late fee of \$15 will be assessed. Failure to pay the rent and late fee will result in a 30 day notice to vacate.
3. All artists shall properly dispose of their waste. No oil paint, solvents, or other non water-soluble materials shall be disposed of through the plumbing waste system. Such solvents, diluents (thinners), turpentine, and any other non water-soluble wastes shall be disposed of off-site in accordance with applicable laws and regulations by carrying away from the premises. Care shall be taken in the handling and storage of any flammable or combustible materials to prevent fire. Oily rags shall be kept in a steel, self-closing oily rag can and disposed of daily. Tenants shall follow standards as set forth in ASTM D7355-10 (Standard Guide for Artists' Paint Waste Disposal in Smaller Commercial and Educational Settings). Tenants shall follow any instructions or directives of the Fire Marshall with respect to handling such materials and all other aspects of occupancy of the space. The use of gasoline, kerosene, or similar petroleum products on the premises is forbidden unless advance permission is granted by the Lessor and Owner. No oil or acrylic paint waste shall be disposed of in a manner that uses the City solid waste system.
4. Occupancy and use of any space in the building shall be in conformity with the Codes of the City of Mount Holly and the laws and regulations of the State of North Carolina.
5. The premises are smoke-free. Any smoking or other use of tobacco products shall be conducted outside the building on the north side at least ten feet from any entrance door.
6. No firearms or other dangerous weapons shall be permitted on the premises in accordance with Mount Holly City Code Sec. 14-23.
7. Artist tenants shall leave parking spaces next to the side entrance of the building available for patrons and visitors. Exceptions are made for loading purposes during actual times of loading/unloading.
8. All art sales on premises shall be run through the gallery sales desk and be subject to a standard minimum gallery commission of fifteen (15%) percent of the sales price whether sold from the gallery, an artist's studio, or any other place on the premises. Any tenant artist found in violation of this rule shall immediately reimburse the gallery the appropriate commission. More than one violation of this policy shall be grounds for eviction without refund of rent or security deposit. Artists are encouraged to sell as much art on premises as possible in order to help maintain the financial viability of GCAG.

9. Food and drink are not permitted in the gallery space except for during special events when food or drink are served as part of such special event. Any food consumed by a tenant should be consumed in a resident studio or other designated area except for special events when food or drink are served as part of such special event.
10. Guests and patrons are not permitted outside the gallery/gift shop/restroom area without a tenant escort, with the exception of special events, open houses, or other designated events when appropriate persons will be monitoring studios, common spaces, and other non-gallery areas.
11. Realizing that guests and patrons will be escorted to artists' studio, artist's space shall be kept in reasonable order and meet all requirements or orders of the Fire Marshall.
12. Artists' studio spaces shall be subject to inspection by the lessor during normal business hours.
13. Each tenant artist shall be required to donate eight (8) hours per month of his or her time to tending the gallery/gift shop or other assigned duties. This obligation of volunteer time is part of the consideration provided by each tenant artist for the use of space and facilities at GCAG in the same manner that monthly studio lease rent payments are made by each tenant artist. Failure to provide said time to the operation of the gallery/gift shop shall be grounds for eviction. Each tenant artist shall sign up for such volunteer time on the calendar provided by the tenant organization group. The artist tenant understands that GCAG is a cooperative business and each tenant is expected to volunteer additional time to chores such as hanging shows, general cleaning of gallery and other common areas, work in support of special events, and other volunteer work as may be reasonably called upon in support of the operation.
14. The tenant artist understands that financial viability of GCAG depends upon utility conservation. Each tenant shall take reasonable care to conserve utilities, such as turning lights off when not in use.
15. During hours when the gallery is not open, each artist tenant shall keep the premises locked from the outside. Sharing a key to the building with anyone shall be grounds for eviction without refund of deposit. If a tenant believes that their key has been lost or stolen, the tenant shall immediately inform Owner (City of Mount Holly) and GCAG.
16. No artist studio or other space on the premises shall be used for domiciliary or similar purpose such as overnight sleeping, cooking, or bathing.
17. Tenant artists shall endeavor to attend and participate in regular tenant meetings.
18. Tenant artists shall use the space with appropriate consideration of other tenants in the building by avoiding: (1) making excessive or disturbing amplified sounds or noise (it is expected that work in some visual arts media by their natures create noise, and permission to work in such media would be granted by the lessor under terms of the lease or other written permission); (2) the generation of noxious fumes (it is expected and accepted that fumes in the appropriate and normal use, handling, and storage of oil paints and solvents customarily used in oil painting and other fumes related to customary artist media may be present on the premises from time to time); and (3) other activities and offensive behaviors that interfere with or inhibit use of the premises by other artists or repulse gallery customers.



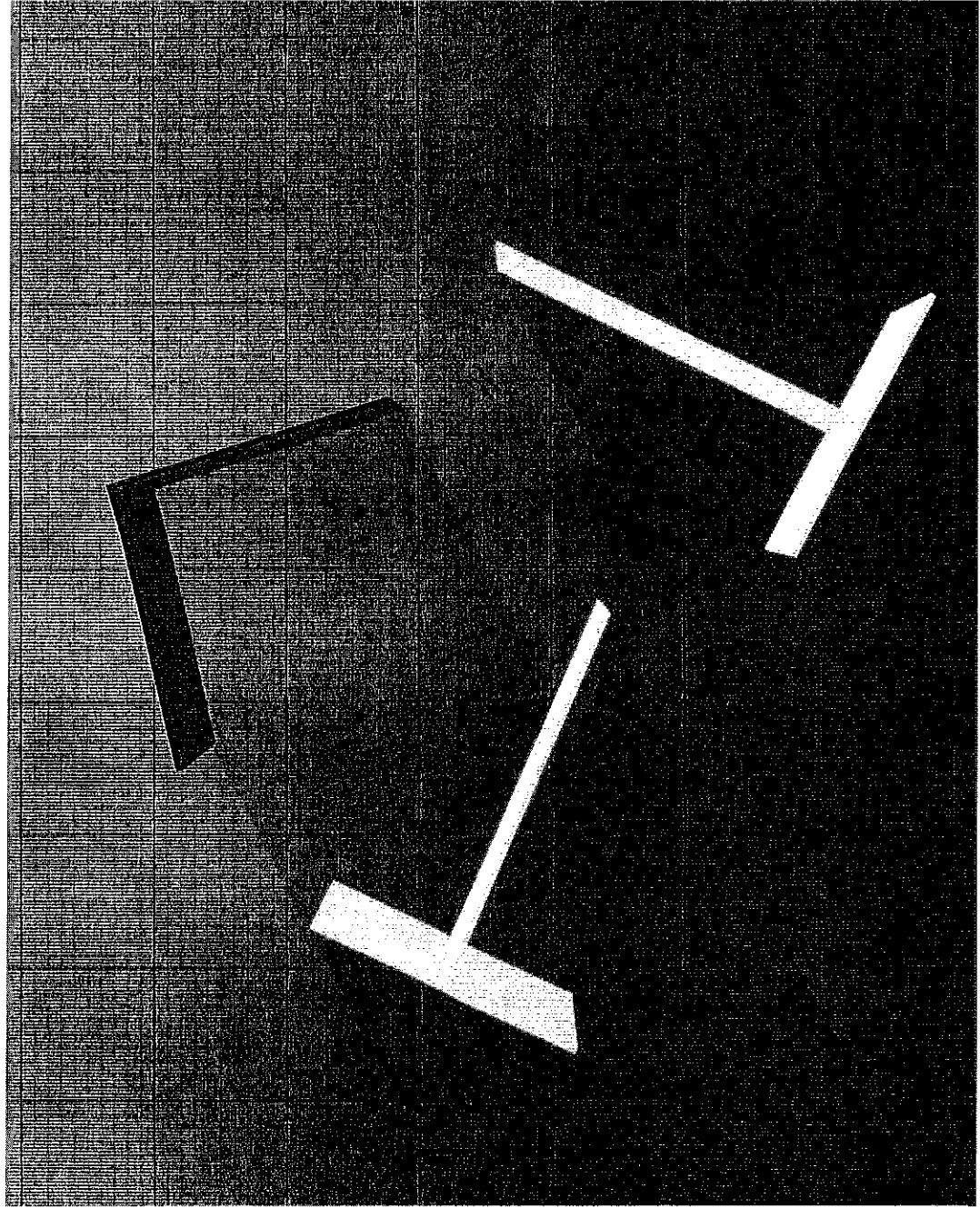
**Walls are 4" thick**

Concept for Gallery within a 1,500 SF Room  
(All Gallery Wall Configurations can be moved and/or changed)



sales@ParentMobileWalls.com  
319-208-6109

**1,500 SF Gallery Space**  
Concept for Gallery within a 1,500 SF Room  
(All Gallery Wall Configurations can be moved and/or changed)



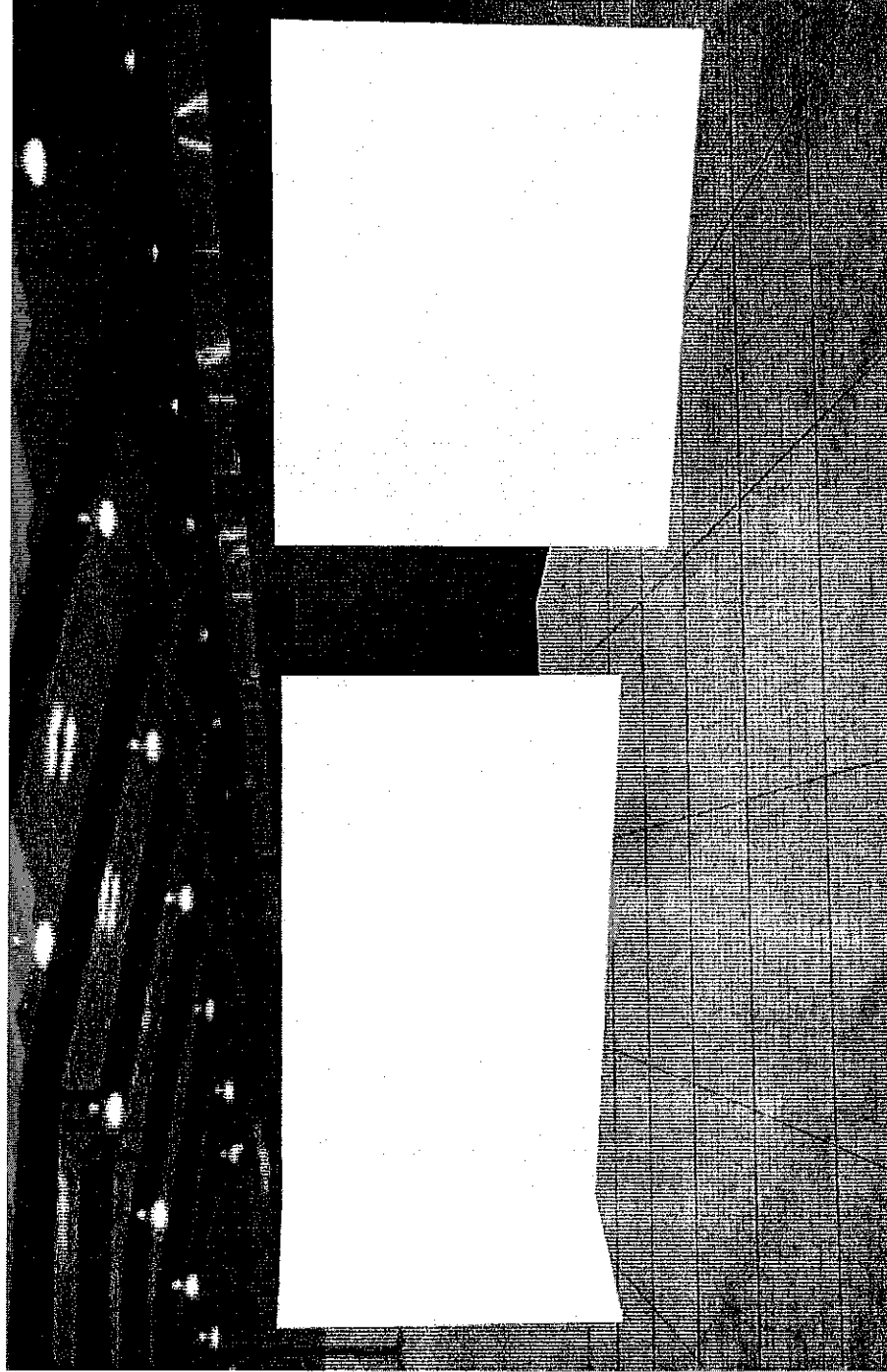


TheSmallBizGroup.com

Walls are 4" thick

## 1,500 SF Gallery Space

Concept for Gallery within a 1,500 SF Room  
(All Gallery Wall Configurations can be moved and/or changed)

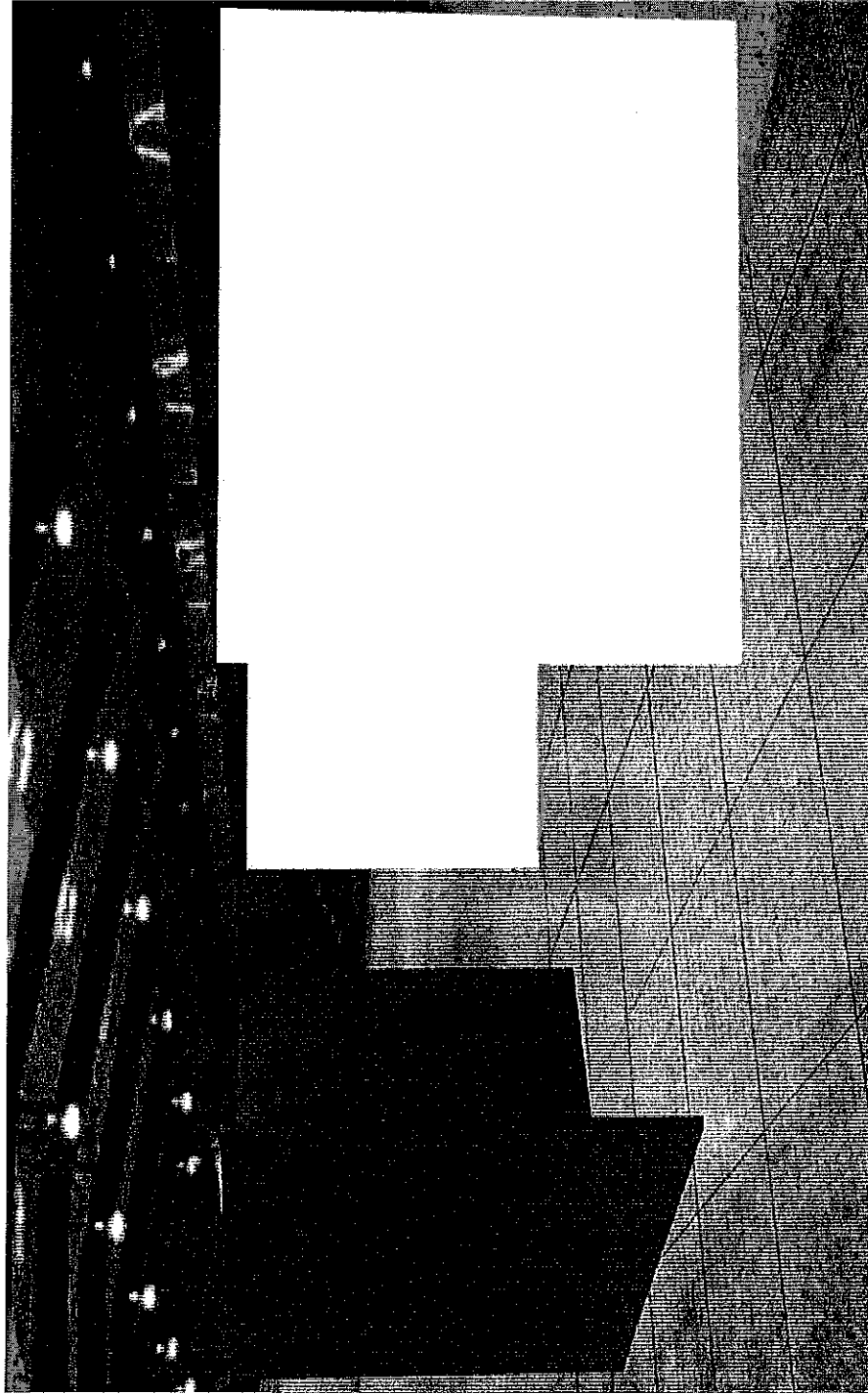


sales@ParetiMobileWalls.com  
319-208-6109



TheSmallBizGroup.com  
Walls are 4" thick

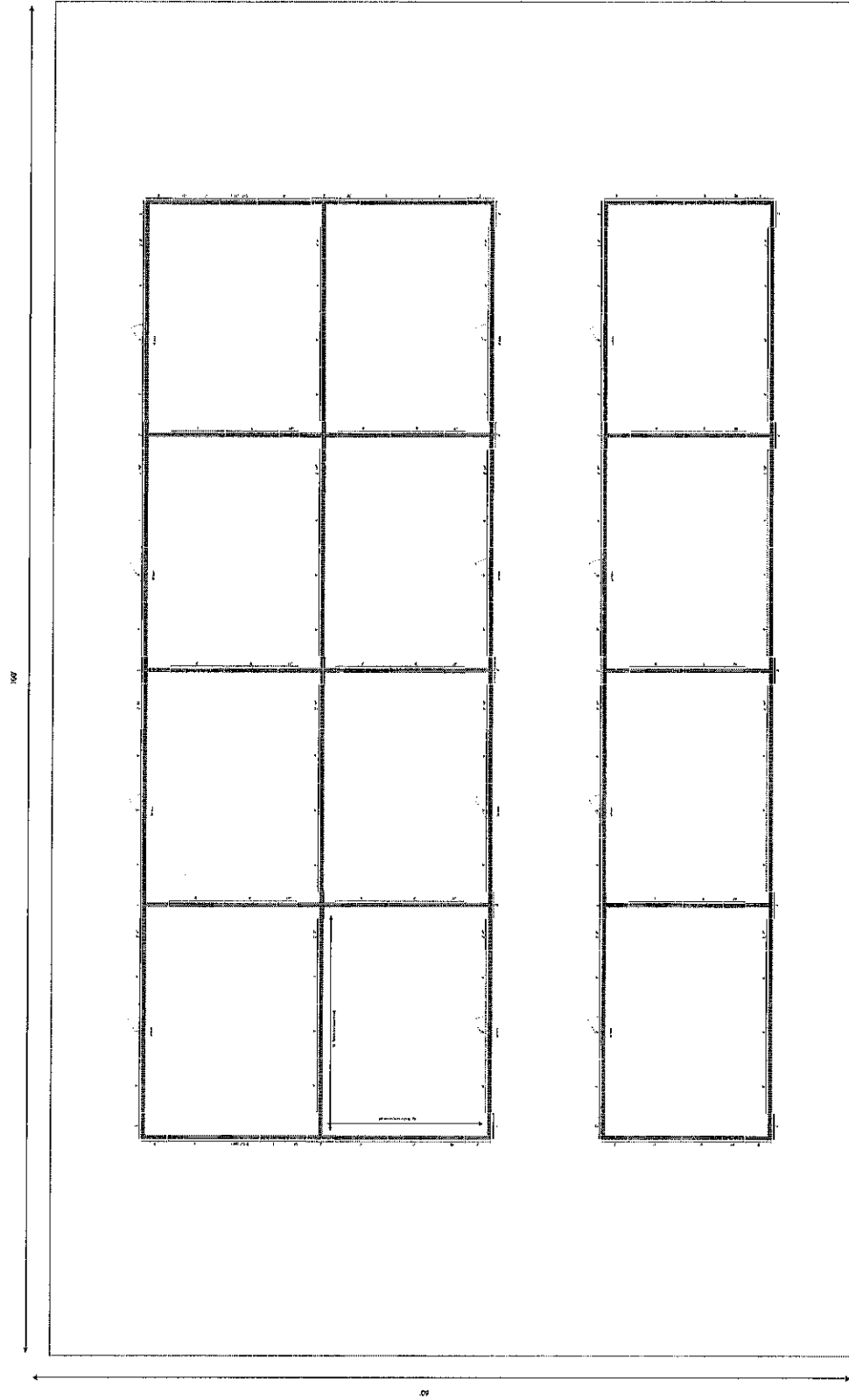
**1,500 SF Gallery Space**  
Concept for Gallery within a 1,500 SF Room  
(All Gallery Wall Configurations can be moved and/or changed)



sales@ParetiMobileWalls.com  
319-208-6109

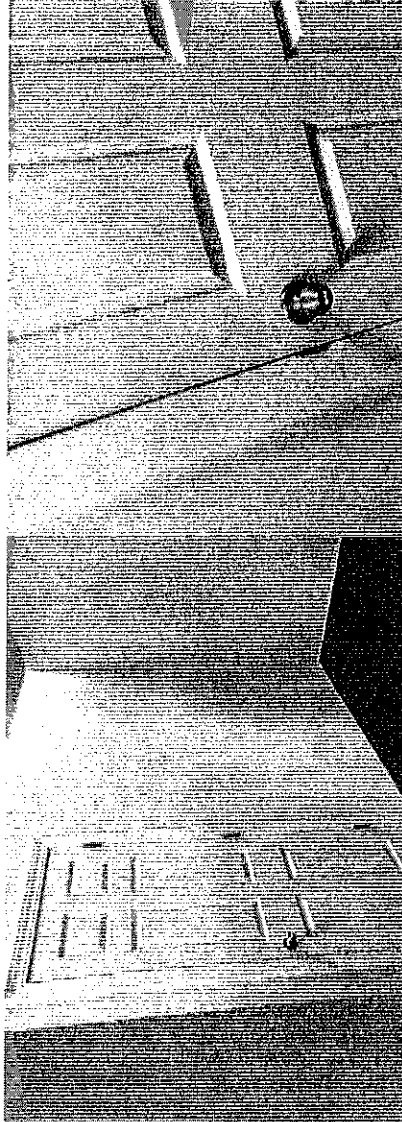
## Rentable, Portable Studio Spaces with Locking Doors

Each Studio Measures 12' x 15' (Inner Dimension)

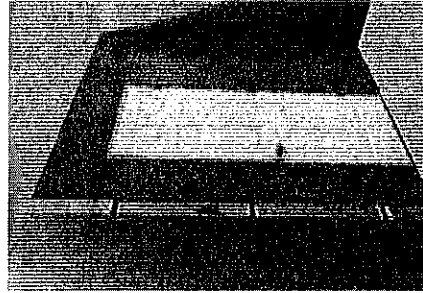


## Rentable, Portable Studio Spaces with Locking Doors

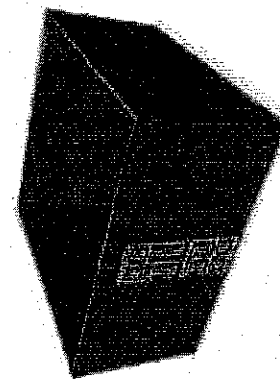
Each Studio Measures 12' x 15' (Inner Dimension)  
Sample Photos of Rooms Created with Pareti Mobile Walls and Door Sections



Door section connected to Pareti Mobile Walls. (Seams are visible with our walls, but often difficult to photograph)



Unpainted walls showing connecting side in foreground

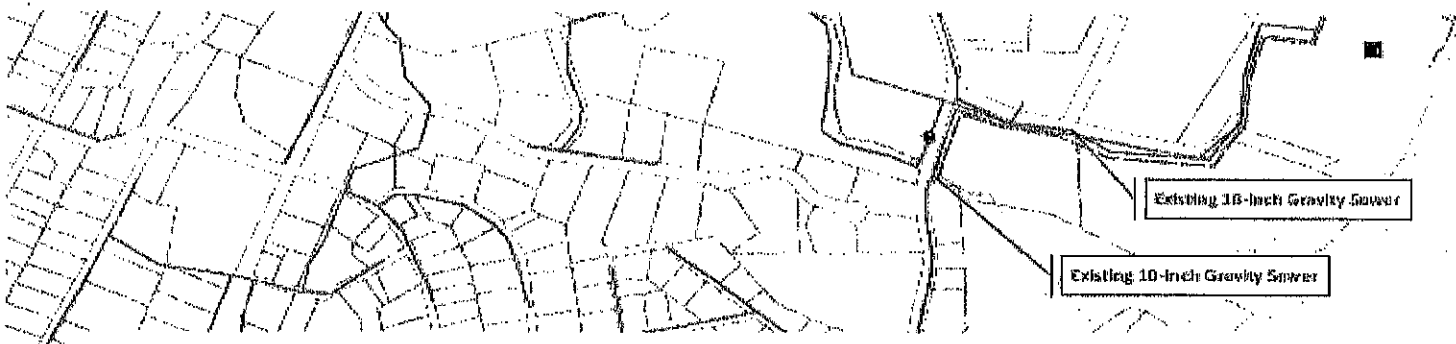


Sample rendering

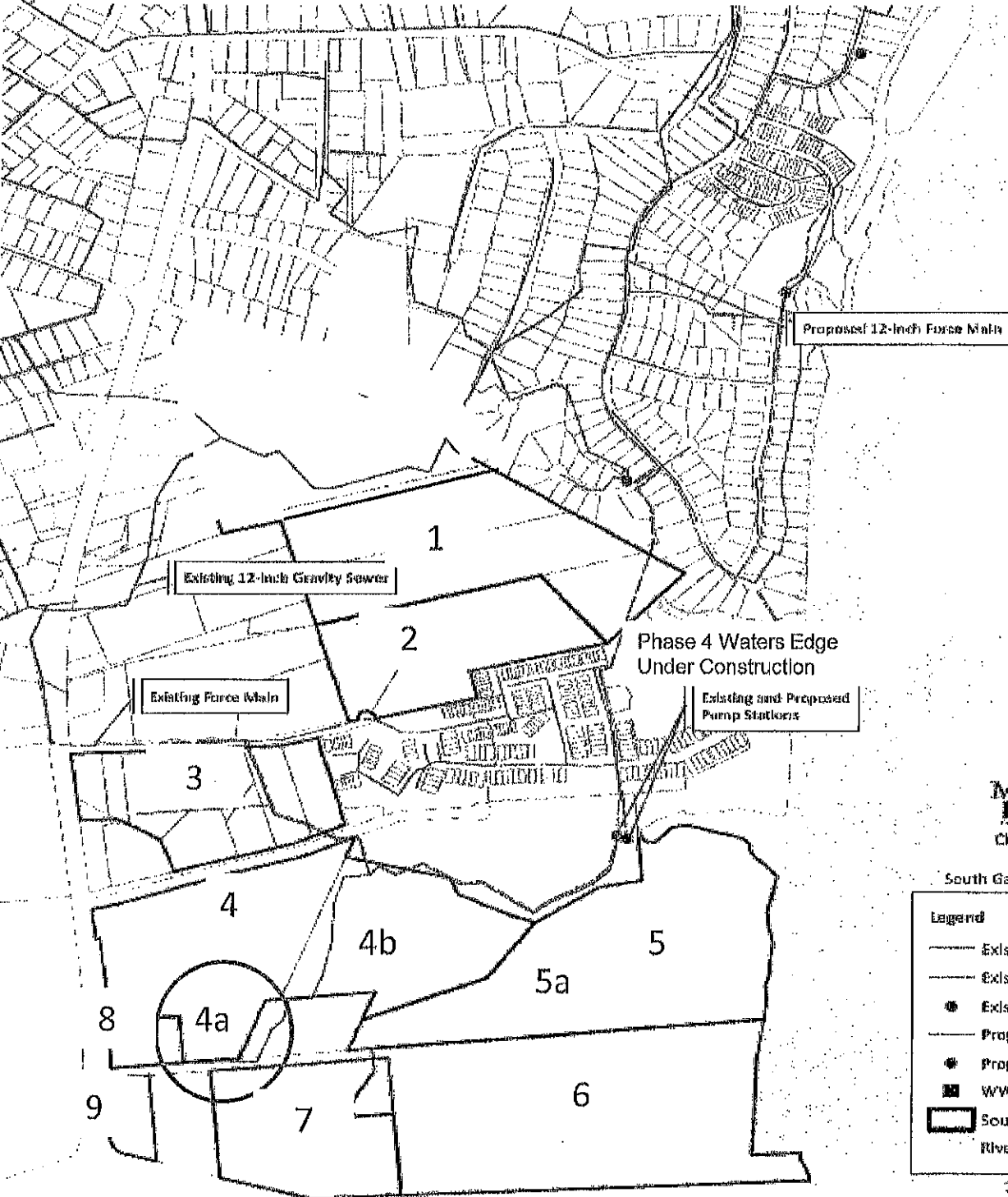


## City of Mount Holly Action Agenda Item

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>To:</b> City Council                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>Date:</b> June 21, 2018                                                                       |
| <b>From:</b> Danny Jackson, City Manager                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>Meeting Date:</b> June 25, 2018                                                               |
| <b>Agenda Item to be considered:</b> <i>Agenda Item #4 – Discussion of South Gateway utilities and Transportation</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                  |
| <br><b>Will this require a public hearing?</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                  |
| <b>Background/Purpose of Request :</b> <i>In May of this year you were privy to a presentation regarding development in the South Gateway. The presentation involved utilities, transportation and land development. The South Gateway was also discussed at the Budget Work Session. Staff will provide more updated information on the matter. In regard to timing, staff will need direction regarding next steps, which also speaks to decisions that proposed developers need to make as a part of their due diligence. Special emphasis needs to be placed on utilities due to the fact that there is a limited amount of capacity in the existing line, which will be quickly used by the most recent development in the South Gateway Area. Given the amount of proposed investment in the South Gateway Area (150-200 million) it is my professional opinion that the utilities upgrades are needed. Please see the enclosed documentation submitted by the Utilities Department.</i> |                                                                                                  |
| <b>Fiscal Impact:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                  |
| Will Item affect current budget                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Reviewed by Finance Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Preaudit Certification required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Capital Project Ordinance required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| Budget Transfer required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| <b>Total City Dollars:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | \$                                                                                               |
| <b>Budget Code</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                  |
| Reviewed by City Attorney                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> N/A |
| <b>Manager/Staff Recommendation:</b> <i>Reserved for the meeting</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                  |
| <b>Result of City Council Decision:</b><br><br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                  |
| <b>Attachments:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                  |



# South Gateway Properties & Proposed Sewer System Improvements



**MOUNT HOLLY**  
 City of Mount Holly  
 Figure 1

South Gateway Area Wastewater

**Legend**

- Existing Gravity Sewer
- Existing Force Main
- Existing Pump Station
- Proposed Force Main
- Proposed Pump Station
- WWTP
- ▭ South Gateway Developments
- ▭ River/Lake

1 inch = 600 feet

June 21, 2018

# South Gateway Ex. Sewer Capacity Analysis

|                                 | Ex. Pump Station<br>(gpm) |  | Ex. 12" gravity<br>(gpm) | Peaking Factor 3.5                                                           |
|---------------------------------|---------------------------|--|--------------------------|------------------------------------------------------------------------------|
| Ex. Capacity gpm                | 315                       |  | 553                      |                                                                              |
| Ex. Flow                        | 13                        |  | 134                      |                                                                              |
| Allocated Flow                  | 40                        |  | 40                       | Waters Edge Last Phase<br>78 TH's using 210 gpm                              |
| Available Remaining<br>Capacity | 262                       |  | 379                      |                                                                              |
|                                 |                           |  |                          |                                                                              |
| <b>New Sewer<br/>Customers</b>  |                           |  |                          |                                                                              |
| Parcel 4                        | 54                        |  | 54                       | does not include the hotel and<br>multifamily units<br>21,970 gpd            |
| Parcel 4a                       | 28                        |  | 28                       | Hotel 11,400 gpd                                                             |
| Parcel 5                        | 125                       |  | 125                      | 270 MF 2BR & 30 -3BR units;<br>amenity (1,200 gpm)<br>Restaurant (4,800 gpd) |
| Parcel 2                        | 35                        |  | 35                       | 78 TH's (14,280 gpd)                                                         |

|                                 |    |  |     |  |
|---------------------------------|----|--|-----|--|
| Available Remaining<br>Capacity | 20 |  | 137 |  |
|---------------------------------|----|--|-----|--|

## NOTE:

The existing pump station, force main and gravity sewer line system will be at capacity once the above proposed projects are completed.

The proposed pump station and force main should be operational by mid-2022 to serve the balance of the South Gateway properties.

June 21, 2018 Cost Share Analysis for Proposed Sewer System Improvements

|                     | Proposed Flow<br>from ALL South<br>Gateway<br>Properties (gpm) | Peak<br>Factor<br>3.5 | Regulated<br><u>Design</u> Flow<br>(gpm) |                                                      |
|---------------------|----------------------------------------------------------------|-----------------------|------------------------------------------|------------------------------------------------------|
| SUBTOTAL            | 168                                                            |                       | 590                                      |                                                      |
|                     |                                                                |                       | 174                                      | Existing and Allocated (Waters<br>Edge Phase 4) Flow |
| TOTAL               | 168                                                            |                       | 764                                      |                                                      |
|                     |                                                                |                       |                                          |                                                      |
| Total Cost Estimate |                                                                |                       | \$4,710,000                              | New pump station and<br>12-inch force main to WWTP   |
|                     |                                                                |                       |                                          |                                                      |
| Cost per gpm        |                                                                |                       | \$6,165                                  |                                                      |

| PARCEL # | Proposed Flow<br>(gpm) | \$6,165 / gpm | Fair Share of total cost of<br>improvements |
|----------|------------------------|---------------|---------------------------------------------|
| 1        | 16                     |               | \$98,640                                    |
| 2        | 10                     |               | \$61,650                                    |
| 3        | 10                     |               | \$61,650                                    |
| 4        | 15                     |               | \$92,475                                    |
| 4a       | 8                      |               | \$49,320                                    |
| 4b       | 26                     |               | \$160,290                                   |
| 5        | 36                     |               | \$221,940                                   |
| 5a       | 11                     |               | \$67,815                                    |
| 6        | 22                     |               | \$135,630                                   |
| 7        | 9                      |               | \$55,485                                    |
| 8        | 3                      |               | \$18,495                                    |
| 9        | 2                      |               | \$12,330                                    |

|                                               |             |
|-----------------------------------------------|-------------|
| Total Cost for<br>Proposed Flow               | \$1,035,720 |
| Balance of Costs<br>Associated with<br>Design | \$3,674,280 |

|           | Proposed Flow<br>(gpm) |
|-----------|------------------------|
| Parcel 1  | 16                     |
| Parcel 2  | 10                     |
| Parcel 3  | 10                     |
| Parcel 4  | 15                     |
| Parcel 4a | 8                      |
| Parcel 4b | 26                     |
| Parcel 5  | 36                     |
| Parcel 5a | 11                     |
| Parcel 6  | 22                     |
| Parcel 7  | 9                      |
| Parcel 8  | 3                      |
| Parcel 9  | 2                      |

Total Private  
Development  
Flow 168

| Water and<br>Wastewater System<br>Development Fee | Basis for Calculations                                                |
|---------------------------------------------------|-----------------------------------------------------------------------|
| \$972,675                                         | based on 165 TH's                                                     |
| \$630,765                                         | 107 individual meters                                                 |
| \$471,590                                         | 100 MF units - 10 bldgs 2"<br>meters                                  |
| \$848,862                                         | 216 units in 18 bldgs 2" meters                                       |
| \$94,317                                          | Hotel 3" meter                                                        |
| \$250,531                                         | grocery 3", retail 2", restaurant 2",<br>fast food 2", gas station 1" |
| \$241,690                                         | 4-mf bldgs 2", rest 2",<br>amenity 3/4"                               |
| \$371,385                                         | 63 TH's individual meters                                             |
| \$943,180                                         | 250 MF 20 bldgs 2" meters                                             |
| \$47,159                                          | Retail 2"                                                             |
| \$61,896                                          | Restaurant 2" and retail 1"                                           |
| \$53,054                                          | fast food 2" & convenience 3/4"                                       |

\$4,987,104 Total System Development Fees  
Generated from South Gateway  
properties

\$3,674,280 Mount Holly investment in the sewer  
system improvements  
and existing system assets

| If Approved by<br>Council<br>2018 W & S<br>System<br>Development Fees |          |
|-----------------------------------------------------------------------|----------|
| Meter                                                                 |          |
| 3/4"                                                                  | \$5,895  |
| 1"                                                                    | \$14,737 |
| 2"                                                                    | \$47,159 |
| 3"                                                                    | \$94,317 |

**CONCLUSION:**

The City's financial commitment to construct the improvements would be paid back as water meters are applied for.

The City would take on the overall responsibility to make this improvement become a reality so that the entire South Gateway area may develop as envisioned.

## SOUTH GATEWAY

### Fair Share Contributions for Sewer Facility Improvements

NOTE: Does NOT include system development fee charges

June 20, 2018

Proposed

#1 \$98,640

Existing 12-inch Gravity Sewer

#2 \$61,650

Existing Force Main

Last Phase  
included in system

Existing and Proposed  
Pump Stations

Waters Edge

YMCA

#3 \$61,650

#4 \$92,475

#4b \$160,290

#5 \$221,940

#5a \$67,815

#4a  
\$49,320

Ex.

#8 \$18,495

Ex.

#9 \$12,330

#6 \$135,630

#7 \$55,485