**LINCOLNTON**
**AGENDA**
**August 6, 2026**
**6:30 PM**

**CALL TO ORDER**

**MOMENT OF SILENCE**

**PLEDGE OF ALLEGIANCE**

**1. AGENDA APPROVALS**

**1a Approval of REGULAR AGENDA**

**1b Approval of CONSENT AGENDA**

- **June 25, 2026 - Regular Meeting Minutes**
- **Lincoln County Tax Department - June 16, 2026 - July 15, 2026**
  **Request for Release - Under $100**
  **Request for Release - Over $100**
- **Proclamation — Designating August as Back to School Month**
- **Proclamation - Military Purple Heart Day 2026**

**PUBLIC COMMENT**

*Speakers will be limited to three (3) minutes to address Mayor and City Council. You must sign in with the City Clerk to be eligible to speak*

**2. PUBLIC HEARINGS**

**2a CZ-7-2026 – Request from Piedmont Companies to amend a site plan to include a vacant lot for a total of 7.324 acres in the Planned Residential District (PRD) to allow for a planned residential multifamily development consisting of 68 individually parceled units. The subject properties are located at 2350 and 1912 North Aspen Street (Parcel ID 21600, 53769, and 21599) - Deferred to August 18, 2026, Planning Board and September 3, 2026, City Council meetings.**

**Jean Derby, Planning Director**

**2b Consider the adoption of a proposed one (1) year moratorium on the acceptance, processing, and approval of applications for data storage facilities within the City of Lincolnton, North**

**Carolina. The purpose of the proposed moratorium is to allow the City to analyze and study the unique development, infrastructure, and environmental impacts of data centers and prepare and consider appropriate regulatory and policy changes to address those impacts.**

**Jean Derby, Planning Director**

**2c Consider a resolution/ordinance to relinquish the Extraterritorial Jurisdiction (ETJ) planning, zoning, and development regulation authority over the area described below: The Extraterritorial Jurisdiction (ETJ) of Lincolnton, NC, is a designated area extending up to one mile beyond the city limits where the municipal government enforces its zoning, subdivision, and land-use regulations, but it is county land. If the relinquishment is approved, zoning and land-use authority will revert to Lincoln County.**

**Jean Derby, Planning Director**

**3. PUBLIC HEARINGS**

**3a TIP-1-2026: An application from Wayne Brooks to utilize the Targeted Incentive Program for a new restaurant at 121 East Main Street.**

**Jean Derby, Planning Director**

**3b ANX-1-2026, Consideration of Annexation of contiguous property owned by Five Fingers LLC and located at East Main Street (Tax Parcel IDs 28155, 70621, 57013 and 26949).**

**Jean Derby, Planning Director**

**4. REGULAR AGENDA**

**4a Consideration of Resolution of Directing the Clerk to Investigate an Annexation by Petition Received Under NCGS 160A-31 concerning property located on N. Aspen Street (Parcel ID 21600).**

**Jean Derby, Planning Director**

**4b Consideration of Resolution of Directing the Clerk to Investigate an Annexation by Petition Received Under NCGS 160A-31 concerning property located Off Shell Street (Parcel ID 57290).**

**Jean Derby, Planning Director**

**4c Consideration to Approve Playground and Outdoor Fitness Equipment Purchase and Installation for City Park**

**Nathan Eurey, Public Services Director**

**5. REGULAR AGENDA**

**5a Consideration of Request to Approve a Service Contract and Enrollment System Contract with Pierce Group Benefits**

**Tanya Osborne, Human Resources Director**

**5b Request to Adopt Administrative Policy #29 - Internal Control Policy: ARP/CSLFRF Award**

**Pamela McBryde, Finance Director**

**NEWS MEDIA**

**ADJOURNMENT**

The Lincolnton City Council met in Regular Session on Thursday, June 25, 2026 at 6:30 p.m. in the Council Chambers of City Hall located at 114 West Sycamore Street, Lincolnton, N.C. 28092. The following members were present and accounted for:

**DEMENY JOHNSON TIPTON JETTON**

Mayor Hatley called the meeting to order, asking everyone to stand for a moment of silence, followed by the Pledge of Allegiance. The Mayor noted several additions to the regular agenda: Item 3d was revised to reflect a budget amendment to the annual budget ordinance (to be presented by Finance Director Pamela McBryde); Item 4c was added as a resolution to approve a street name for the new public services facility (to be presented by Assistant City Manager Scott Clark); and a closed session was added.

**Motion to approve the regular agenda as amended was made by Council Member Jill Tipton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

Mayor Ed Hatley briefly highlighted several proclamations included in the consent agenda: Parks and Recreation Month, the 250th Anniversary of American Independence, and additional items described as self-explanatory.

**Motion to approve the consent agenda as presented was made by Council Member Roby Jetton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## CZ-6-2026
## Application For Conditional Rezoning From CFA Lincolnton

Planning Director Jean Derby presented the conditional rezoning request for the Chick-fil-A located at 1904 East Main Street. She explained that the property is currently zoned Planned Business (PB) under a conditional use tied to the original site plan. Because the applicant wishes to make physical changes to the site, the ordinance requires that the matter return to Council as a Planned Business Conditional District (PB-CD).

The proposed changes include restructuring the drive-thru from a single-lane entry to a dual-lane configuration from entry to exit, reconfiguring the parking lot with angled spaces to increase aisle width from 28 to 35.9 feet, and adding a vacant adjacent lot (Parcel ID: 87361) solely to address impervious surface calculations. The addition of the lot will reduce the site's impervious area from 67.6% to approximately 40%, well below the 70% maximum permitted.

Derby noted that the reconfigured parking will reduce total spaces from 52 to 48, with 2 additional pull-through spaces for customers awaiting mobile orders. NCDOT had requested the removal of one parking space near the entrance for safety purposes. Conditions of approval include the submission of an as-built landscaping plan, recordation of the lot recombination prior to permit issuance, compliance with all

applicable regulations, and correction of a drainage issue at the northwest corner of the curb where water pools improperly.

Derby confirmed that the Planning Board voted unanimously to recommend approval, and that the request is consistent with the City's Land Use Plan, which supports the retention and modernization of existing businesses. Representatives of the applicant were present but did not speak.

No members of the public signed up to speak.

**Motion to close the public hearing was made by Council Member Jill Tipton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

**Motion to approve the conditional rezoning request as presented and recommended by the Planning Board, including the statement of consistency and reasonableness, was made by Council Member Kevin Demeny. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## Proposed Implementation Of Updated Water And Sewer System Development Fees

Assistant City Manager Scott Clark introduced the item, noting that the updated System Development Fees (SDFs) were previously presented at the April 17th budget workshop by the City's consultant, who was also available virtually for this hearing. The draft report was posted on the City's website for 46 days, exceeding the statutory 45-day public comment period, and no public comments were received during that time.

One citizen, Alan, addressed the Council in support of the fee update, stating his view that the burden of infrastructure costs associated with new development should fall on developers rather than existing residents and taxpayers, and that developers should not receive a "free ride" given the financial benefits they derive from growth in the community.

**Motion to close the public hearing was made by Council Member Mark Johnson. The motion carried unanimously with members voting 4-0 in favor of the motion.**

**Motion to approve the proposed updated Water and Sewer System Development Fees as presented was made by Council Member Roby Jetton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## Approval of the
## Proposed 2026-2027 Fiscal Year Budget

City Manager Ritchie Haynes noted that the proposed budget had not changed since its presentation at the prior month's meeting and invited public comment.

Citizen Alan addressed the Council, commending City Manager Haynes for navigating the financial pressures imposed by the County. He also raised concerns about the appearance of the county courthouse flagpoles, encouraged fiscal discipline across all units of government, and noted the value of shared services between the city and county, citing a proposed $6.5 million county shooting range as an example of potential duplication with existing city facilities.

Council Member Roby Jetton responded to the flagpole concern, noting that he had received a call from the County that day indicating that three new flag poles would be installed on the west side of the courthouse, with a larger pole on the east side.

No further public comment was offered. Council Member Kevin Demeny made a motion to close the public hearing. Motion carried unanimously with members voting 4-0 in favor of the motion. Following the close of the public hearing, Council took three separate votes as required.

**Motion to adopt the 2026-2027 Budget Ordinance was made by Council Member Kevin Demeny. The motion carried unanimously with members voting 4-0 in favor of the motion.**

**Council Member Jill Tipton made a motion to adopt the 2026-2027 Schedule of Fees. The motion carried unanimously with members voting 4-0 in favor of the motion.**

**Motion to adopt the 2026-2027 Salary Schedule and Schedule of Budgeted Positions was made by Council Member Kevin Demeny. Members voted 4-0 in favor of the motion.**

## Consideration Of 3-Year Contract
## With iWorQ For Upgrading Permitting Software

Planning Director Jean Derby presented a request for approval of a three-year contract with iWorQ to upgrade the City's existing permitting software. Derby explained that the planning department recently lost its part-time employee and is exploring technology as a means to fill that gap. While the City already uses the basic iWorQ platform, the upgraded plan would introduce online permit applications, online credit card payments, automated parcel updates via a REST service integration, and enhanced data-entry automation that reduces manual processing time.

The initial setup fee is $2,000, with an annual cost of $11,875—substantially less than the cost of a part-time employee. Derby noted that the City has been using iWorQ since 2018 and that the software is familiar to staff.

Council Member Kevin Demeny raised the question of whether additional staffing would be needed within the three-year contract period, expressing a broader concern about distinguishing needs from wants given the City's anticipated budget challenges. Both Ms. Derby and City Manager Ritchie Haynes affirmed that this contract addresses a genuine operational need. Mr. Haynes noted that no staff additions are planned for the coming year and that the planning department—still operating with three full-time employees despite the City having doubled in population since 1991—has absorbed a significantly increased workload without added personnel.

City Manager Haynes added that a similar technology-for-efficiency approach had already been implemented successfully in Parks and Recreation, and that allowing citizens to complete transactions online reduces interruptions to staff and improves overall service delivery.

**Motion to approve the three-year contract with iWorQ for the upgraded permitting software was made by Council Member Mark Johnson. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## Request Approval Of Personnel Policy Related To Lincolnton Police Department Restructured Work Hours

Human Resources Director Tanya Osborne presented revisions to Articles 5 and 6 of the City's Personnel Policy to reflect the accrual and work-week changes that accompanied the Police Department's restructured schedule, which had been operating as a pilot program and was formalized through the consent agenda at this same meeting. Osborne noted the program has been well received by officers, improves work-life balance, and has meaningfully reduced overtime expenditures—describing it as "a win-win."

**Motion to approve the personnel policy revisions as presented was made by Council Member Roby Jetton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## BA-06-26
## Budget Amendment For Fiscal Year Ending June 30, 2026

Finance Director Pamela McBryde presented Budget Amendment BA-06-26, requesting authorization to add a total of $3,161,764 to the budget across several funds for the current fiscal year ending June 30, 2026.

For the General Fund, approximately $1.5 million is being added, including $216,528 in increased tax revenues (of which $175,000 is franchise tax), a gas fee compliance adjustment of $27,870, increased departmental fees across Police, Fire, Planning and Zoning, and Parks and Recreation, a $20,000 planning and zoning settlement, and $79,000 in investment interest. A draw of $1,200,000 from fund balance was also included to cover the city park and public service center capital projects and maintain audit compliance through fiscal year-end.

For the Water and Sewer Fund, $169,915 is being added, sourced from investment interest, water connection fees, collected fees, a gas fee adjustment, and two insurance claim installments. A draw of $1,000,000 from fund balance covers the water and sewer portion of the public service center.

For the Electric Fund, $109,616 is being added, including investment interest, collected fees, utility representative fees, an AT&T insurance installment, and a $30,000 settlement received from the insurance company related to an August incident at the City's electric substation.

Ms. McBryde clarified that the fund balance draws are not windfalls but represent previously approved capital allocations being formally budgeted to maintain compliance.

**Motion to approve Budget Amendment BA-06-26 as presented was made by Council Member Kevin Demeny. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## BA-07-2026

## Budget Amendment For Fiscal Year Ending June 30, 2026

Finance Director McBryde returned to present a second budget amendment, BA-07-2026, adding $403,545 to the Water and Sewer Fund. This amendment was necessitated by settlement funds received unexpectedly during the week of the meeting: $68,933.68 from BASF and $165,734.16 from Tyco, both related to PFAS litigation settlements. An additional $168,877.99 for the clarifier project from NCDEQ was also included. McBryde confirmed all funds had already been received.

**Motion to approve Budget Amendment BA-07-2026 as presented was made by Council Member Jill Tipton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## Request Approval Of Hold Harmless Agreement, Release Of Liability, Assumption Of Risk, And Indemnification Agreement For Utility Infrastructure

Assistant City Manager Scott Clark explained that through the City's ongoing asset management program, staff have been identifying locations throughout the service area where private structures—homes, buildings, and other improvements—have been built on top of or immediately adjacent to city utility infrastructure, including water mains, sewer lines, and underground electric lines. Many of these situations were inherited when the City absorbed the Boger City Sanitary District and predate modern mapping and permitting systems.

To manage the City's liability exposure in these situations, Mr. Clark requested authorization to use a Hold Harmless Agreement, drafted with input from the City's legal team. When a conflict is identified, staff will approach the property owner and request their signature. If signed and recorded with the Register of Deeds, the

agreement releases the City from liability should a utility fail due to a structure placed above it. If the owner refuses to sign, the City will issue formal written notification from the City Attorney's office documenting the conflict and the City's non-liability position.

Council Member Demeny asked for clarification on the practical difference between a signed agreement and a formal notification letter, noting both seemed to accomplish a similar purpose. Mr. Clark explained that the distinction depends on whether a recorded easement exists, the age of the utility, and other case-by-case factors, all of which must be assessed individually, often requiring a title search.

City Manager Ritchie Haynes and Assistant City Manager Clark both acknowledged that the City's GIS system and asset management efforts have significantly improved infrastructure mapping, but noted that legacy gaps remain—particularly from lines installed before modern documentation practices. The discussion touched on the value of institutional knowledge held by long-tenured employees approaching retirement.

Mr. Clark also noted that a more formalized encroachment agreement process for future situations—such as private irrigation systems installed within road rights-of-way—is under development and will be brought before Council at a future meeting.

**Motion to approve the Hold Harmless Agreement as presented was made by Council Member Mark Johnson. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## Request Authorization To Install Low-Flow Water Meters On All Unmetered Private Fire Lines

Assistant City Manager Scott Clark presented a request to authorize the installation of low-flow meters on all unmetered private fire lines within the City's service area. He explained that many older facilities have unmetered fire suppression lines, which creates two problems: the City cannot detect slow leaks or unauthorized taps on private property, and a catastrophic failure of a large fire line could significantly deplete the water system before it is detected.

Staff have identified approximately 20 to 30 such unmetered fire lines, some facilities having multiple lines. The proposed solution is to install a 1-inch low-flow meter in each pit, branched off the existing line and tied back in, at a cost of approximately $400–$500 per meter. The meters will not impede fire suppression flow but will detect low-volume usage such as leaks or unauthorized domestic connections.

Property owners would be set up with an account for the new meter and charged the standard fixed service rate of $16.55 per month inside city limits and $33.10 outside. The fixed charges are expected to recoup the cost of the meters within two to three years.

**Motion to authorize installation of low-flow water meters on all unmetered private fire lines was made by Council Member Kevin Demeny. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## Approval Of Resolution To Approve Street Name For New Public Services Facility

Assistant City Manager Scott Clark explained that Lincoln County's addressing ordinance requires a road name for the access drive at the new public services facility currently under construction at the former Excel building site on Sigmon Road, as there will be three or more addressable structures. Staff presented three available options for Council's consideration: Excel Drive, Excel Lane, or Old Excel Drive.

Council members expressed a preference for Old Excel Drive, recognizing the historical significance of the Excel name to Lincolnton's textile heritage.

> **Motion to approve the street name "Old Excel Drive" for the new public services facility access road was made by Council Member Kevin Demeny. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## Approval Of Contract Recommendation For Hollybrook Cemetery Lawn And Landscape Services

Public Services Director Nathan Eurey presented a recommendation to contract lawn and landscaping services at Hollybrook Cemetery to Bean Brothers Landscaping. The decision was motivated by the upcoming retirement of one full-time cemetery employee and the City's broader effort to identify cost efficiencies in anticipation of future budget constraints.

Mr. Eurey explained that he solicited proposals from multiple landscaping firms, including Metrolina Landscaping, Park View Lawn and Landscape, and Bean Brothers Landscaping. Bean Brothers submitted the most competitive proposal, covering 26 scheduled visits annually with biweekly mowing, trimming, hedging, and debris removal, as well as dormant-season bed maintenance during January, February, and March. The annual contract cost is $44,980, broken down to $3,748.33 per month.

City Manager Ritchie Haynes noted that additional funds has been allocated beyond the contract amount to allow for supplemental mowing during periods of heavy growth, particularly in spring and fall. He put the total cost of the prior staffing model—including salaries, benefits, and equipment—at close to $200,000 annually, making the contract a substantial long-term savings. The City will retain a caretaker position at the cemetery.

> **Motion to approve the contract with Bean Brothers Landscaping for Hollybrook Cemetery lawn and landscape services was made by Council Member Mark Johnson. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## Request Approval Of Rail Trail Stair Mural

Public Services Director Eurey presented a request for approval of a mural project at the stairway connecting East Main Street to the Rail Trail in the 200 block. The project originated from the Rail Trail Advisory Committee. Artist Kenzy Baxter was aksed to develop concepts, and the committee selected a rendering featuring

painted risers on the stairwell steps (not the treads), the north-facing wall at the Rail Trail entrance, and the interior walls of the tunnel. The design carries a one-year warranty and is expected to remain in good condition for five to seven years.

The project was approved by the Steering Committee and will be funded through a grant from the Lincoln Tourism Development Authority (LTDA) in the amount of $18,000, with no cost to the City.

**Motion to approve the contract with Kenzy Baxter for the Rail Trail stair mural was made by Council Member JillTipton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

## Approval Of Resolution Authorizing The Repeal Of The Existing Speed Limit And Requesting Concurrence From The NCDOT To Establish A 35 MPH Speed Zone On SR 1294 (Lithia Inn Road)

City Manager Haynes presented a resolution to reduce the speed limit on the City-maintained portion of Lithia Inn Road—from the bridge through Country Club to Victory Grove Church Road—from its current limit to 35 MPH, and to formally request that NCDOT reduce the speed limit on the state-maintained segment (from the bridge out to East Main Street) to match.

Mr. Haynes explained that the process began with a resident petition, which was subsequently reviewed by the City's Traffic Safety Committee. He noted that the road has seen increased traffic volume due to new condominium development, pedestrian activity from golfers crossing the road, and additional industrial traffic. Mr. Haynes stated that no residents in the area had expressed opposition and emphasized that the needs of residents living along the corridor should take precedence over the convenience of through traffic.

Council members discussed the layout of the road, noting that the narrow width between Country Club and Lithia Inn naturally encourages lower speeds. The state-maintained portion would require NCDOT to conduct its own traffic study using a formula-based process.

**Motion to approve the resolution repealing the existing speed limit and requesting NCDOT concurrence to establish a 35 MPH speed zone on SR 1294 (Lithia Inn Road) was made by Jill Tipton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

City Manager Haynes offered several updates and acknowledgments.

City Manager Ritchie Haynes highlighted the retirement of Danny Avery, whose 33 years of service were recognized on the consent agenda. He noted that Danny is part of a remarkable three-generation family legacy with the City: his father, Forrest "Shorty" Avery, served as a street supervisor, and Danny's son Jonathan currently works at the water treatment plant. Mr. Haynes also recognized Adam Sane and Will Sane for completing their Meter 1 certification through ElectriCities, and Kristy Morris for completing her administrative certification.

Mr. Haynes candidly addressed the City's looming financial challenges stemming from anticipated sales tax losses. He indicated that the City has two frozen Public Works positions and will not be able to sustain all current service levels going forward. Recycling, which costs approximately $45,000–$50,000 per year and has never generated a rebate since the program began around 2017–2018, was cited as one service that may not be sustainable alongside full public safety and solid waste operations.

Mr. Haynes also discussed the status of the City's pool, noting that the aging pump house has created significant parts-availability challenges. After consultation with a contractor and with Public Services Director Nathan Eurey, staff determined it was not financially viable to open the pool mid-season, as the primary revenue window between Memorial Day and July 4th had already passed and the costs of staffing—background checks, drug screenings, and lifeguard hiring—could not be recovered. Haynes indicated that staff would return to Council in October with options for the pool's future, including whether capital investment to replace the pump house can be justified given the anticipated budget environment.

Looking Ahead City Manager Ritchie Haynes reiterated that the City was fortunate to have an additional year to prepare, but that difficult decisions on capital expenditures and non-essential services lie ahead. He noted that anticipated revenue growth from incoming development—including Target, Lincoln Meadows, and continued build-out along Startown Road—offers some optimism over a three-to-five-year horizon.

In closing Mr. Haynes reminded Council and the public of upcoming Independence Day programming, including train rides and a movie-in-the-park screening of National Treasure on July 3rd, and the parade on July 4th at 11:00 AM, with line-up on Water Street beginning at the 5th Third parking lot on Cedar Street.

Mayor Ed Hatley opened the floor to question from the news media, after which he announced the need for the governing body to enter into closed session

> **Motion to enter into closed session was made by Council Member Roby Jetton. The motion carried unanimously. The Council entered into closed session.** ***In accordance with NCGS 143-318.11(a)(3)***

Upon returning to Open Session, meeting was adjourned. **Council Member Mark Johnson made a motion to adjourn. Members voted 4-0 in favor of the motion**

| | |
|---|---|
| **Daphne Ingram, City Clerk** | **Ed Hatley, Mayor** |

**LINCOLN COUNTY**
**TAX DEPARTMENT**

# REQUEST FOR RELEASES

**PERIOD COVERED**
**June 16, 2026 through July 15, 2026**

**CITY RELEASES LESS THAN $100**

| NAME | YEAR | DIST | A/C NO | AMOUNT | REASON |
|---|---|---|---|---|---|
| Lail, Crystal | 2026 | 22 | 0285842 | $30.17 | sold prior to 2026 |
| The Odd Duck | 2025 | 22 | 0292035 | $90.99 | closed prior to 2025 |

SUBMITTED BY:

_____ DATE: 7-21-26
SUSAN SAIN , TAX ADMINISTRATOR

APPROVED BY:

_____ DATE: _____
RICHARD HAYNES , CITY MANAGER

**LINCOLN COUNTY**
**TAX DEPARTMENT**

# REQUEST FOR RELEASES

**PERIOD COVERED**

**June 16, 2026 through July 15, 2026**

**CITY RELEASES $100 AND OVER**

| NAME | YEAR | DIST | A/C NO | AMOUNT | REASON |
|---|---|---|---|---|---|
| Dye, Morgan | 2025 | 22 | 0310400 | $172.09 | Catawba County |
| Ornelas, Heather | 2025 | 22 | 0310390 | $113.22 | incorrect fire district billed |

SUBMITTED BY:

_____ DATE: 7-21-26
SUSAN SAIN , TAX ADMINISTRATOR

APPROVED BY:

_____ DATE: _____
RICHARD HAYNES , CITY MANAGER

**CITY COUNCIL**

Ed L. Hatley, Mayor
Kevin Demeny, Mayor Pro-Tem
Mark Johnson
Jill Tipton
Roby Jetton

Lincolnton NC
Near the City. Near the Mountains. Near Perfect.

**CITY MANAGER**

Ritchie Haynes
rhaynes@lincolntonnc.org
**CITY CLERK**
Daphne Ingram
dingram@lincolntonnc.org
**CITY ATTORNEY**
John M. Friguglietti, Jr.

# Proclamation

## Designating August 2026 as "Back to School Month"

**WHEREAS,** the education of our youth is the foundation upon which the future of Lincolnton is built, and providing a safe, supportive, and enriching environment for learning is a shared responsibility of our entire community; and

**WHEREAS,** as the month of August marks the beginning of the 2026–2027 school year, thousands of students across Lincolnton will return to their classrooms to pursue academic growth, discover new passions, and prepare for their futures; and

**WHEREAS,** our local educators, administrators, support staff, and school bus drivers dedicate their time, energy, and expertise to ensure that every student has access to a high-quality education and a welcoming school environment; and

**WHEREAS,** parents, guardians, and families play a vital role as a child's first teachers and continue to offer indispensable support to our schools through volunteerism, mentorship, and active engagement; and

**WHEREAS,** Lincolnton recognizes that school safety is paramount, and calls upon all drivers to exercise increased caution, obey school zone speed limits, and remain vigilant around school buses and crosswalks as our students travel to and from school; and

**WHEREAS,** the City council encourages residents, businesses, and civic organizations to support our students and schools by participating in supply drives, volunteering, and fostering an environment where education is celebrated and prioritized;

**NOW, THEREFORE, BE IT RESOLVED,** that I, Ed Hatley, Mayor of the City of Lincolnton, along with the members of the City Council, do hereby proclaim August 2026 as:

**"BACK TO SCHOOL MONTH"**

in the City of Lincolnton and urge all citizens to join in celebrating our students, supporting our educators, and committing to a safe and successful school year ahead.

**IN WITNESS WHEREOF,** I have hereunto set my hand and caused the Seal of the City of Lincolnton to be affixed this 6th day of August, 2026.

_____
Ed Hatley, Mayor
Lincolnton City Council

Attest:

_____
Daphne Ingram, City Clerk

**CITY COUNCIL**

Ed L. Hatley, Mayor
Kevin Demeny, Mayor Pro-Tem
Mark Johnson
Jill Tipton
Roby Jetton

Lincolnton NC
Near the City. Near the Mountains. Near Perfect.

**CITY MANAGER**

Ritchie Haynes
rhaynes@lincolntonnc.org
**CITY CLERK**
Daphne Ingram
dingram@lincolntonnc.org
**CITY ATTORNEY**
John M. Friguglietti, Jr.

# Proclamation

## Military Purple Heart Day

**WHEREAS,** the City of Lincolnton recognized Purple Heart Day as it is observed on August 7th of each year; and

**WHEREAS,** the Purple Heart medal is the oldest decoration in present use and was initially created as the Badge of Military Merit by General George Washington in 1782; and

**WHEREAS,** the mission of the Military Order of the Purple Heart is to foster an environment of goodwill among the combat-wounded veteran members and their families, promote patriotism, support legislative initiatives, and most importantly, make sure we never forget; and

**WHEREAS,** the heritage it represents is sacred to those who know the price paid to wear the Purple Heart; and

**WHEREAS**, it is a time for Americans to pause, remember, and honor the brave men and women who were either wounded on the battlefield or paid the ultimate sacrifice with their lives; and

**WHEREAS,** this recognition is a small gesture of appreciation for those men and women in the Armed Forces.

**NOW, THEREFORE BE IT RESOLVED**, THAT THE CITY COUNCIL OF THE CITY OF LINCOLNTON HEREBY PROCLAIMS THE RECOGNITION OF **"PURPLE HEART DAY 2026".**

**IN WITNESS HEREOF**, I hereunto set my hand and cause to be affixed the Seal of the City of Lincolnton this 6th day of August, 2026

_____
Ed Hatley, Mayor
Lincolnton City Council

Attest:

_____
Daphne Ingram, City Clerk

**MEMO TO:** Planning Board

**FROM:** Planning Staff

**SUBJECT:** Consideration of adopting an ordinance imposing a one-year moratorium on the acceptance, processing, and approval of applications for data centers, data processing facilities, cryptocurrency mining operations, and other uses associated with data processing facilities within the City of Lincolnton, North Carolina, pursuant to NC General Statute 160D-107.

**DATE:** July 21, 2026

## Background

This ordinance proposes a temporary moratorium, in accordance with N.C.G.S. 160D-107, on the approval of development applications for data centers, data processing facilities, cryptocurrency mining operations, and other related uses within the City of Lincolnton.

These types of facilities have distinct operational and physical characteristics that set them apart from traditional commercial or industrial developments. Data centers and similar facilities typically require substantial electrical capacity, advanced cooling systems, and significant security measures. Cryptocurrency mining operations involve continuous, high-intensity computing activities that lead to high energy consumption and, at times, persistent noise impacts.

Temporary moratoriums halting development approvals for data centers and similar uses have been enacted by several local governments across North Carolina. Reports indicate that additional local governments throughout the state are also assessing the need for a moratorium.

| County | Moratorium Period | Population |
|---|---|---|
| Rowan | 1 year | 148000 |
| Orange | 1 year (April 2026) | 148696 |
| Chatham | 1 year (February 2026) | 86390 |
| Cumberland | 6 months (expires 12/15/26) | 335000 |
| Harnett | 12 months (May 2026) | 14000 |
| Pasquotank | 12 months (May 2026) | 40000 |
| Northampton | 32 months (expires Jan 2029) | 17000 |
| Gates | 12 months (December 2025) | 10000 |
| Swain | 12 months | 14000 |
| Chester | 6 months | 33000 |
| | | |
| **Town** | **Moratorium Period** | **Population** |
| Hillsborough | 2 months | >10,000 |
| Durham | 12 months (May 2026) | 310342 |
| Apex | 12 months (April 2026) | 85721 |
| Charlotte | 150 days | 964784 |
| Elizabeth City | 12 months (May 2026) | 19778 |
| Kings Mountain* | 182 days (February 2026) | 12279 |
| Holly Springs | Up to 12 months | 52000 |
| Boone | 12 months | 20000 |
| Wendell | Through 12/31/ 2026 | 19600 |
| Woodfin | 12 months (May 2026) | 8200 |
| Canton | 12 months (February 2026) | 4400 |
| | | |
| *considering extending moratorium period | | |

Currently, the City's Unified Development Ordinance (UDO) does not specifically define or address data centers, data processing facilities, or cryptocurrency mining operations. It also lacks established use classifications, development standards, and review criteria tailored to these types of facilities. This regulatory gap creates uncertainty for both applicants and the City of Lincolnton, limiting the City's ability to effectively site, design, and review such facilities.

Without clearly defined standards, there is a risk that facilities with substantial infrastructure demands and external impacts may be developed in areas that are unsuitable or lack appropriate mitigation measures.

While data centers and related facilities can contribute to economic development and tax revenue, they may also generate various land use and infrastructure impacts, including but not limited to:

- High energy demand, potentially straining local electrical infrastructure and necessitating substantial utility upgrades
- Significant water usage for cooling systems, depending on facility design
- Noise impacts from cooling equipment, backup generators, and continuous operations
- Visual impacts related to large building footprints, security fencing, and mechanical equipment
- Limited employment density relative to building size and land consumption

Considering these factors, it is crucial for the City of Lincolnton to proactively evaluate how these uses should be defined, where they should be permitted, and what performance standards or mitigation measures should be implemented. A temporary moratorium on accepting and processing new development applications for such facilities is a reasonable and necessary step, allowing City staff and the Planning Department sufficient time to study these issues, engage with stakeholders, draft appropriate amendments to the Unified Development Ordinance, and adopt the needed changes.

**Planning Board Vote:**

3-2 in favor of recommending approval of the Moratorium

**Planning Board Recommendation:**

Approve the Moratorium

**Motions:**

Motion to approve

Or

Motion to deny

**ORDINANCE OF THE CITY OF LINCOLNTON CITY COUNCIL INSTITUTING A TEMPORARY MORATORIUM ON THE PERMITTING OF DATA CENTERS, DATA PROCESSING FACILITIES, CRYPTOCURRENCY MINING OPERATIONS AND ANY USE ASSOCIATED WITH DATA PROCESSING FACILITIES WITHIN THE CITY OF LINCOLNTON, NORTH CAROLINA PURSUANT TO NORTH CAROLINA GENERAL STATUTE §160D-107**

**WHEREAS,** the City of Lincolnton City Council (the "Council") is responsible for promoting the health, safety, and general welfare of the residents; and

**WHEREAS,** North Carolina General Statute § 160D-107 authorizes local governments to adopt temporary moratoria on development approvals under certain conditions; and

**WHEREAS**, the Planning Department has observed a recent increase in inquiries and potential applications for high-impact facilities, specifically data centers; and

**WHEREAS**, data centers, data processing facilities, cryptocurrency mining operations, and other uses associated with data processing facilities present unique challenges and potential impacts not adequately addressed by the current zoning and development regulations, including but not limited to:

• Extremely high energy consumption and strain on existing utility infrastructure;
• Significant noise generation from cooling systems and backup generators, affecting adjacent residential areas and general quality of life;
• Substantial water usage for cooling purposes;
• Potential environmental impacts, including hazardous material storage and electronic waste disposal; and
• Land use compatibility concerns; and

**WHEREAS,** the existing regulations were not developed with these specific types of high-impact uses in mind, and Lincolnton needs time to develop appropriate, comprehensive standards to ensure that any future development of such facilities is consistent with the long-term land use plan and protects the public interest; and

**WHEREAS**, the Planning Department has considered alternative courses of action, such as relying on existing general use permits or zoning amendments, but determined these were inadequate because they lack the specific performance standards (e.g., noise limits, utility capacity requirements, setbacks) needed to mitigate the unique impacts of these facilities effectively; and

**WHEREAS,** a temporary moratorium on accepting and processing new applications for such facilities is a reasonable and necessary measure to allow City staff sufficient time to study the issues, engage with stakeholders, and draft appropriate amendments to the zoning and development regulations;

**NOW, THEREFORE, BE IT ORDAINED** by the City of Lincolnton City Council:

**Section 1. Moratorium Imposed**

A temporary moratorium is hereby imposed for a period of one (1) year from the effective date of this Ordinance. During this period, the City shall not accept, process, or approve any applications for the following development approvals:

- Conditional Zonings
- Zoning Map Amendments
- Any other development approval required by law

for the establishment, construction, or erection of data centers, data processing facilities, cryptocurrency mining operations, and other uses associated with data processing facilities.

**Section 2. Scope and Exemptions**

This moratorium shall apply to all incorporated and extraterritorial jurisdictional areas of the City of Lincolnton.

**Section 3. Plan of Action and Schedule**

During the effective period of this moratorium, the City of Lincolnton City Council and City Staff shall take the following actions:

- **Month 1-4**: Study the potential impacts (energy, water, noise, land use) of data centers and cryptocurrency mining facilities, in consultation with local utility providers and the UNC School of Government.
- **Month 4-6**: Draft specific land use ordinance amendments and performance standards to regulate these facilities, including appropriate zoning districts, setback requirements, noise limitations, and utility capacity conditions.
- **Month 6-10**: Hold public workshops and Planning Board meetings to review the draft amendments and gather public input.
- **Month 10-12**: The Planning Board will provide a recommendation to the City Council. The City Council will hold the necessary public hearings to consider and potentially adopt the final ordinance amendments.

**Section 4. Duration and Termination**

This Ordinance shall be in full force and effect from August 6, 2026, until August 5, 2027, unless earlier terminated, extended, or modified by the City Council in accordance with North Carolina law. The stated duration is reasonably necessary to address the identified problems. A twelve-month duration is necessary to complete the multi-phase study, drafting, public engagement, and adoption schedule outlined in Section 3.

**Section 5. Severability**

If any section or part of this ordinance is declared invalid or unconstitutional by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining sections or parts.

Adopted this the _____ day of _____, 20_____.

_____
Ed Hatley, Mayor
Lincolnton City Council

Attest:

_____
Daphne Ingram, City Clerk

**MEMO TO:** City Council

**FROM:** Planning Staff

**SUBJECT:** Consideration of a Resolution to Relinquish Extraterritorial Jurisdiction (ETJ): ZMA-1-2026 and ZTA-2-2026

**DATE:** August 6, 2026

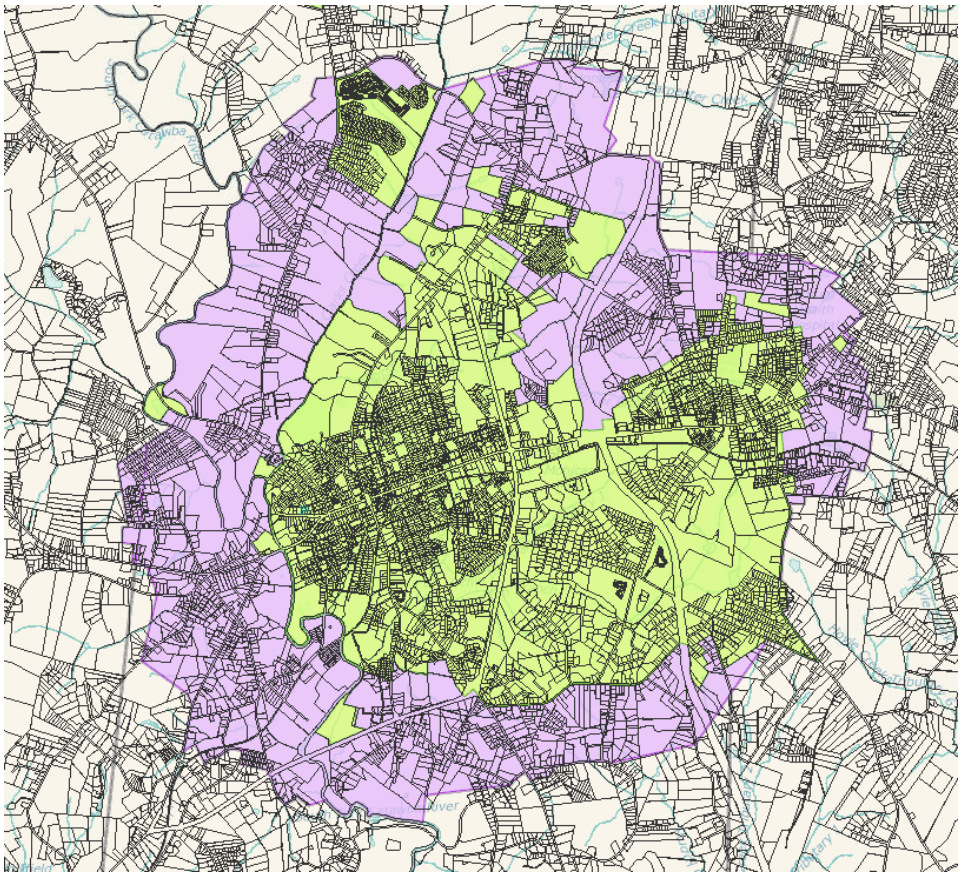
## Background

Established in 1990 alongside the city's zoning ordinance, the Extraterritorial Jurisdiction (ETJ) encompasses a 1-mile county land boundary surrounding the city limits and is managed under city zoning regulations. The original intent in adopting the ETJ was to guide future expansion and avoid conflicting land uses, particularly because the county lacked its own Unified Development Ordinance at the time. Consequently, the City of Lincolnton has overseen all zoning permits, enforcement actions, subdivision plats, and rezoning requests within this zone since that time.

Currently, ETJ administration faces challenges of "regulation without representation," as affected residents cannot vote for City Council members, even though the council makes development decisions in their area. ETJ residents are represented solely by a single member on the Planning Board.

### ZMA-1-2026

Staff is requesting that City Council approve the Resolution to Relinquish the ETJ to Lincoln County. The map below shows the City Limits in green and the ETJ in purple. The purple area would no longer be part of the City's planning jurisdiction.



**CITY COUNCIL**

Ed L. Hatley, Mayor
Kevin Demeny, Mayor Pro-Tem
Mark Johnson
Jill Tipton
Roby Jetton

Lincolnton NC
Near the City. Near the Mountains. Near Perfect.

**CITY MANAGER**

Ritchie Haynes
rhaynes@lincolntonnc.org
**CITY CLERK**
Daphne Ingram
dingram@lincolntonnc.org
**CITY ATTORNEY**
John Friguglietti, Jr.

## RESOLUTION RELINQUISHING THE EXTRATERRITORIAL JURISDICTION

**WHEREAS,** the City of Lincolnton currently exercises Extraterritorial Jurisdiction (ETJ) over certain unincorporated areas adjacent to its corporate limits, pursuant to N.C. Gen. Stat. § 160D-202; and

**WHEREAS,** the Lincolnton City Council conducted a public hearing on August 6, 2026, for consideration of relinquishing the Extraterritorial Jurisdiction (ETJ): ZMA-1-2026 and ZTA-2-2026; and

**WHEREAS,** the request was for a zoning map amendment to remove City of Lincolnton zoning from approximately 6,035 +/- acres of property within the Extraterritorial Jurisdiction located in Lincoln County; and

**WHEREAS,** development authority of the Extraterritorial Jurisdiction area shall be relinquished to Lincoln County effective October 5, 2026, or the date Lincoln County officially adopts and applies its own development regulations to the area, whichever is earlier; and

**WHEREAS**, the City of Lincolnton City Council has determined that it is in the best interest of the public to transition zoning and development regulatory authority of the ETJ back to Lincoln County; and

**WHEREAS,** the City Council has approved the request for rezoning and found it to be consistent, reasonable, and in the public interest; and

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Lincolnton that:

1. **Complete Relinquishment:** The City of Lincolnton hereby relinquishes its entire extraterritorial planning and development regulation jurisdiction within Lincoln County, including all unincorporated lands and parcels currently located outside the corporate limits but subject to the City's municipal Unified Development Ordinance (UDO).

2. **Boundary Definition:** The area being relinquished comprises the entire City of Lincolnton ETJ boundary, as officially maintained by the City Clerk, recorded in the Lincoln County Register of Deeds, and shown on the official municipal zoning map.

3. **Effective Date and Statutory Transition:** In strict compliance with N.C. Gen. Stat. § 160D-202(h), the development regulations and enforcement powers of the City of Lincolnton shall remain active and fully enforceable within the relinquished area until the earlier of:
    - (a) The date Lincoln County officially adopts and applies its own development regulations to the area, or
    - (b) A period of sixty (60) days has elapsed from the date of the adoption of this resolution.

4. **Official Map Amendment:** Upon the effective date of transfer, the official zoning map will be amended to remove all extraterritorial jurisdiction designation boundaries of the City of Lincolnton.

**Adopted this the 6th day of August, 2026:**

**LINCOLNTON MAYOR**

_____
Ed Hatley, Mayor

ATTEST: (SEAL)

_____
Daphne Ingram, City Clerk

**Staff's Proposed Statement of Consistency and Reasonableness for APPROVAL of Application**

**Case No. ZMA-1-2026**
**Applicant: City Staff**
**Parcel ID#: All parcels located within the ETJ**
**Request: Remove the ETJ from the City's planning jurisdiction**

The proposed rezoning would remove the Extraterritorial Jurisdiction from the planning jurisdiction. This request is **consistent, reasonable, and in the public interest with the adopted Land Use Plan.**

1. Returning this area to Lincoln County aligns with the city's long-range growth strategy. It recognizes that the area logically falls under the county's unified development policies for rural/suburban transition zones.
2. Property owners and neighbors will benefit from a single set of county regulations, simplifying the permitting process.
3. Streamlining jurisdiction removes redundant regulatory boundaries, protecting public health, safety, and welfare.

**Planning Board Vote:**

Planning Board unanimously in favor of recommending approval

**Planning Board recommends a motion to approve the following:**

- Resolution Relinquishing the Extraterritorial Jurisdiction
- Zoning Map Amendment
- Statement of Consistency and Reasonableness for Approval
- Amending the Future Land Use Map Amendment and Land Use Plan to remove the ETJ

**Motions:**

Motion to approve with Planning Board recommendations (1 motion)

Or

Motion to deny (a motion to deny for each item listed above)

**ZTA-2-2026 - Zoning Text Amendments to Chapter 32 Planning Board and Chapter 153 Unified Development Ordinance**

**The following ordinance sections have references to the Extraterritorial Jurisdiction, and the wording just needs to be removed:**

152.060 Lands to Which this Chapter Applies
153.160 General Intent
153.387 Information to be Contained or Depicted on Preliminary and Final Plats
153.121 WSW
153.031 Definitions (also includes Bona Fide Farms)
153.015 Jurisdiction

**The following section needs to be deleted:**
153.076 Bona Fide Farms in the ETJ
153.395 Street Standards (A)(2)

**This section has one line that needs to be deleted:**
153.143 Nonconforming Signs
153.396 Water and Sewer Systems (A)(2)

**These sections refer to having an ETJ representative on the Planning Board:**
32.020 Membership and Vacancies; Attendance
153.275 Powers, Duties and Procedures

Staff proposes to keep a seven (7) member Planning Board and to replace the ETJ member with a Lincolnton Citizen. The wording should reflect that.

Livestock is not permitted within the City Limits. Therefore, we propose the following:

**Edit the following sections:**

153.031 Definitions

- Replace:
  AGRICULTURE USES. The commercial production, keeping or maintenance, of plants and animals useful to man, including but not limited to: forages and sod crops; grains and seed crops; dairy animals and dairy products; poultry and poultry products; livestock, including beef cattle, sheep, swine, horses, ponies, mules, goats or any mutations or hybrids thereof, including the breeding and grazing of any or all or the animals; bees and apiary products; fur animals; trees and forest products; fruits of all kinds, including nuts and vegetables; nursery,

floral and ornamental products; or lands devoted to a soil conservation or forestry management program.

- New:
  LIMITED AGRICULTURAL USES. Defined as an accessory use for small-scale production, keeping, or maintenance of plants and poultry and poultry products; bees and apiary products; trees and forest products; fruits of all kinds, including nuts and vegetables; nursery, floral, and ornamental products. Also reference § 90.02 FOWL AT LARGE.

153.105 R-25 Rural Residential District

- Replace: (A)(4) Agriculture Uses
- New: (A)(4) Limited Agricultural Uses

153.057 Accessory Structures

- Replace: (F) Accessory structures of a bona fide farm are exempt from the North Carolina State Building Code in accordance with G.S § 160D-903.
- New: (F) Permitted Limited Agricultural Uses are allowed one on-site farm stand not to exceed 6’x6’ as long as it maintains a distance of 10’ from the edge of the street right-of-way and all property lines.
    - All other accessory structures must meet the requirements of divisions (A) - (B) above.

# Zoning Amendment
# Staff's Proposed Statement of Consistency for
# APPROVAL of Application

**Case No**. ZTA-2-2026

**Applicant**: City of Lincolnton Planning Department

**Request:** ZTA-2-2026 - Zoning Text Amendments to Chapter 153 Unified Development Ordinance

Proposed Consistency and Reasonableness Statement:

The proposed amendment align**s** with the adopted Lincolnton Land Use Plan. It updates the regulations to reflect current procedures and best practices, addressing the City's present needs. The amendment does not conflict with the goals and objectives of the Plan, and its approval serves the public's best interest.

**Planning Board Vote:**

Planning Board unanimously in favor of recommending approval

**Planning Board recommends  a motion to approve the following:**

- Zoning Text Amendment
- Statement of Consistency for Approval

**Motions:**

Motion to approve with Planning Board Recommendations

Or

Motion to deny (a motion to deny for each item listed above)

MEMO TO: Mayor and City Council Members

FROM: Planning Staff

DATE: August 6, 2026

RE: Targeted Incentive Program(TIP-1-2026)

Application for a Targeted Incentive Program for building renovations for a new restaurant space and juice bar at 121 E. Main Street

**Project Information**

Location: 121 E. Main Street



Use: Building renovations for a restaurant space and juice bar to include the following:

- Demo the back room  for installation of a full kitchen to include a hood system and grease trap
- New plumbing and sinks to accommodate a commercial kitchen
- Update electrical and lighting
- Adding walls
- HVAC system
- Installing cabinets and countertops

**Construction Plan**

A proposed floor plan has been provided. It contains very detailed information regarding the build-out of the kitchen and the herbal/juice bar. The enclosed space at the back of the building is where the commercial kitchen system is to be installed. The herbal/juice bar will be constructed in the main space of the floor. The rest of the space is reserved for dining and lounging furniture. The build-out time frame is estimated to take six months. For more information, the contractor, Gary Boder, is available, as his number is listed in the quote.

Total project cost estimate: Approximately $175,544

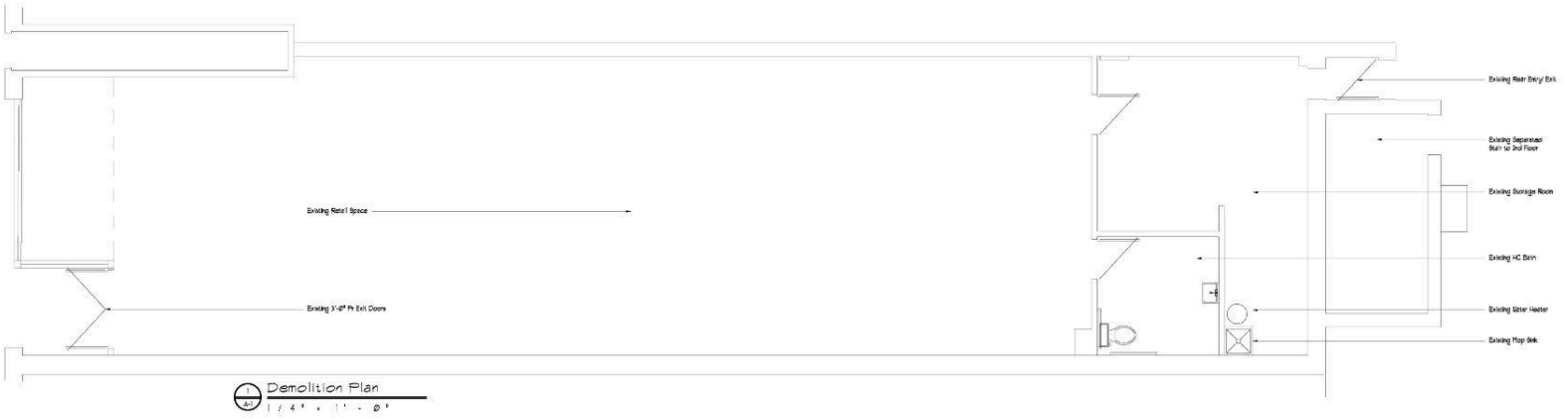
Anticipated completion: six months

**Request**

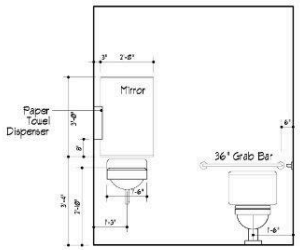
$ 50,000.00 for building renovations

CRAIG W ISAAC
ARCHITECTURE
Studio Lane
900 Linda Lane
Charlotte NC 28211
Architecture
Interior Design
Product Design
704 358 1365

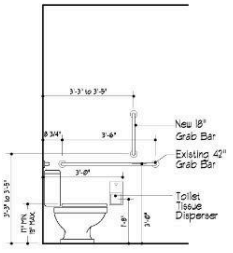


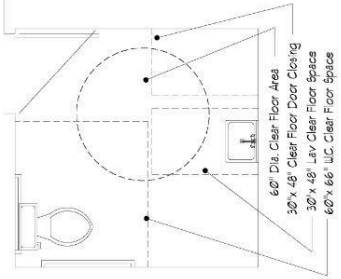

1 A-1 Demolition Plan
1/4" = 1'-0"




3 A-1 Typ Vanity Elevation
1/2" = 1'-0"

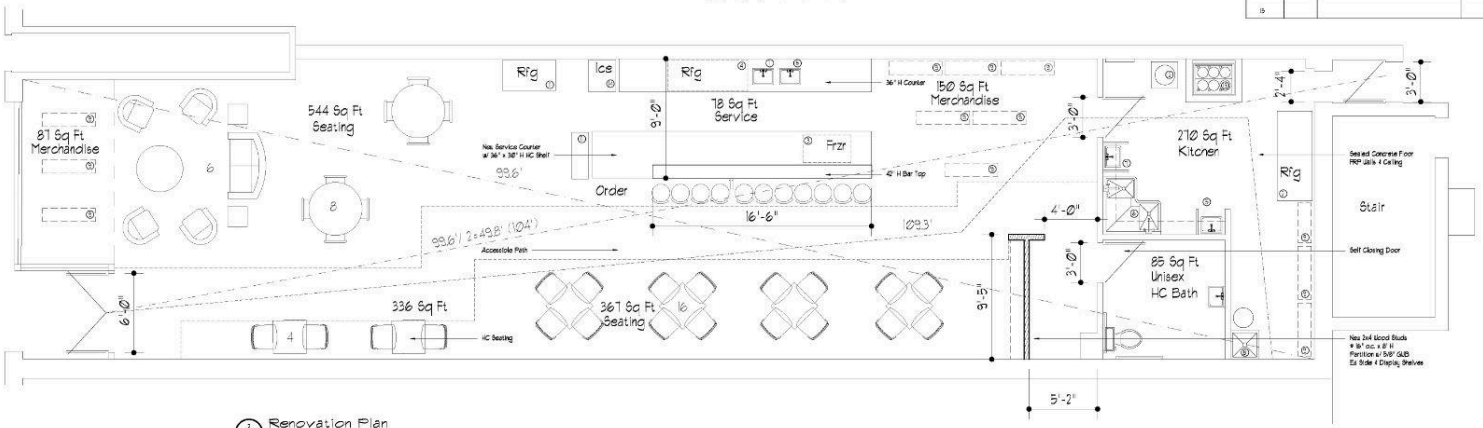



4 A-1 Toilet Stall
1/2" = 1'-0"




5 A-1 Toilet Plan
1/2" = 1'-0"

| EQUIPMENT SCHEDULE | | | | |
|---|---|---|---|---|
| ITEM # | QTY. | DESCRIPTION | MFR. | MODEL NO. |
| 1 | | | | |
| 2 | 1 | REACH-IN BEER COOLER | TRUE | TD-1B-1B |
| 3 | 1 | UNDERCOUNTER REFRIGER. | PEARCOLD | UC48-UCR |
| 4 | 1 | 3 DOOR UNDERCOUNTER COOLER | MACCOOL | KR35-3 |
| 5 | 2 | PREP SINK | SERV-WARE | DIS-1C-2124-CUP |
| 6 | 1 | 3-COMP SINK | SERV-WARE | ESCUPS60-3-C |
| 7 | 2 | HAND SINK | SERV-WARE | HS10-CUP |
| 8 | 1 | MOP SINK | | |
| 9 | 3 | LINE SHELVING UNIT | Standard | |
| 10 | 1 | 3 DOOR DISPLAY COOLER | PEARCOLD | R-MT27RD-S |
| 11 | 1 | BAKERY DISPLAY CASE | PEARCOLD | MT36CD3 |
| 12 | 1 | RICE COOKER | GALAXY | ITRU55B |
| 13 | 1 | GAS RANGE | US Range | USR-4R |
| 14 | 1 | LARGE ICE MACHINE | ATOSA | YR680-AP-161 |
| 15 | | | | |




2 A-1 Renovation Plan
1/4" = 1'-0"

LEGEND
- Existing Material
- Existing Material to Remain Separate Space
- Material to be Removed
- New Material
- Fire Rated Wall

All New Doors to Comply w/ ANSI A117.1 NCBC 2009.
1 3/8" Solid Core Wood, 3'-0" x 8'-0" w/ Lever Hardware (Match Exist'g)

All New Wall & Ceiling Finishes to Comply w/ NCBC Table 803.5

This Project to be Compliant w/ ANSI 117.1 2009 & Chapter 11 NC State Building Code For Accessibility

Sunshine Kitchen Upfit

121 East Main Street

Lincolnton NC

July 1, 2025
February 25, 2026

A-1

**Introduction**

Welcome to Sunshine Kitchen. We are a multifaceted, health-conscious business with a mission to elevate your health. The focus is to cultivate nourishment for our community with healthy meals on the go, nutrient-dense snacks, vibrant juices, muscle-building smoothies, and herbal mocktails crafted from pure, intentional botanical ingredients. We believe in food rooted in well-being- no refined sugars, no artificial ingredients, no harmful seed oils; just real nature-based nourishment. While we offer nourishment on the go to fit your busy lifestyle, we also offer a space for you to make yourself at home. Our space is a cozy, earthy haven filled with plants where people can gather, relax, create, work, or reconnect with themselves and their loved ones. We exist to inspire healthier lifestyles while honoring the beauty of nature, connection, and well-being.

We offer a monthly/weekly meal prep menu that includes breakfast, lunch, and dinner options. Preorders are placed every Friday to ensure that enough meals are made and ready for pickup every Monday. Extra meals will be available for purchase from within the store throughout the week, along with healthy beverages up for grabs for those on the go. For those who will spend time in our cozy space, a drink menu and a small bite menu are available at the bar. Beverage options include plenty of delicious herbal mocktails, fresh juices, real fruit slushies, and clean smoothies; all crafted with your health in mind. The small bite menu includes a selection of baked goods, oatmeal energy balls, mini charcuterie, fruits/veggie platter with a variety of dips, assorted avocado sourdough toasts, etc; all crafted to fuel your body with proper nutrients.

Regarding the hours of operation, we are open to the public Monday through Saturday from 11 AM to 8 PM with at least 50 seats available. Changes may occur as we continue growing and adapting to customer demand. Sundays will be reserved for cooking the pre-ordered meals.

Thank you for your time in getting to know who we are and what we are all about. We look forward to serving you in the near future.













To Whom It May Concern,

The proposed build-out of the commercial kitchen and herbal/juice bar located at 121 E. Main Street already includes and will include several features intended to improve energy efficiency and weatherization within the building.

Regarding the lighting system, all new wiring and energy-efficient LED bulbs, including motion detection lighting, have already been installed throughout the building to reduce electrical consumption and improve operational efficiency.

The project will also improve the building structure through weatherization measures, including sealing and weatherproofing exterior doors to reduce air leakage and improve temperature control within the building. These improvements are expected to reduce unnecessary heating and cooling loss and contribute to lower overall energy usage.

The build-out will utilize an energy-conscious commercial kitchen system, including a gas stove and gas water heater, selected for reliability and operational efficiency appropriate for a commercial food service environment while considering the building's existing electrical service capacity. Additional consideration will be given to efficient ventilation for the hood, refrigeration, and kitchen equipment during the construction process. All new equipment purchases will prioritize energy-efficient commercial appliances and fixtures whenever feasible and financially practical. Regarding HVAC, it has already been updated to a more efficient HVAC unit.

Overall, the proposed plan is being designed and constructed with energy efficiency and weatherization in mind. The plan is to create a modern commercial kitchen and storefront that incorporates energy-conscious lighting, weatherproofing measures, and efficient equipment selections intended to reduce long-term energy consumption and improve building performance.

Sincerely,

Patricia Neal

Owner of Sunshine Kitchen

**MEMO TO:** **Mayor and City Council Members**

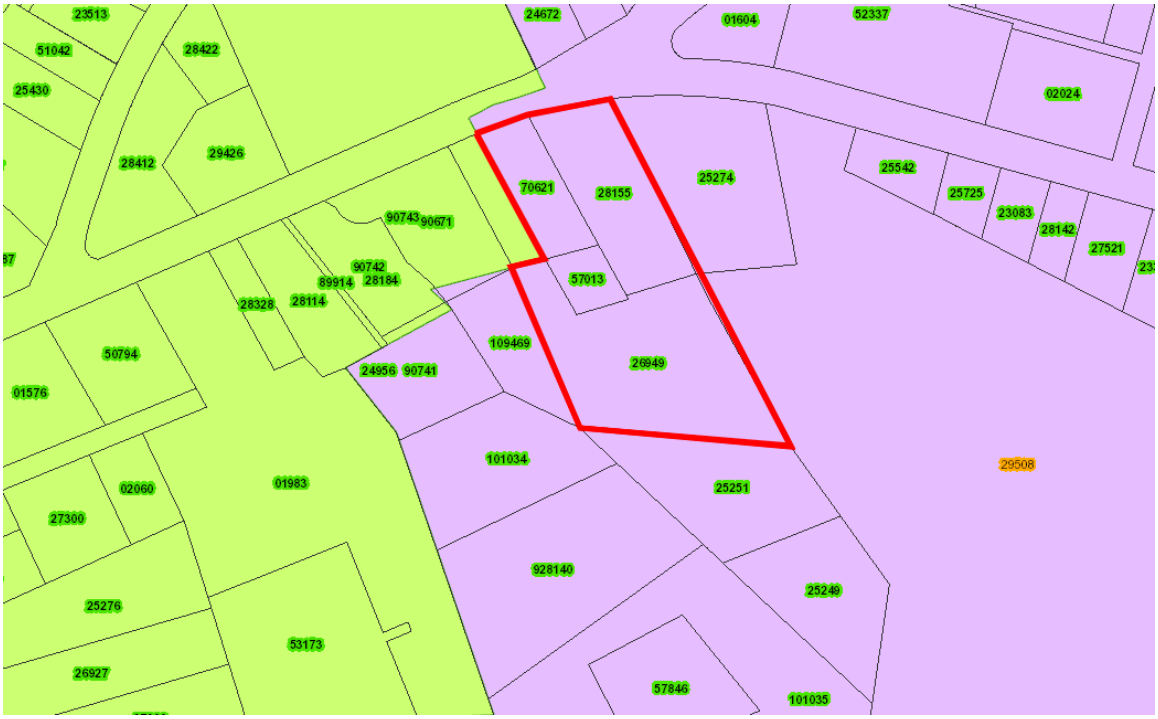
**FROM:** **Planning Department**

**SUBJECT:** **ANX-1-2026 - Petition from Five Fingers LLP for Contiguous Annexation concerning property located on East Main Street (Parcel IDs 70621, 57013, 28155, and 26949).**

**DATE:** **August 6, 2026**

## BACKGROUND

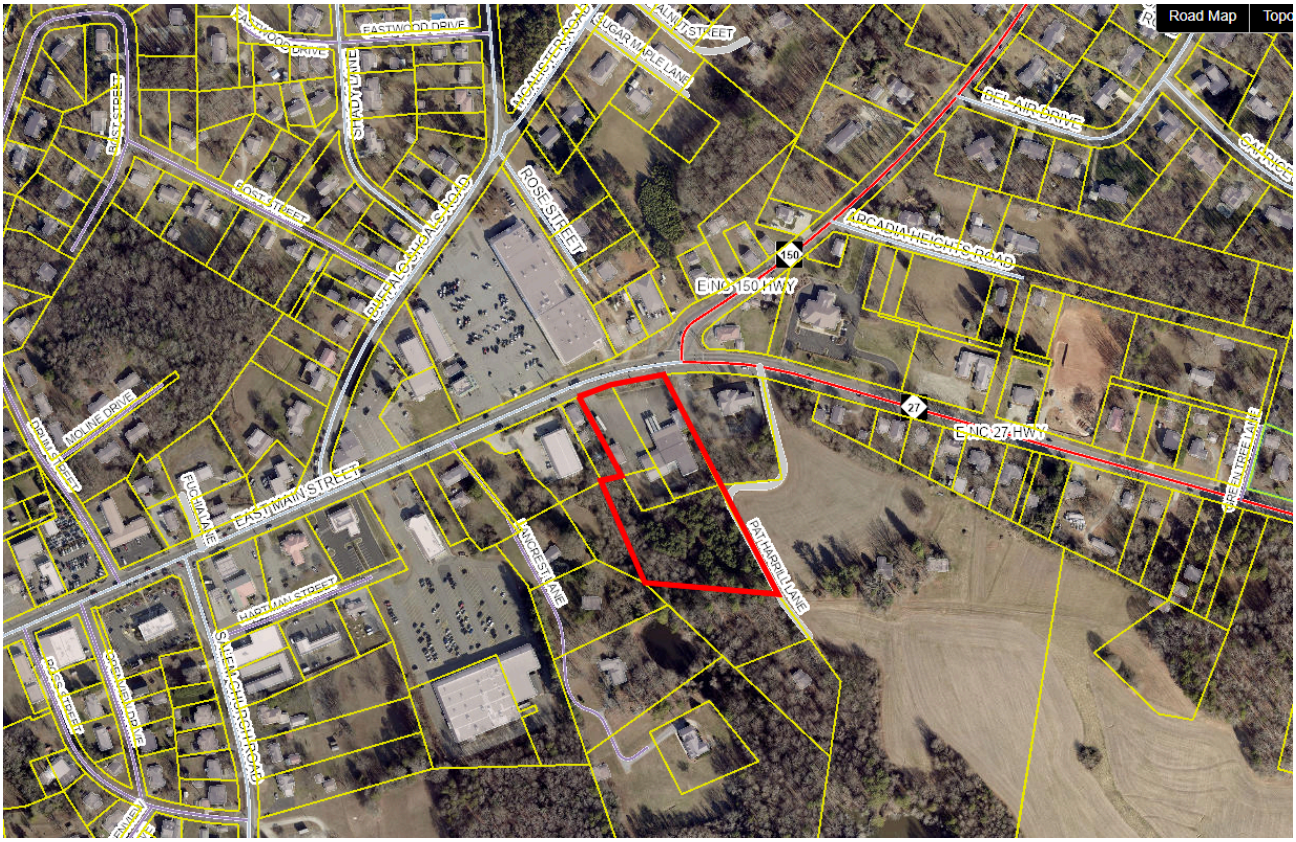
Five Fingers LLP is seeking a contiguous annexation for approximately 5.589 acres of land situated on East Main Street, identified as Parcel IDs 70621, 57013, 28155, and 26949. This property is directly adjacent to the existing city limits, as illustrated on the map below.




City limits in green
ETJ in purple



**Street view**




**Aerial showing location**

**Staff Evaluation & Statutory Findings**

- **Contiguity:** The subject property directly abuts the existing municipal corporate boundary along its eastern property line, satisfying the contiguous requirement.
- **Sufficiency of Petition:** The City Clerk examined the petition and certified that it is signed by 100% of the resident property owners within the area requested for annexation.
- **Zoning & Land Use:** The property lies within the city's Extra-Territorial Jurisdiction (ETJ) and is consistent with the adopted Comprehensive Land Use Plan designation for commercial transition.
- **Reason for Request:** The applicant seeks annexation to connect to municipal water and sanitary sewer infrastructure.

**Municipal Services Plan**

- **Police Protection:** The City Police Department will extend regular patrol and emergency response services upon the effective date.
- **Fire Protection:** The City Fire Department will provide fire suppression and rescue services; the site is calculated to be within acceptable response time zones.
- **Solid Waste Collection:** The City does not provide solid waste services to businesses outside of the Central Business District. A private solid waste provider would be required.
- **Water and Sewer:** City water and wastewater mains are located adjacent to the site in East Main Street. Extension of service lines will be completed at the developer's sole expense in accordance with utility specifications.
- **Streets and Maintenance:** Maintenance of frontage public streets will be assumed by the North Carolina Department of Transportation. Sidewalks would be maintained by the City of Lincolnton.

**Voting District**

If annexed, the property will be added to Ward I. However, the property is presently zoned General Business and will be developed for a commercial use.

**Projected Costs To The City With Annexation**

If the City annexes the property as requested, the City's cost should be minimal for the following reasons:

- the site is adjacent to city limits, so the additional cost to the city for provision of police and fire protection should be minimal,
- the developer will be responsible for the costs of extending city water and sewer to the site,
- the City will not be providing trash pickup.

**Conclusions**

Based on the information we have gathered, costs to the City should be minimal if this property is annexed. When fully developed, anticipated property tax revenues will be significantly more than the existing value of the primarily vacant property.

**Staff Recommendation**

Staff recommends that the City Council adopt the Ordinance to Extend Corporate Limits of The City of Lincolnton at the conclusion of the scheduled public hearing, with the effective date set as August 6, 2026.

**Motions**

Motion to approve the Ordinance to Extend Corporate Limits of The City of Lincolnton

Or

Motion to deny

**ORDINANCE NO. _____**

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF LINCOLNTON**

**WHEREAS**, the City Council has received a petition signed by all-100% of the owners of record of the real property area described below, requesting annexation pursuant to NCGS § 160A-31; and

**WHEREAS**, the City Clerk has certified the sufficiency of said petition; and

**WHEREAS**, a public hearing was held after due published notice on the 6th day of August, 2026;

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Lincolnton:

**Section 1.** The following described territory is hereby annexed and added to the corporate limits of the City of Lincolnton:

*EXISTING LEGAL DESCRIPTION:*

*Parcel 28155: TRACT I: Situate, lying and being on the South side of State Highway Nos. 27 and 150, about three (3) miles East of the City of Lincolnton, being bounded on the North by said Highway; on the East by Harrill lands; on the South by the lands of K. B. Finger; and on the West by the lands of Jerry Hartman, and being more fully described, by metes and bounds, in accordance with an actual survey as made by Hoke S. Heavner, Registered Surveyor, dated October 19, 1970, as follows: BEGINNING at a point in the center of State Highway Nos. 27 and 150, 6 corner with Harrill lands, and runs South 28 deg. East 285 feet to a stake in K. B. Finger's line; thence, with Finger's line, South 76 deg. West 155.5 feet to a stake, a corner with Jerry Hartmon lands; thence, with the Hartman line, North 29 deg. 30 min. West 285 feet to a point in the center of State Highway Nos. 27 and 150; thence, following the center of said Highway North 72 deg. East 160 feet to the point of BEGINNING. TRACT 2: BEGINNING at an old iron stake, southeast corner of other property of Thomas L. Finger and wife, and runs thence with the west edge of a driveway S 16-36-10 E 143.44 feet to an iron stake, new corner; thence two new lines with other property of Kenneth B. Finger, S 76-42-30 W 133.37*

*feet to an iron stake and N 25-10 W 145 feet to an old iron stake; thence with other property of Thomas L. Finger and wife, N 76-13-30 E 154.93 feet to the BEGINNING, containing 0.47 of an ACRE, more or less, and being carved out of the homeplace lands of Kenneth B. Finger and wife, Helen R. Finger, as surveyed by William J. Cash, Jr., February 4, 1978.*

*Parcel 70621: All that certain piece, parcel or lot of land, situate, lying and being in Ironton Township, Lincoln County, North Carolina, bounded on the North by State Highway No.27 and 150; on the East by lands of Mrs. Lillie Davis; on the South by lands of Mrs. Lillie Davis, and on the West by lands of Shidal, and being more particularly described in accordance with a survey as made by Hoke S. Heavner, Surveyor, on the 13th day of July, 1951, as follows: BEGINNING at an iron stake, corner of Kenneth Finger and Shidal's line, and runs thence a new line in Lillie Davis lands, North 65 deg. 45 min. East 100 feet to an iron stake, or new corner in Lillie Davis lands; thence continuing with the lands of Lillie Davis, North 29 deg. 15 min. West 283 feet, passing an iron stake in the edge of Highway No. 27 and 150 to a point in the center of said Highway; thence with the center of said Highway, South 65 deg. 45 min. West 100 feet to a point in the center of said Highway; thence with Shidal's line, South 29 deg. 15 min. East (iron stake on edge of road) 283 feet to the point of BEGINNING.*

*Parcel 57013: BEGINNING at an iron stake, southwest corner of property owned by Thomas Lee Finger and wife, Kay C. Finger by Deed Book 662, Page 313, and runs thence with their line, North 76 deg. 16 min. 36 sec. East 95.50 feet to a stake; thence continuing with other property of Thomas L. Finger r, South 25 deg. 10 min. 00 sec. East 145.0 feet to an iron stake; thence two lines with other property retained by Kenneth B. Finger, South 76 deg. 42 min. 30 sec. West 100.19 feet to an iron stake, and North 23 deg. 23 min. 32 sec. West 143.4 feet to the BEGINNING, containing 0.318 of an ACRE, more or less, and being carved out of property described in deeds of record in Book 278, Page 85, and Book 309, Page 141, Lincoln County Public Registry, as surveyed and platted by Gene Ross, Registered Surveyor, May 16, 1991.*

*Parcel 26949: TRACT I: BEGINNING at a Rebar found at the Southwest corner of Lynn Finger Wilmoth property (Lincoln County Estate File 17 E 226), said corner being located North 61 deg. 53 min. 33 sec. East 142.37 feet from the center of 12-foot easement known as Lancrest Lane and runs thence North 55 deg. 10 min. 49 sec. East 152.47 feet with property of Zale Associates, LLC (Deed Book 2374, Page 342) to an old iron; thence with existing property of Five Fingers, LLLP North 71 deg. 52 min. 58 sec. East 62.88 feet to an old iron, thence South 27 deg. 46 min. 36 sec. East 145 feet to a rebar set; thence North 72 deg. 15 min. 57 sec. East 232.76 feet to an iron pipe found, corner of property of Geraldine H. Sain (Deed Book 661, Page 708); thence with Sain South 27 deg. 28 min. 52 sec, East 353.03 feet to an iron pipe, corner of property of Shirley Ruth Harrill (Deed Book 537, Page 218); thence with Harrill North 86 deg. 02 min. 47 sec. West 396.26 feet to an iron pin found under a tree; thence with Lot 1 (Plat Book 17, Page 368) North 61 deg. 16 min. 12 sec. West feet to a rebar set; thence with Lynn Finder Wilmoth referenced above North 33 deg. 07 min. 18 sec. West 183.45 feet to an*

*axle found in Wilmoth line; thence North 48 deg. 19 min. 36 sec. West 23.23 feet to the Point and Place of Beginning, containing 3.059 acres, more or less, in accordance with a plat and survey prepared by Gene Ross, entitled Minor Subdivision Helen R. Finger Estate and recorded in Plat Book 17, Page 368, Lincoln County Public Registry. TRACT II: BEING all that certain tract or parcel of land situated in Ironton Township, Lincoln County, North Carolina, and more particularly described as follows: TRACT ONE: Being a small strip of land adjacent to the East line of the present lot owned by C. E. Shytle and described as follows: BEGINNING at a stone, an old corner, being the old Northeast corner of lot of C. E. Shytle in the old sand clay road, now N. C. State Highway No. 27 and No. 150, and runs thence with Shytle's old line South 29-1/2 deg. East 283 feet to Shytle's old Southeast corner; thence, a new line North 72 deg. East 10 feet to an iron stake, a new corner; thence, another new line with Mrs. J.P. Davis' other lands North 29-1/2 deg. West 283 feet to a stake in said Highway, a new corner; thence, with said Highway South 73 deg. West 10 feet to the BEGINNING. TRACT TWO: BEGINNING at a stake on Sand Clay Road (now paved road), Highway No. 27, Mrs. Lillie Davis' corner and runs with road South 65-3/4 deg. West 100 feet to a stake, corner of Lot No. 5; thence South 29-1/4 deg. East 272 feet to a stake in an old line; thence North 72 deg. East 100 feet to Mrs. Lillie Davis' line; thence with her line North 29-1/4 deg. West 283 feet to the BEGINNING, being Lots Nos. 1, 2, 3 and 4 of the subdivision of a part of the lands of Mrs. Lillie Davis.*

**Section 2.** From and after the effective date of this ordinance, the annexed territory and its citizens shall be subject to all debts, laws, ordinances, and regulations of the municipality and shall be entitled to the same privileges and benefits as other parts of the municipality.

**Section 3.** This ordinance shall be effective on the 6th day of August, 2026.

_____
Ed Hatley, Mayor

ATTEST:

_____
Daphne Ingram, Clerk

**LINCOLNTON**

**AGENDA ITEM SUMMARY**

**To:** The Honorable Mayor and City Council

**Date:** August 6, 2026

**From:** Jean Derby, Planning Director

**Subject:** Consideration of Resolution of Directing the Clerk to Investigate an Annexation by Petition Received Under NCGS 160A-31 concerning property located on N. Aspen Street (Parcel ID 21600).

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**Summary:**

**Background:**

**Fiscal Impact:**

**Recommendation:**

**Attachments:**

1. Council memo ANX-2-2026 (2)

**MEMO TO:** Mayor and City Council Members

**FROM:** Planning Staff

**SUBJECT:** Consideration of Resolution Directing the Clerk to Investigate a Petition Received Under NCGS 160A-31 concerning property located at 2350 N. Aspen (Parcel ID 21600)

**DATE:** August 6, 2026

**Background & Overview:**

**Petitioner / Property Owner:** Judy Jones

**Location / Address:** 2350 N. Aspen Street, Lincolnton, NC 28092

**Parcel Identification Number (PIN):** 21600

**Acreage:** 6.022

The subject property is contiguous to the primary corporate city limits of Lincolnton, satisfying the territorial requirements under NCGS § 160A-31. Purpose of the Requested Action

The property owner has submitted a formal, signed Request for Voluntary Contiguous Annexation requesting that the parcel be incorporated into the City limits.

Under North Carolina General Statute § 160A-31, before the City Council can take further action on the merits of an annexation request, the City Council must first adopt a resolution directing the City Clerk to investigate the sufficiency of the petition (verifying ownership signatures, metes and bounds descriptions, and contiguous mapping criteria).

**Next Steps:**

1. Set a public hearing date for the next City Council meeting on September 3, 2026.
2. Prior to the public hearing, the Clerk/Planning Department will advertise it at least 10 days in advance.
3. At the September 3, 2026, public hearing, the Planning Department, on behalf of the City Clerk, will present the completed Certificate of Sufficiency stating that the petition meets the standards for a contiguous area as specified in NCGS 160A-31.
4. Allow any interested parties to be heard on the desirability of the annexation.
5. If the Council finds that the annexation is in the public interest, it may adopt an ordinance annexing the property. From and after the effective date of the annexation ordinance, the territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in such municipality and shall be entitled to the

same privileges and benefits as other parts of such municipality. Real and personal property in the newly annexed territory on January 1 immediately preceding the beginning of the fiscal year in which the annexation becomes effective is subject to municipal taxes as provided in G.S. 160A-58.10.

**RESOLUTION DIRECTING THE CITY CLERK TO INVESTIGATE A PETITION RECEIVED UNDER G.S. 160A-31**

WHEREAS, a petition requesting the annexation of contiguous real property described as Parcel ID 21600 located on N. Aspen Street has been received by the City Council of the City of Lincolnton; and

WHEREAS, N.C.G.S. § 160A-31 provides that an investigation as to the sufficiency of the petition shall be conducted by the City Clerk before further annexation proceedings can take place;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lincolnton, North Carolina, that:

1. The City Clerk is hereby directed to investigate the sufficiency of the above-described annexation petition for Parcel ID 21600 and to certify in writing the results of the investigation to the City Council as required by law.

2. This Resolution shall become effective immediately upon its adoption.

Adopted this ____ day of _____, 2026.

_____
Ed Hatley, Mayor

ATTEST:

_____
Daphne Ingram, Clerk

**Staff Recommendation**

Staff recommends that the City Council adopt the proposed resolution directing the City Clerk to investigate the petition, set a timeline for certification of sufficiency, and subsequently schedule a public hearing for the upcoming regular meeting cycle.

**Motion:**

Motion to approve the Resolution Directing the City Clerk to Investigate the Petition and set the public hearing for September 3, 2026.

Or

Motion to deny

**MEMO TO:** Mayor and City Council Members

**FROM:** Planning Staff

**SUBJECT:** Consideration of Resolution Directing the Clerk to Investigate a Petition Received Under NCGS 160A-31 concerning property located off Shell Street (Parcel ID 57290).

**DATE:** August 6, 2026

**Background & Overview:**

**Petitioner / Property Owner:** Judy Jones

**Location / Address:** Shell Street, Lincolnton, NC 28092

**Parcel Identification Number (PIN):** 57290

**Acreage:** 11.405

The subject property is contiguous to the primary corporate city limits of Lincolnton, satisfying the territorial requirements under NCGS § 160A-31. Purpose of the Requested Action

The property owner has submitted a formal, signed Request for Voluntary Contiguous Annexation requesting that the parcel be incorporated into the City limits.

Under North Carolina General Statute § 160A-31, before the City Council can take further action on the merits of an annexation request, the City Council must first adopt a resolution directing the City Clerk to investigate the sufficiency of the petition (verifying ownership signatures, metes and bounds descriptions, and contiguous mapping criteria).

**Next Steps:**

1. Set a public hearing date for the next City Council meeting on September 3, 2026.
2. Prior to the public hearing, the Clerk/Planning Department will advertise it at least 10 days in advance.
3. At the September 3, 2026, public hearing, the Planning Department, on behalf of the City Clerk, will present the completed Certificate of Sufficiency stating that the petition meets the standards for a contiguous area as specified in NCGS 160A-31.
4. Allow any interested parties to be heard on the desirability of the annexation.
5. If the Council finds that the annexation is in the public interest, it may adopt an ordinance annexing the property. From and after the effective date of the annexation

ordinance, the territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in such municipality and shall be entitled to the same privileges and benefits as other parts of such municipality. Real and personal property in the newly annexed territory on January 1 immediately preceding the beginning of the fiscal year in which the annexation becomes effective is subject to municipal taxes as provided in G.S. 160A-58.10.

**RESOLUTION DIRECTING THE CITY CLERK TO INVESTIGATE A PETITION RECEIVED UNDER G.S. 160A-31**

WHEREAS, a petition requesting the annexation of contiguous real property described as Parcel ID 57290 located on Shell Street has been received by the City Council of the City of Lincolnton; and

WHEREAS, N.C.G.S. § 160A-31 provides that an investigation as to the sufficiency of the petition shall be conducted by the City Clerk before further annexation proceedings can take place;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lincolnton, North Carolina, that:

1. The City Clerk is hereby directed to investigate the sufficiency of the above-described annexation petition for Parcel ID 57290 and to certify in writing the results of the investigation to the City Council as required by law.

2. This Resolution shall become effective immediately upon its adoption.

Adopted this ____ day of _____, 2026.

_____
Ed Hatley, Mayor

ATTEST:

_____
Daphne Ingram, Clerk

**Staff Recommendation**

Staff recommends that the City Council adopt the proposed resolution directing the City Clerk to investigate the petition, set a timeline for certification of sufficiency, and subsequently schedule a public hearing for the upcoming regular meeting cycle.

**Motion:**

Motion to approve the Resolution Directing the City Clerk to Investigate the Petition and set the public hearing for September 3, 2026.

Or

Motion to deny

City of Lincolnton
P. O. Box 617
Lincolnton, North Carolina
28093-0617




Parks & Recreation
Phone (704) 735-2671
FAX (704) 736-1662
www.lincolntonnc.org

# Memo

**To:** **Ritchie Haynes, City Manager**

**From:** **Nathan Eurey, Public Services Director**

**CC:** **Daphne Ingram, City Clerk**

**Date:** **July 24, 2026**

**Re:** **Consideration to Approve Playground and Outdoor Fitness Equipment Purchase and Installation for City Park**

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### Purpose

The purpose of this memo is to request City Council approval for the purchase and installation of new playground and outdoor fitness equipment for City Park, to be provided and installed by Playworld Preferred.

### Background

As part of the City Park improvements, it was determined that the playground and fitness equipment would not be included in the general construction contract with JD Goodrum. This decision was made to allow the City to select specific, high-quality systems that best meet the needs of our residents.

### Proposal

We have identified Playworld Preferred as the preferred vendor for these installations. Their proposal (Quote PWCQ26803) includes designs that provide engaging, durable, and accessible recreation options for all park visitors. By choosing Playworld Preferred, we are able to select equipment that aligns with our aesthetic and functional requirements for the park.

### Recommendation

I recommend that the City Council approve the purchase and installation agreement with Playworld Preferred for the City Park playground and outdoor fitness equipment. This investment will enhance the recreational opportunities available at City Park and complete an essential component of the park's development.

I am available to answer any questions regarding the specific design renderings or the procurement process.

Respectfully Submitted,

Nathan C. Eurey
City of Lincolnton Public Services Director

PLAYWORLD PREFERRED The world needs play.

P: 1-800-459-7241 F: 704-584-1034

# QUOTE

| Date | Quote # |
|---|---|
| 6/16/2026 | PWCQ26803 |

***Quote valid for 30 days.***

**Bill To:**

**Lincolnton Parks and Recreation**
Nathan Eurey
P O Box 617
Lincolnton, NC 28093

P: 704 7352671

neurey@lincolntonnc.org

**Site/End User:**

**Lincolnton City Park**
Nathan Eurey
1000 North Aspen Street
Lincolnton, NC 28092

P: 704 7352671

neurey@lincolntonnc.org

**Ship To:**

**Lincolnton City Park**
Nathan Eurey
1000 North Aspen Street
Lincolnton, NC 28092

P: 704 7352671

neurey@lincolntonnc.org

*50% Deposit Required.*
*See Terms and Conditions*

| Sales Representative | Prepared By |
|---|---|
| George Burton | George Burton |

| Qty | Item # | Description | Unit Price | Ext. Price |
|---|---|---|---|---|
| | | **OPTION #2B** | | |
| 1 | CH-Custom | CUSTOM CHALLENGER STRUCTURE WITH INTEGRATED SQUARE HAT SHADE | $121,309.00 | $121,309.00 |
| 1 | ZZXX0962 | 5in OD 4-UNIT ARCH SWING SHADE (DOUBLE) | $16,327.00 | $16,327.00 |
| 2 | ZZXX0965 | 2-UNIT ARCH SWING SHADE TOP RAIL | $567.00 | $1,134.00 |
| 2 | ZZXX0265 | INFANT SEAT W/SILVER SHIELD FOR 8ft TOP RAIL | $336.00 | $672.00 |
| 2 | ZZXX0260 | BELT SEAT W/SILVER SHIELD CHAIN FOR 8ft TOP RAIL | $194.00 | $388.00 |
| | | **FITNESS AREA** | | |
| 1 | ZZXX0090 | ENERGI STATION #2 PULLING,BACK ANGLE BAR & HURDLE | $7,273.00 | $7,273.00 |
| 1 | ZZXX0091 | ENERGI STATION #3 SQUAT, DIP, PUSH-UP & BALANCE EXERCISES | $5,797.00 | $5,797.00 |
| 1 | ZZXX0488 | RECUMBENT BIKE | $5,791.00 | $5,791.00 |
| 1 | ZZXX0499 | SWITCH GLIDER | $5,627.00 | $5,627.00 |

| Qty | Item # | Description | Unit Price | Ext. Price |
|---|---|---|---|---|
| | | Running SubTotal | | $164,318.00 |
| | | 10.0% Discount | | -$16,431.80 |
| | | **SOURCEWELL DISCOUNT**<br>**CUSTOMER MEMBER ID#: 125366**<br>**PLAYWORLD MEMBER ID#: 101625-PLP** | | |
| | | **FOR COLORS AND LAYOUT SEE DESIGN RENDERINGS**<br><br>**26-18933A (Playground) and 26-17944A (Fitness Area)**<br><br>**PLAYGROUND INFORMATION**<br>**USER CAPACITY: 74+**<br>**AGE GROUP: 2-12**<br>**CFH: 9'**<br><br>**FITNESS AREA**<br>**USER CAPACITY: 14+**<br>**AGE GROUP: 13+** | | |
| 1 | USA SHADE SPP CANTI | USA SHADE SINGLE POST PYRAMID CANTILEVER SHADE STRUCTURE<br>SIZE: 12' x 12' x 10' Eave Height<br>MANUFACTURED SPECS: Steel structure with extra thick powder coated finish for a fade and scratch resistant surface. Durable, HDPE (High Density Polyethylene Mesh), fade resistant Shadesure Fabric, blocks up to 96% of harmful UV rays. Galvanized cables and hardware with an HDW Finish for greater weather protection.<br><br>Quick Release Tabs for efficient and easy removal and reinstall of shade fabric providing less stress on pressure points that adds to longevity of fabric.<br><br>Wind Load: 115 MPH<br>Snow Load: 5 PSF | $6,595.77 | $6,595.77 |
| 1 | SEALED DRAWINGS | SEALED DRAWINGS AND STRUCTURAL CALCULATIONS | $900.00 | $900.00 |
| 2 | SG315P | WABASH VALLEY 8' SIGNATURE PERFORATED BENCH WITH BACK<br>SPECS: IN-GROUND<br><br>COLOR: BLUE | $843.00 | $1,686.00 |

| Qty | Item # | Description | Unit Price | Ext. Price |
|---|---|---|---|---|
| 1 | Install-SITE | SITE PREPARATION: Light finished grade of area ensuring a level and ready site after General Contractor has established sub grade. Remove any concrete or debris from area. | $2,700.00 | $2,700.00 |
| 1 | Turf | SYNTHETIC TURF SAFETY SURFACING SYSTEM<br>COVERAGE AREA: TOTAL 4,513 SF<br>PLAYGROUND: 3,320 SF<br>FITNESS AREA: 1,193 SF<br>SCOPE OF WORK: Install a 4" crushed stone base, compacted for a level site and increased drainage. Next install a Polygreen IPEMA certified closed cell foam pad, as the Impact Attenuation Layer; with an 8' Critical Fall Height for Playground, 7' for ENERGI Station #2, and 3' for ENERGI Station #3, Recumbent Bike and Switch Glider. Install St. Augustine Turf, a durable turf made for public parks and schools. It has a 62 oz face weight with a 1.6" pile height, double backing and is permeable for excellent drainage of the playground surface. Finally, sweep in Microban Infill, for increased softness of surface, longevity of turf and blade standing. Turf will be flush with surrounding concrete sidewalks for a unitary surface.<br><br>COLOR: Green Blades with tan thatch | $97,030.00 | $97,030.00 |
| 1 | Install-EQ | INSTALLATION OF EQUIPMENT<br>SCOPE OF WORK: Install all PLAYWORLD Equipment and ENERGI FITNESS Stations according to manufacturer's specifications and all CPSC, ASTM and ADA guidelines. Install a 12' x 12' x 10' eave height Single Post Pyramid Cantilever Shade at perimeter of playground over 8' bench. Install TWO 8' Benches in playground area. | $63,100.00 | $63,100.00 |
| | | • **Unless otherwise noted, this proposal does not include fence removal or restoration of disturbed grass/landscaping or existing equipment/existing surfacing removal or disposal.**<br>• **Unless otherwise indicated, installation cost is based on a level (1-2%) and ready site with normal ground conditions. Extraordinary ground conditions, such as slope (3% or greater), buried debris, natural obstructions which require extra attention (such as rock, unmarked service and/or irrigation lines, etc.), repair and/or special digging equipment during installation, will result in additional charges and time. All excavated dirt and excess mulch will be piled or spread on site.**<br>• **This estimate is based on reasonable access for any trucking, machinery/equipment, material, parking for tradesmen, installs, clean up and demolition.**<br>• **Some site disruption can be expected due to** | | |

| Qty | Item # | Description | Unit Price | Ext. Price |
|---|---|---|---|---|
| | | **construction traffic. Site repair is limited to cleaning up and raking out disturbed area. Any minor ground or yard rutting caused by equipment vehicles will be raked or shovel filled with available dirt on site. Any mud, excess mulch or dirt left on pavement/sidewalks will be flat shoveled or broom swept. The estimate does not include finish landscaping (i.e. new dirt, seed, straw, or sod).**<br>**• Unless otherwise noted, trash will be stacked neatly on site OR be placed in the site's dumpster.** | | |
| | | **• Playworld Preferred will call 811 to locate any PUBLIC underground utility lines. It is the responsibility of the Customer to incur cost and arrange for a PRIVATE utility locator as a safe-guard in case it's believed that the playground area may have any underground water drains, wells, tanks or other PRIVATE lines running through it. Any costs associated with repairing utility or water lines, etc. damaged by installer that were not marked will be the responsibility of the Customer.** | | |

| | |
|---|---|
| SubTotal | $319,897.97 |
| Tax Rate | 7.00 % |
| Sales Tax | $22,751.82 |
| Shipping | $5,128.00 |
| **Total** | **$347,777.79** |

***We appreciate the opportunity to work with you on this project.***
***If this quotation does not meet your needs or expectations we will be happy to make any revisions necessary.***

**Please contact your Playworld Preferred Sales Representative if any of the foregoing information is incorrect.**

**Order Acknowledgement will be sent within 48 hours after your Purchase Order has been processed. Order Acknowledgement will include the estimated Ship Date. Shipping notification and documentation will be sent once the product ships.**

**Please note, due to market variables outside of our control, certain items such as commodity material price fluctuations, freight surcharges, sales tax rates, and additionally requested re-consigned delivery location fees may change the final amount invoiced from the amount originally provided on this quote. **

**Terms and Conditions**

CONTROLLING TERMS: THIS QUOTATION IS LIMITED TO THE TERMS AND CONDITIONS CONTAINED HEREIN. ANY ADDITIONAL OR DIFFERENT TERMS PROPOSED BY CUSTOMER IN ANY PURCHASE ORDER OR OTHER DOCUMENTS ARE DEEMED TO BE MATERIAL ALTERATIONS AND NOTICE OF OBJECTION TO THEM IS HEREBY GIVEN. ANY SUCH PROPOSED TERMS SHALL BE VOID, AND THE TERMS HEREIN SHALL CONSTITUTE THE COMPLETE AND EXCLUSIVE STATEMENT OF THE TERMS AND CONDITIONS OF THE CONTRACT BETWEEN THE PARTIES. NEITHER SELLER'S ACKNOWLEDGMENT OF A PURCHASE ORDER NOR SELLER'S FAILURE TO OBJECT TO CONFLICTING, DIFFERENT, OR ADDITIONAL TERMS AND CONDITIONS IN A PURCHASE ORDER SHALL BE DEEMED AN ACCEPTANCE OF SUCH TERMS AND CONDITIONS OR A WAIVER OF THE PROVISIONS HERE OF.
PRICES: Prices in this Quote are good for thirty (30) days. Unless otherwise stated in writing, all prices are F.O.B. Origin, and shall be exclusive of transportation, insurance, taxes, license fees, customs fees, duties, premiums, fees, site preparation, installation expenses and other charges, unless specifically stated. Tax exempt Customers shall provide Playworld Preferred with a copy of its valid tax-exempt certificate at time the order is placed.

CANCELLATION: Orders become final forty-eight (48) hours from Order Acknowledgement. Orders for play structures may NOT be cancelled or returned under any circumstances. Items which may be cancelled or returned are subject to a twenty (20%) percent restocking fee, plus the cost of return freight. Returned items must be in original packaging, in new condition, and returned within thirty (30) days. Authorization for the return must be obtained in writing from Playworld Preferred. Orders for products, other than those from Playworld Systems, may NOT be cancelled or returned.

TERMS OF PAYMENT: For orders in an amount of $100 or less, payment in full is required at the time of the order. For all other orders, a fifty (50%) percent deposit is required, unless expressly waived by Playworld Preferred. (Orders from governmental entities are excluded from the deposit requirement.) A processing fee of 2.0% of the transaction amount will apply to all payments made by credit card (This is for all customers including governmental entities).

UNLESS CREDIT IS SPECIFICALLY GRANTED IN WRITING BY PLAYWORLD PREFERRED, PAYMENT IN FULL IS DUE WITHIN TEN (10) DAYS OF INVOICE. For orders without installation, the invoice will be issued on the date the order ships. For orders which include installation by Playworld Preferred or its authorized sub-contractor, the invoice will be issued upon the completion of the project.

Past due balances are subject to a one and one-half (1.5%) percent monthly finance charge, but in no event will the late payment finance charge be greater than the maximum rate permitted by law. Customer shall pay all fees and expenses (including attorneys' fees) incurred by Playworld Preferred in the enforcement of its rights hereunder.

WARRANTIES and DISCLAIMERS: Manufacturers' limited warranties are available upon request.

THE MANUFACTURER'S WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF CONDITION, DESCRIPTION, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OR ANY REPRESENTATIONS OR WARRANTIES IN ANY BROCHURES, MANUALS, CATALOGS, LITERATURE OR OTHER MATERIALS OF PLAYWORLD PREFERRED. FURTHER, NO REPRESENTATION, WHETHER ORAL OR WRITTEN, OF PLAYWORLD PREFERRED MAY BE SUBSTITUTED OR ALTER THE EXCLUSIVE MANUFACTURER'S LIMITED WARRANTY.

LOSS or DAMAGE in TRANSIT: Playworld Preferred is not responsible for loss or damage in transit. Our responsibility ends when the carrier signs the Bill of Lading, which is our receipt that the products were complete and in good condition when shipped. It is the customer's responsibility to check the number of pieces shown on the freight bill and our Bill of Lading. Any shortages or damages must be noted on the freight bill before it is signed.

DELIVERY: Delivery, shipment, and installation dates are estimates only, and do not guarantee shipment, delivery or installation on or by such dates. If shipment is made per the estimated ship date, and you are unable to accept delivery, then storage, demurrage or extra unloading charges may be incurred and billed to your account

INSPECTION: All products must be inspected upon receipt, and claims must immediately be filed with the carrier and Playworld Preferred when there is evidence of shipping damage, either concealed or external. All shipments are FOB Origin, unless quoted FOB Destination. FOB Destination does not change the terms of receiving and inspection of the products as set forth herein.

INSTALLATION: Installation is not included in the purchase price of the products, unless expressly noted on the quote and invoice. IT IS CUSTOMER'S RESPONSIBILITY TO ASSEMBLE, INSTALL AND USE THE PRODUCTS SAFELY AND IN ACCORDANCE WITH THE MANUFACTURER'S INSTALLATION INSTRUCTIONS, UNLESS EXPRESSLY AGREED OTHERWISE BY PLAYWORLD PREFERRED.

LIABILITY EXCLUSIONS: TO THE EXTENT PERMITTED BY LAW, PLAYWORLD PREFERRED SHALL NOT BE LIABLE IN CONNECTION WITH A PRODUCT OR SERVICE FOR (A) ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, BASED ON TORT, CONTRACT OR OTHER LEGAL THEORY, WHETHER OR NOT ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR (B) ANY DAMAGES WHATSOEVER IN EXCESS OF AN AMOUNT EQUAL TO THE PURCHASE PRICE OF PRODUCT PROVEN TO BE DEFECTIVE. THE RIGHT TO RECOVER DAMAGES WITHIN THE LIMITATIONS SPECIFIED IS CUSTOMER'S EXCLUSIVE ALTERNATIVE REMEDY IN THE EVENT THAT THE REMEDY PROVIDED HEREIN FAILS OF ITS ESSENTIAL PURPOSE.

FORCE MAJEURE: Playworld Preferred shall not be liable because of unforeseen circumstances or causes beyond its control, including, without limitation, strike, lockout, embargo, riot, war, act of terrorism, fire, act of God, accident, failure or breakdown of components necessary for order completion, subcontractor, supplier or Customer caused delays, inability to obtain labor, materials or manufacturing facilities, or compliance with any law, regulation or order.

## IF INSTALLATION IS INCLUDED WITH THIS ORDER, THE FOLLOWING ADDITIONAL PROVISIONS APPLY:

SAVINGS CLAUSE: If any part of the terms and conditions stated herein is held void or unenforceable, such part, to the extent void or unenforceable will be treated as severable, leaving valid the remainder of the terms and conditions which shall be deemed revised so as to remain enforceable to the greatest extent possible consistent with such holding.

SCHEDULE: Playworld Preferred will provide Customer with a shipment and installation schedule. Playworld Preferred will take the commercially reasonable steps necessary to complete installation on schedule and without delay. However, Playworld Preferred does not guarantee the start or completion of the project in strict accordance with the installation schedule provided. Installation may be delayed by weather conditions, fire, Act(s) of God or other casualty for which Playworld Preferred is not responsible.

CHANGES: Playworld Preferred reserves the right to change, modify or alter installation terms. INSTALLATION PRICE IS BASED ON NORMAL DIGGING CONDITIONS. IF ROCKS OR OTHER CONDITIONS AT THE SITE BEYOND THE CONTROL OF PLAYWORLD PREFERRED ARE ENCOUNTERED, THERE MAY BE ADDITIONAL CHARGES. If Playworld Preferred deems a change is necessary, it will provide Customer with a Change Order request, including an estimate of the commercially reasonable cost for the additional work required for proper installation of the equipment. Playworld Preferred will not continue with the installation until approval of the Change Order in writing by customer. If Playworld Preferred and Customer cannot agree upon the additional cost for the extra work within fifteen (15) days of the Change Order request, Playworld Preferred may immediately invoice Customer for the equipment, and Customer agrees to pay the equipment invoice in accordance with the payment terms set forth above (NET 10 days).

In the event that Customer requests changes to the installation or installation schedule which results in delays in excess of thirty (30) days, from the date of the original installation schedule, Playworld Preferred may immediately invoice Customer for the equipment, and Customer agrees to pay the equipment invoice in accordance with the payment terms set forth above (NET 10 days).

UTILITIES: Playworld Preferred will locate and mark public utilities on the site. Customer shall locate and mark any private utility lines, such as irrigation lines or local telecommunication lines. Customer's failure to do this may result in damage to its private utility lines and costs associated thereto, and additional installation charges and delays.

PERMITS: Customer is responsible for the cost of all installation-related permits and fees not expressly included in the quotation.

REFUSE: Trash and packaging materials will be consolidated and stacked neatly on Customer's site or placed in Customer's dumpster on site. Upon customer's written request, Playworld Preferred will arrange for the trash and packaging materials to be removed from the site and disposed of for an additional fee.

FINAL INSPECTION: Customer agrees to inspect the project with the lead installer and/or sales representative within five (5) days of completion of the project. If project has been satisfactorily completed, Customer will note acceptance of the project on Playworld Preferred's Client Acceptance Form. Playworld Preferred will then invoice Customer, and Customer agrees to pay the invoice in accordance with the payment terms set forth above (NET 10 days). Signing the client acceptance form does not relieve Playworld Preferred from its on going warranty obligations as they relate to the product shipped or installation work.

If Customer notes defects in the materials or workmanship ("punch list"), Playworld Preferred will remedy them in a timely manner. However, Playworld Preferred may immediately invoice Customer for the project, less ten (10%), and Customer agrees to pay the invoice in accordance with the payment terms set forth above (NET 10 days). Upon completion of the "punch list," Playworld Preferred shall invoice Customer for the remaining ten (10%) due, and Customer agrees to pay the invoice in accordance with the payment terms set forth above (NET 10 days).

SUPERVISED INSTALLATION: In the event that Playworld Preferred is contracted by Customer to supervise the installation of the equipment subject to this Quotation, Customer shall complete Playworld Preferred's "Supervised Installation Requirements" Form. Said form sets forth the details of the supervised build and the parties' respective responsibilities. The Quotation may be subject to change based upon Customer's responses on the "Supervised Installation Requirements" Form. Within five (5) days of the completion of the supervised installation, the Parties shall comply with the FINAL INSPECTION provisions set forth above.

Send Signed Quotes and Deposit To:

Payment Address
Playworld Preferred, Inc.
P.O. Box 737808
Dallas, TX 75373-7808

Overnight Payment Address
J.P. Morgan Chase TX1-0029
Attn: Playworld Preferred, Inc. & 737808
14800 Frye Road
2nd Floor
Ft. Worth, TX 76155

**I acknowledge that I have read, understand, and accept the terms and conditions of this quotation and that I am authorized to do so.**

Print Name _____ Customer PO # _____

Title _____

Signature _____ Date _____

Playworld Preferred Signature _____ Date _____

# Lincolnton City Park Fitness Stations

Lincolnton, NC

**25-17944A**

*Sales Representative*

PLAYWORLD PREFERRED The world needs play.

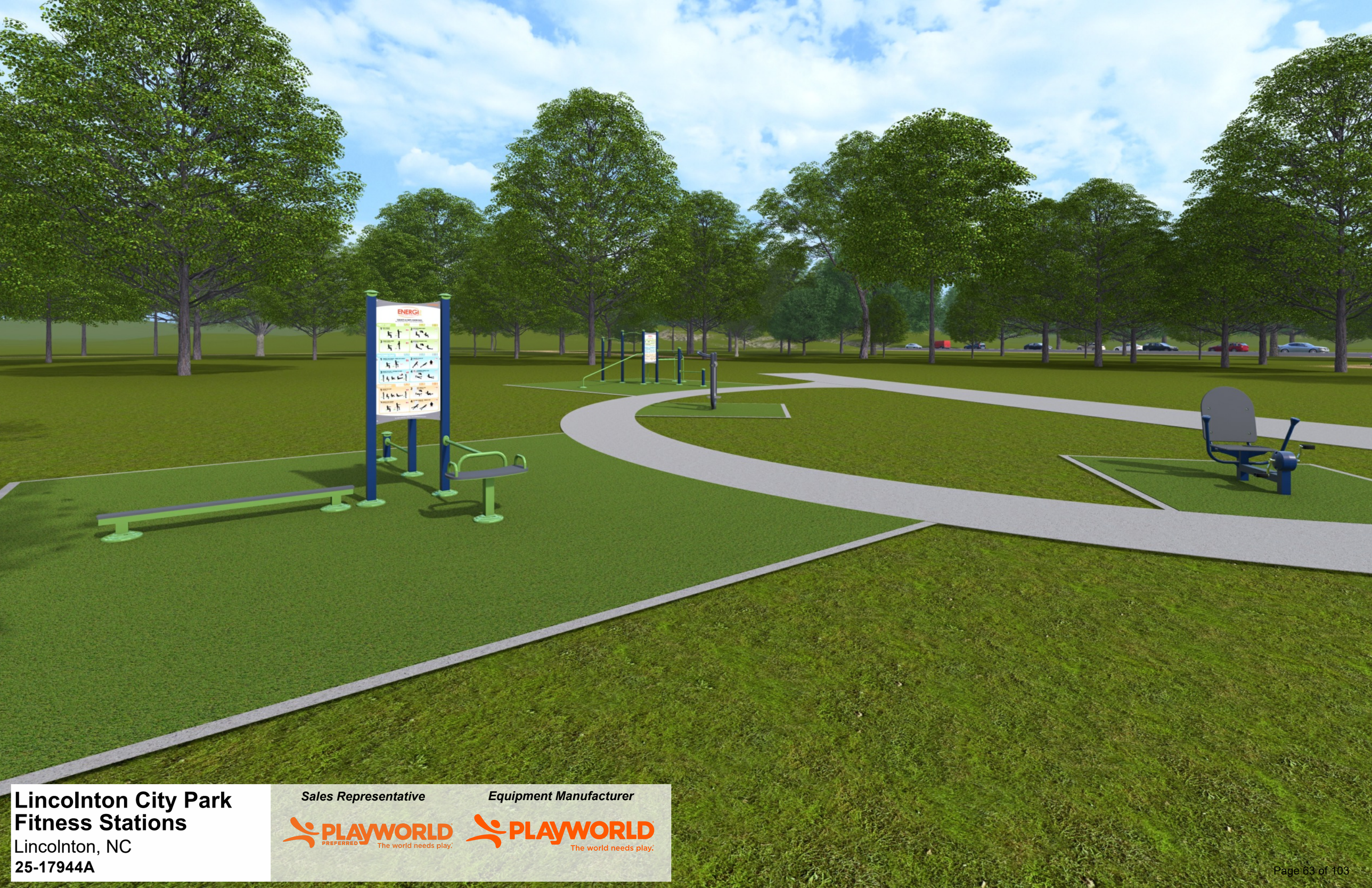
*Equipment Manufacturer*

PLAYWORLD The world needs play.

**POST & COMPONENT**

Blue

Lime




**Lincolnton City Park**
**Fitness Stations**
Lincolnton, NC
**25-17944A**

*Sales Representative*

PLAYWORLD PREFERRED The world needs play.

*Equipment Manufacturer*

PLAYWORLD The world needs play.




# Lincolnton City Park Fitness Stations

Lincolnton, NC

**25-17944A**

*Sales Representative*

PLAYWORLD PREFERRED The world needs play.

*Equipment Manufacturer*

PLAYWORLD The world needs play.

# LincoInton City Park Fitness Stations

LincoInton, NC

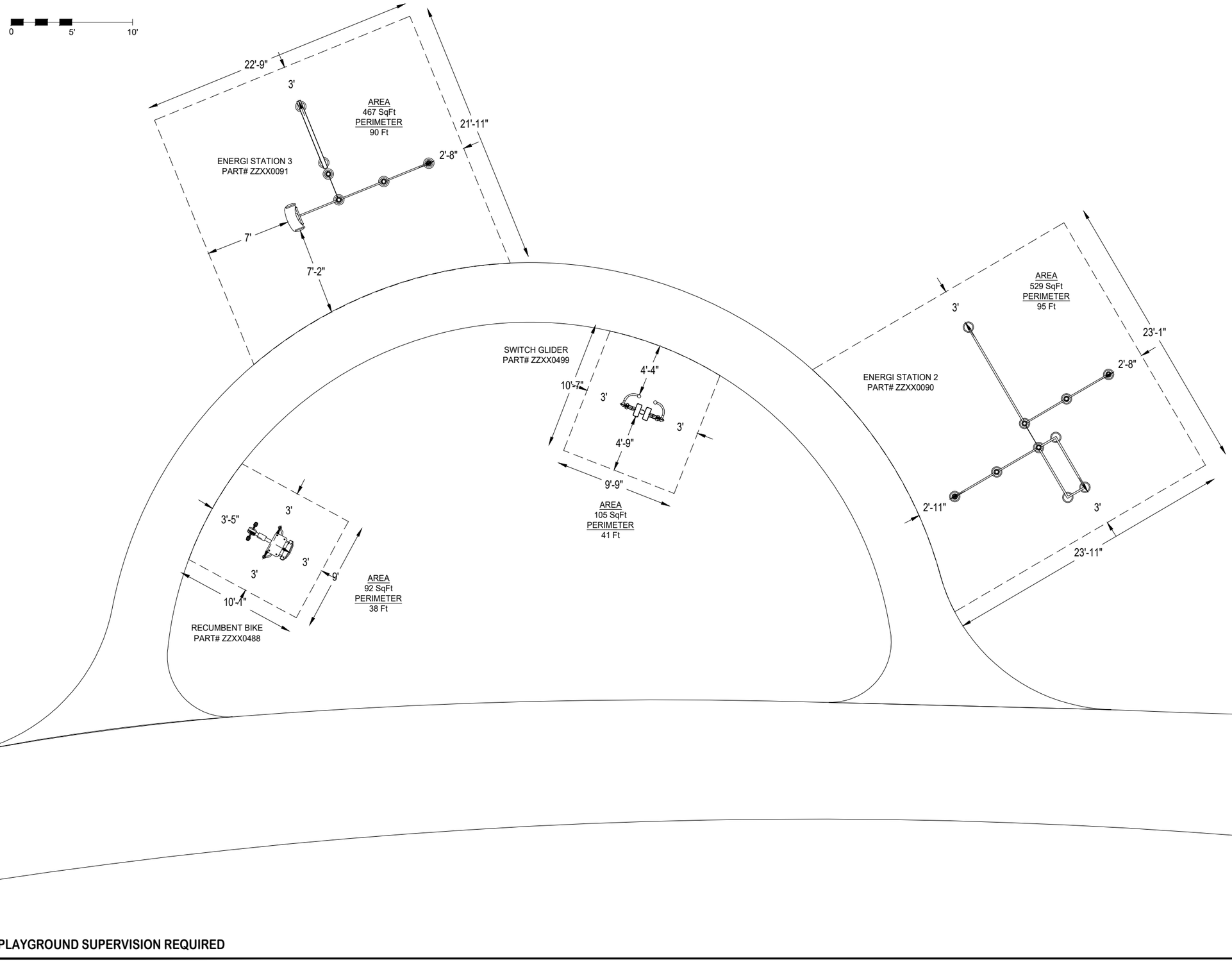
**25-17944A**

*Sales Representative*

PLAYWORLD PREFERRED The world needs play.

*Equipment Manufacturer*

PLAYWORLD The world needs play.




*PLAYGROUND SUPERVISION REQUIRED

PLAYWORLD

PLAYWORLD PREFERRED
11515 Vanstory Drive
Suite 100
Huntersville, NC 28078
1-800-459-7241

EQUIPMENT SIZE:

USE ZONE:
**SEE DWG**

AREA:
**SEE DWG**

PERIMETER:
**SEE DWG**

FALL HEIGHT:
**6'6"**

USER CAPACITY:
**14**

AGE GROUP:
**13+**

PROJECT NO:
**25-17944A**

SCALE:
**1/8"=1'-0"**

DRAWN BY:
**J.HOUSER**

Paper Size
**B**

DATE:
**13-JAN-2026**

# LINCOLNTON CITY PARK FITNESS STATIONS

LINCOLNTON, NC

# LincoInton City Park Fitness Stations

Design Number: 26-17944A - Compliance and Technical Data
Reference Document: ASTM F1487

| Ref. No. | Part No. | Qty. | Description | Unit ASTM Status | Total Weight (lbs) | Pre-Consumer Recycled Content (lbs) | Post-Consumer Recycled Content (lbs) | CO2e Footprint (kgs) | Users | Install Hours | Concrete (Yds3) | Active Play Events |
|---|---|---|---|---|---|---|---|---|---|---|---|---|

**ASTM F1487**

The lay-out for this custom playscape, design number 26-17944A, has been configured to meet the requirements of the ASTM F1487 standard. In addition, each of the above components listed as "Certified" have been tested and are IPEMA certified. Components listed as "Not Applicable" do not fall within the scope of the ASTM F1487 standard and have not been tested. IPEMA certification can be verified on the IPEMA website, www.ipema.org. In the interest of playground safety, IPEMA provides a Third Party Certification Service which validates compliance.

**2010 ADA Standards for Accessible Design**

The lay-out was also designed to meet the 2010 Standards published 15-Sep-2010, by the Department of Justice when installed over a properly maintained surfacing material that is in compliance with ASTM F1951 "Accessibility of Surface Systems Under and Around Playground Equipment" as well as ASTM F1292, "Impact Attenuation of Surfacing Materials Within the Use Zone of Playground Equipment", appropriate for the fall height of the structure.

**Installation Times**

Installation times are based on one experienced installer. A crew of three experienced individuals can perform the installation within the given time, each member working 1/3 of the given hours. [Eg. Installation Time = 30 hours. For a crew of three, each member will work 10 hours on the installation for a total of 30 hours on the project.]

**Carbon Footprint**

The CO2e (carbon footprint given in Kilograms and Metric Tons) listed above is a measure of the environmental impact this play structure represents from harvesting raw materials to the time it leaves our shipping dock. Playworld Systems nurtures a total corporate culture that is focused on eliminating carbon producing processes and products, reducing our use of precious raw materials, reusing materials whenever possible and recycling materials at every opportunity. Playworld Systems elected to adopt the Publicly Available Specification; PAS 2050 as published by the British Standards Institute and sponsored by Defra and the Carbon Trust. The PAS 2050 has gained international acceptance as a specification that measures the greenhouse gas emissions in services and goods throughout their entire life cycle.

**Pre-Consumer Recycle Content**

A measurement, in pounds, that qualifies the amount of material that was captured as waste and diverted from landfill during an initial manufacturing process and is being redirected to a separate manufacturing process to become a different product. E.g. 100% of our Aluminum Tubing is made from captured waste material during the manufacturing process of extruded Aluminum products such as rods, flat bars and H-channels.

**Post-Consumer Recycle Content**

A measurement, in pounds, that qualifies the amount of material that was once another product that has completed its lifecycle and has been diverted from a landfill as a solid waste through recycling and is now being used in a Playworld Systems' product. E.g. **20% to 40% of the steel in our steel tubing and sheet steel have been diverted from landfills. Automobiles are scrapped and recyclable steel is purchased by the steel mill that produces our raw product.

** The amount of Post-Consumer recycled steel fluctuates daily based on the availability of the recycled steel.




**Lincolnton City Park**
**Option 2B**
Lincolnton, NC
26-18933A

*Sales Representative*

PLAYWORLD PREFERRED The world needs play.

*Equipment Manufacturer*

PLAYWORLD The world needs play.

POST & COMPONENT
Cobalt
Blue

ROTOMOLD PLASTIC
Sky

2-COLOR PLASTIC
Blue-Sand
Cobalt-Sand

PLASTISOL
Gray

SHADESURE
Laguna Blue



**Lincolnton City Park**
**Option 2B**
Lincolnton, NC
26-18933A

*Sales Representative*

PLAYWORLD PREFERRED The world needs play.

*Equipment Manufacturer*

PLAYWORLD The world needs play.



**Lincolnton City Park**
**Option 2B**
Lincolnton, NC
26-18933A

*Sales Representative*

PLAYWORLD PREFERRED The world needs play.

*Equipment Manufacturer*

PLAYWORLD The world needs play.




**Lincolnton City Park**
**Option 2B**
Lincolnton, NC
26-18933A

*Sales Representative*

PLAYWORLD PREFERRED The world needs play.

*Equipment Manufacturer*

PLAYWORLD The world needs play.



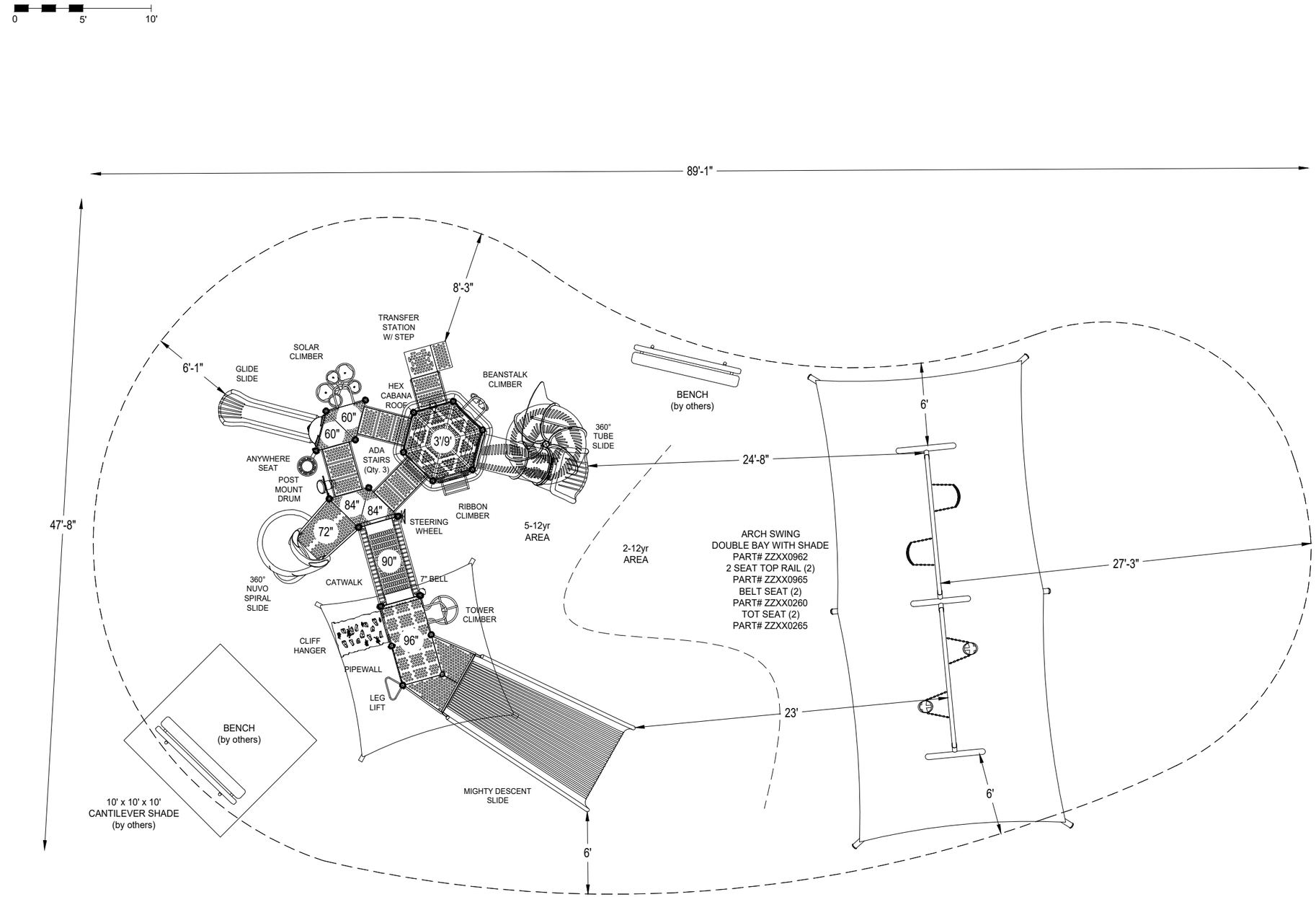
**Lincolnton City Park**
**Option 2B**
Lincolnton, NC
26-18933A

*Sales Representative*

PLAYWORLD PREFERRED The world needs play.

*Equipment Manufacturer*

PLAYWORLD The world needs play.




*PLAYGROUND SUPERVISION REQUIRED

PLAYWORLD

PLAYWORLD PREFERRED
11515 Vanstory Drive
Suite 100
Huntersville, NC 28078
1-800-459-7241

EQUIPMENT SIZE:
**25'6" x 29'4" x 18'1"**

USE ZONE:
**47'8" x 89'1"**

AREA:
**3,320 SqFt.**

PERIMETER:
**230 Ft.**

FALL HEIGHT:
**9 Ft.**

USER CAPACITY:
**74**

AGE GROUP:
**2-12**

ADA SCHEDULE

| | Total Elevated Play Activities: 16 | | |
|---|---|---|---|
| | Total Ground-Level Play Activities: 9 | | |
| | Accessible Elevated Activities | Accessible Ground-Level Activities | Accessible Ground-Level Play Types |
| Required | 8 | 5 | 3 |
| Provided | 14 | 9 | 5 |

✓ ASTM F1487-21
✓ CPSC #325

PROJECT NO:
**26-18933A**

SCALE:
**1/8"=1'-0"**

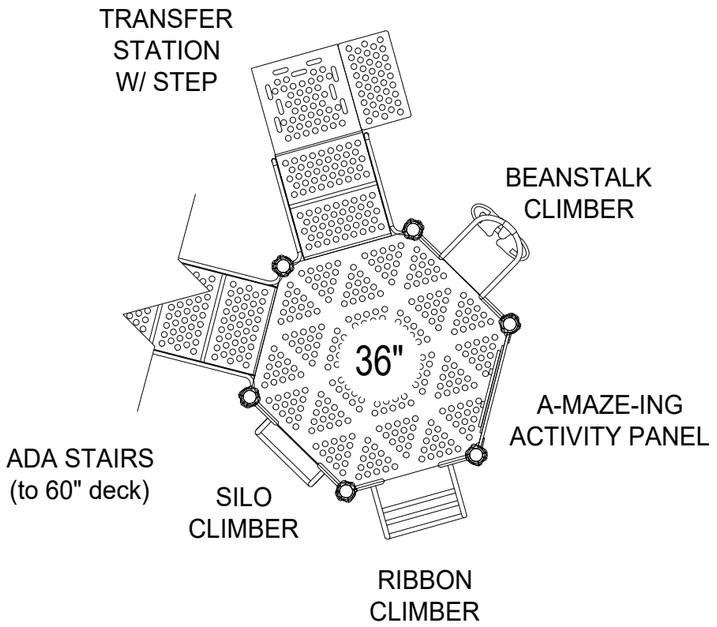
DRAWN BY:
**B. MCCAFFERY**

Paper Size
**B**

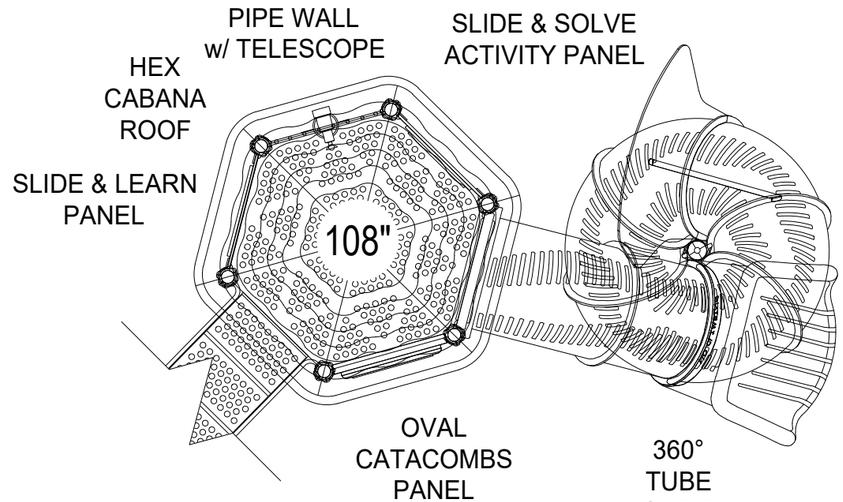
DATE:
**08-JUN-2026**

# LINCOLNTON CITY PARK - OPTION 2B

LINCOLNTON, NC




36" DECK LEVEL




96" DECK LEVEL

*PLAYGROUND SUPERVISION REQUIRED

PLAYWORLD PREFERRED
11515 Vanstory Drive
Suite 100
Huntersville, NC 28078
1-800-459-7241

NOTES:

1) This tower detail is a diagram of the individual level layouts of the tower portion of your play structure, showing the detailed component layout of each level.

2) This tower detail is not to scale and is meant for reference purposes only. It should not be used in obtaining accurate measurements for any of the equipment shown unless otherwise noted on the drawing.

3) This design configuration is the property of this firm and Playworld Systems® and may not be reproduced or used in any manner without the expressed written consent of this firm and Playworld Systems®.

# LINCOLNTON CITY PARK - OPTION 2B

CITY, STATE

TOWER DETAIL:
**Detail A**

| PROJECT NO: | SCALE: |
|---|---|
| **26-18933A** | **NOT TO SCALE** |
| DRAWN BY: **B. MCCAFFERY** | Paper Size **B** |
| DATE: **08-JUN-2026** | |

# LincoInton City Park - Option 2B

Design Number: 26-18933A - Compliance and Technical Data
Reference Document: ASTM F1487

| Ref. No. | Part No. | Qty. | Description | Unit ASTM Status | Total Weight (lbs) | Pre-Consumer Recycled Content (lbs) | Post-Consumer Recycled Content (lbs) | CO2e Footprint (kgs) | Users | Install Hours | Concrete (Yds3) | Active Play Events |
|---|---|---|---|---|---|---|---|---|---|---|---|---|

**ASTM F1487**

The lay-out for this custom playscape, design number 26-18933A, has been configured to meet the requirements of the ASTM F1487 standard. In addition, each of the above components listed as "Certified" have been tested and are IPEMA certified. Components listed as "Not Applicable" do not fall within the scope of the ASTM F1487 standard and have not been tested. IPEMA certification can be verified on the IPEMA website, www.ipema.org. In the interest of playground safety, IPEMA provides a Third Party Certification Service which validates compliance.

**2010 ADA Standards for Accessible Design**

The lay-out was also designed to meet the 2010 Standards published 15-Sep-2010, by the Department of Justice when installed over a properly maintained surfacing material that is in compliance with ASTM F1951 "Accessibility of Surface Systems Under and Around Playground Equipment" as well as ASTM F1292, "Impact Attenuation of Surfacing Materials Within the Use Zone of Playground Equipment", appropriate for the fall height of the structure.

**Installation Times**

Installation times are based on one experienced installer. A crew of three experienced individuals can perform the installation within the given time, each member working 1/3 of the given hours. [Eg. Installation Time = 30 hours. For a crew of three, each member will work 10 hours on the installation for a total of 30 hours on the project.]

**Carbon Footprint**

The CO2e (carbon footprint given in Kilograms and Metric Tons) listed above is a measure of the environmental impact this play structure represents from harvesting raw materials to the time it leaves our shipping dock. Playworld Systems nurtures a total corporate culture that is focused on eliminating carbon producing processes and products, reducing our use of precious raw materials, reusing materials whenever possible and recycling materials at every opportunity. Playworld Systems elected to adopt the Publicly Available Specification; PAS 2050 as published by the British Standards Institute and sponsored by Defra and the Carbon Trust. The PAS 2050 has gained international acceptance as a specification that measures the greenhouse gas emissions in services and goods throughout their entire life cycle.

**Pre-Consumer Recycle Content**

A measurement, in pounds, that qualifies the amount of material that was captured as waste and diverted from landfill during an initial manufacturing process and is being redirected to a separate manufacturing process to become a different product. E.g. 100% of our Aluminum Tubing is made from captured waste material during the manufacturing process of extruded Aluminum products such as rods, flat bars and H-channels.

**Post-Consumer Recycle Content**

A measurement, in pounds, that qualifies the amount of material that was once another product that has completed its lifecycle and has been diverted from a landfill as a solid waste through recycling and is now being used in a Playworld Systems' product. E.g. **20% to 40% of the steel in our steel tubing and sheet steel have been diverted from landfills. Automobiles are scrapped and recyclable steel is purchased by the steel mill that produces our raw product.

** The amount of Post-Consumer recycled steel fluctuates daily based on the availability of the recycled steel.

# LincoInton City Park - Option 2B

Design Number: 26-18933A - Compliance and Technical Data
Reference Document: CAN/CSA-Z614:20

| Ref. No. | Part No. | Qty. | Description | Unit CSA Status | Total Weight (lbs) | Pre-Consumer Recycled Content (lbs) | Post-Consumer Recycled Content (lbs) | CO2e Footprint (kgs) | Users | Install Hours | Concrete (Yds3) | Active Play Events |
|---|---|---|---|---|---|---|---|---|---|---|---|---|

**CAN/CSA-Z614:20**

The lay-out for this custom playscape, design number 26-18933A, has been configured to meet the requirements of the CAN/CSA-Z614:20 standard. In addition, each of the above components listed as "Certified" have been tested and are IPEMA certified. Components listed as "Not Applicable" do not fall within the scope of the CAN/CSA-Z614:20 standard and have not been tested. IPEMA certification can be verified on the IPEMA website, www.ipema.org. In the interest of playground safety, IPEMA provides a Third Party Certification Service which validates compliance.

**Installation Times**

Installation times are based on one experienced installer. A crew of three experienced individuals can perform the installation within the given time, each member working 1/3 of the given hours. [Eg. Installation Time = 30 hours. For a crew of three, each member will work 10 hours on the installation for a total of 30 hours on the project.]

**Carbon Footprint**

The CO2e (carbon footprint given in Kilograms and Metric Tons) listed above is a measure of the environmental impact this play structure represents from harvesting raw materials to the time it leaves our shipping dock. Playworld Systems nurtures a total corporate culture that is focused on eliminating carbon producing processes and products, reducing our use of precious raw materials, reusing materials whenever possible and recycling materials at every opportunity. Playworld Systems elected to adopt the Publicly Available Specification; PAS 2050 as published by the British Standards Institute and sponsored by Defra and the Carbon Trust. The PAS 2050 has gained international acceptance as a specification that measures the greenhouse gas emissions in services and goods throughout their entire life cycle.

**Pre-Consumer Recycle Content**

A measurement, in pounds, that qualifies the amount of material that was captured as waste and diverted from landfill during an initial manufacturing process and is being redirected to a separate manufacturing process to become a different product. E.g. 100% of our Aluminum Tubing is made from captured waste material during the manufacturing process of extruded Aluminum products such as rods, flat bars and H-channels.

**Post-Consumer Recycle Content**

A measurement, in pounds, that qualifies the amount of material that was once another product that has completed its lifecycle and has been diverted from a landfill as a solid waste through recycling and is now being used in a Playworld Systems' product. E.g. **20% to 40% of the steel in our steel tubing and sheet steel have been diverted from landfills. Automobiles are scrapped and recyclable steel is purchased by the steel mill that produces our raw product.

** The amount of Post-Consumer recycled steel fluctuates daily based on the availability of the recycled steel.

# Lincolnton City Park - Option 2B

Design Number: 26-18933A - Compliance and Technical Data
Reference Document: EN1176:2008

| Ref. No. | Part No. | Qty. | Description | Unit EN Status | Total Weight (lbs) | Pre-Consumer Recycled Content (lbs) | Post-Consumer Recycled Content (lbs) | CO2e Footprint (kgs) | Users | Install Hours | Concrete (Yds3) | Active Play Events |
|---|---|---|---|---|---|---|---|---|---|---|---|---|

**EN1176:2008**

This custom structure, drawing number 26-18933A, has been designed to meet the general safety requirements of EN1176:2008. These requirements have been established with the consideration of the risk factor on available data. The items listed as certified have been reviewed and approved by a third party certification service. In addition to the product listing the overall layout and design of this structure, as shown in the plan, was completed in accordance with the general safety requirements of EN1176:2008.

**Installation Times**

Installation times are based on one experienced installer. A crew of three experienced individuals can perform the installation within the given time, each member working 1/3 of the given hours. [Eg. Installation Time = 30 hours. For a crew of three, each member will work 10 hours on the installation for a total of 30 hours on the project.]

**Carbon Footprint**

The CO2e (carbon footprint given in Kilograms and Metric Tons) listed above is a measure of the environmental impact this play structure represents from harvesting raw materials to the time it leaves our shipping dock. Playworld Systems nurtures a total corporate culture that is focused on eliminating carbon producing processes and products, reducing our use of precious raw materials, reusing materials whenever possible and recycling materials at every opportunity. Playworld Systems elected to adopt the Publicly Available Specification; PAS 2050 as published by the British Standards Institute and sponsored by Defra and the Carbon Trust. The PAS 2050 has gained international acceptance as a specification that measures the greenhouse gas emissions in services and goods throughout their entire life cycle.

**Pre-Consumer Recycle Content**

A measurement, in pounds, that qualifies the amount of material that was captured as waste and diverted from landfill during an initial manufacturing process and is being redirected to a separate manufacturing process to become a different product. E.g. 100% of our Aluminum Tubing is made from captured waste material during the manufacturing process of extruded Aluminum products such as rods, flat bars and H-channels.

**Post-Consumer Recycle Content**

A measurement, in pounds, that qualifies the amount of material that was once another product that has completed its lifecycle and has been diverted from a landfill as a solid waste through recycling and is now being used in a Playworld Systems' product. E.g. **20% to 40% of the steel in our steel tubing and sheet steel have been diverted from landfills. Automobiles are scrapped and recyclable steel is purchased by the steel mill that produces our raw product.

** The amount of Post-Consumer recycled steel fluctuates daily based on the availability of the recycled steel.

City of Lincolnton
114 West Sycamore Street
P. O. Box 617
Lincolnton, North Carolina
28093-0617




Human Resources Department
Phone (704) 736-8980
FAX (704) 736-8975
www.lincolntonnc.org

**MEMORANDUM**

To: Mayor and City Council Members

Through: Ritchie Haynes, City Manager

From: Tanya Osborne, Human Resources Director

Re: Voluntary Benefits Broker-Pierce Group Contracts

Date: July 29, 2026

The City utilizes Pierce Group Benefits for the voluntary benefits program for the employees. We normally meet with our representative each July in preparation for the open enrollment period conducted in October.

The City has two contracts in place with Pierce Group. One contract outlines the broker services provided, and the other contract is for a software platform which is used to administer and track the voluntary benefits selected by employees.

The renewal of the two contracts has a few changes which should be noted:
1. Services Contract – The contract term will change from 5 years to 3 years. The written notice for termination will increase from 90 days to 180 days.
2. Enrollment System Client Service Contract - The contract term will change from 5 years to 3 years. The cost for use of the software platform will change from $2 per employee per month to 0 per employee. This will save the City about $4200 annually.

The effective date for the contracts will be January 1, 2027. The recommendation would be to approve both contracts as presented.

Attachments: Pierce Group Services Contract
Pierce Group Enrollment System Client Service Contract




# Service Contract

City of Lincolnton (the "Client") and Accretive Global Insurance Services, LLC dba Pierce Group Benefits (Pierce Group Benefits or PGB) agree to enter into this Service Contract for the purpose of communication and enrollment of eligible employees in benefits under the Client's Flexible Benefits Plan for the Benefit Plan Year beginning January 1, 2027. PGB will begin work immediately upon execution of this Contract to ensure that benefit enrollment is available as agreed. As a result, this Contract is considered in full force and effect on the date of execution below by both Parties (hereafter referred to as the "Effective Date").

## ARTICLE I – Definitions

A. Plan is defined as the Flexible Benefits Plan together with flexible spending account plan (or plans) maintained by the Client or portions of the plan (or plans).

B. Flexible Spending Account ("FSA") is defined as a health care flexible spending account arrangement or dependent care assistance flexible spending account arrangement, as described in proposed Internal Revenue Service ("IRS") regulations under Internal Revenue Code ("Code") 125.

C. Plan administration (or Administrator) is defined as the Client or the entity named in the documents describing the Plan as responsible for the operation and administration of the Plan.

## ARTICLE II – Duties of Pierce Group Benefits

Pierce Group Benefits or its designee will perform the following annual enrollment services during the applicable enrollment period, at no cost to the Client or to any employee of the Client:

A. Conduct group meetings to provide eligible employees an overview of benefits and estimated tax saving examples under the Plan.

B. Enroll all eligible employees who choose to participate in the Plan.

C. At an eligible employee's request, provide an individual review of benefits available under the Plan.

D. Explain the procedure for filing claims for reimbursement of eligible expenses to employees electing to participate in the flexible spending account arrangement and at an eligible employee's request provide claims packets to participants.

E. Ensure proper completion of participant election forms.

F. Arrange for prior approval of the Client for any products to be offered to the Client's employees.

**ARTICLE III – Duties of the Client**

A. The Client will provide access to all eligible employees annually to Pierce Group Benefits or its designee for the purpose of annual communication and enrollment in the benefits under the Plan. This includes group and/or individual benefit communication sessions and enrollments.

B. The Client will allow Pierce Group Benefits to offer voluntary individual insurance products during the annual enrollment.

C. The Client is responsible for interpreting the provisions of the Plan and determining questions of eligibility for Plan participation.

D. Execute any necessary separate contracts with the third-party administrator with regard to actual claim payment services for the flexible spending account arrangement.

**ARTICLE IV – Fees for Services**

A. There will be no charge to the Client for enrollment support materials or benefits counselors.

B. Additional programs and services can be provided on a project basis for an additional fee to be disclosed prior to, in writing, and shall be undertaken upon mutual agreement between Pierce Group Benefits and the Client.

C. Pierce Group Benefits retains commission for all applicable lines.

D. The parties agree that Pierce Group Benefits is entitled to the compensation it is receiving for the full term of this Contract. In the event of a termination of this Contract for any reason, the Client agrees that Pierce Group Benefits is entitled to retain commission through the end of the current term of this Contract as compensation for enrollment services provided for that Benefit Plan Year. (As an example: if the Benefit Plan Year runs from July 1st through June 30th and this Contract is terminated prior to June 30th, Pierce Group Benefits is entitled to retain the commission received through June 30th, the end of the Benefit Plan Year).

E. Administration fees, mailing fees, and annual plan service fees including plan document preparation will be arranged between the Client and the third-party administrator. The fee structure will be outlined in a contract between the third-party administrator and the Client.

F. The Client understands and agrees that the fees for services under this Contract may be renegotiated if substantial changes to the Plan would significantly increase the obligations or costs of providing these services with respect to the Plan. Any adjustment to fees would be discussed with the Client prior to adjustment and would be effective as of an agreed upon date outlined in a written amendment signed by both parties.

G. The cost of individual benefit selections is the responsibility of the employee that chooses to participate in a specific voluntary benefit. The Client agrees to payroll deduct these premiums (costs) from the employees' paychecks and remit the premiums to the appropriate provider.

H. Due to the nature of this arrangement it is necessary to add additional products from time to time and shall be done so upon mutual agreement between the Client and Pierce Group Benefits. This is to ensure the appropriate amount of revenue is generated to cover the cost of the fees for the above-mentioned services.

I. The Client agrees that for the duration of this Contract, no competitive benefits shall be offered to their employees by any vendor/carrier. These are defined as any benefit that competes with the benefits offered to the employees of the Client by Pierce Group Benefits and is solicited either at the worksite, virtually, electronically, telephone or any means. It also includes any competing benefit paid for via payroll deduction or directly to the vendor by other means. This would include any additions, upgrades, transfers, etc. on existing plans from any vendor that currently has payroll deductions with the Client. This section is effective from the date this Contract is signed and shall remain in effect until its termination. A copy of the current billings from existing vendors will be attached to this Contract. Also, Pierce Group Benefits shall have the opportunity to submit a bid for any and all supplemental benefits, whether voluntary or employer paid to be offered to the Client and/or their employees.

J. If the Client chooses to utilize a BenAdmin technology, which is Pierce Group Benefits' full-service Benefit Administration Platform to conduct annual enrollment as well as enroll new hires and process terminations throughout the year, there will be a separate fee for that service as outlined in a separate contract.

**ARTICLE V – Indemnity**

A. Each party to this Contract agrees to hold the other harmless and indemnify the other party against any and all claims, expenses, liabilities, damages and losses arising out of the first party's failure to perform properly its duties and responsibilities under this Contract as permitted by law.

**ARTICLE VI – Term of Contract**

A. The term of this Contract shall begin on the Effective Date and shall continue for a period of three (3) years from the first day of the Initial Benefit Plan Year. (As an example: if the Contract is executed on January 1, 2024, and the first day of the Initial Benefit Plan Year is July 1, 2024, the initial term of the Contract is from January 1, 2024, through June 30, 2027.) This Contract shall automatically renew for successive three (3) year periods unless terminated by either party in accordance with the terms of this Contract. Either party may choose not to renew this Contract by providing written notice to the other party at least one-hundred and eighty (180) days before the next renewal date.

B. This Contract may be extended to any public agency or body in the State of North Carolina to permit those public agencies or bodies to purchase at contract prices, in accordance with the terms, conditions, and specifications of this Contract. Pierce Group Benefits shall deal directly with each public agency or body regarding order placement, delivery, invoicing, and payment.

**ARTICLE VII – Termination**

If either party believes the other party has breached the terms of this Contract or that there are other grounds to terminate this Contract for cause, such party shall provide written notice to the other party identifying the alleged breach or cause for termination and allow such party thirty (30) days from receipt of the written notice to cure the alleged breach or cause. If such breach is not cured within that thirty (30) day period, the non-breaching party may provide a thirty (30) day written notice of termination. Either party may terminate this Contract immediately if the other party has engaged in actions that violate State or Federal laws or regulations.

A. All obligations, duties, and responsibilities under this Contract shall cease as of the date of termination of this Contract.

The Service Contract is signed and considered executed as of the last date shown below.

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This document must be executed by a person authorized to amend or obtain coverage under the Benefits Plan.

| | |
|---|---|
| Pierce Group Benefits | City of Lincolnton |
| BY: _____ | BY: _____ |
| Print Name: Raquel Bootes | Print Name: _____ |
| Title: Agency President | Title: _____ |
| Date: _____ | Date: _____ |



PIERCE GROUP BENEFITS

# Enrollment System Client Service Contract

This Enrollment System Client Service Contract and any exhibits attached hereto (collectively, the "**Contract**") is entered into by and between **Accretive Global Insurance Services, LLC dba Pierce Group Benefits ("Pierce Group Benefits")**, having a place of business at: 4928 Linksland Drive, Holly Springs, NC 27540 , and City of Lincolnton **("Client")**, having a place of business at: 114 W. Sycamore St., Lincolnton, NC 28093.

**Scope of Services**
Pierce Group Benefits will provide and maintain an employee enrollment and communication platform ("The System") for the employee benefits that are arranged and brokered by Pierce Group Benefits. The System will provide an electronic database, which will be available to the Client via an Internet browser. This database and employee communications system also will be made available to each employee of the Client. This recurring service includes annual open enrollment sessions, employee self-service information, family event changes, new hire enrollments and human resource management tools. In order to access the System, Client's authorized users must accept the terms of the use agreement which will appear on the website.

## 1. CLIENT PROVIDED INFORMATION

**1.1** Data.
All Data provided to Pierce Group Benefits by the Client or the Client's employees, payroll provider(s), insurance provider(s), auditor(s), legal counsel or other representative(s) shall be in one or more electronic/magnetic formats acceptable to Pierce Group Benefits. Pierce Group Benefits may deem all such information as true and correct. Pierce Group Benefits shall have no responsibility to inquire into the correctness or accuracy of any such data, and will not be responsible for any losses or expenses that arise due to the submission of incorrect or incomplete Data, or Data transmitted to Pierce Group Benefits in an improper format.

**1.2** Instructions.
Pierce Group Benefits is authorized to rely and act upon instructions transmitted electronically through a Client's data entry system, or any other similar electronic instruction system approved by Pierce Group Benefits. Pierce Group Benefits is authorized to rely and act upon instructions received by Pierce Group Benefits via telephone, U.S. Mail or other similar carrier/delivery service, or a facsimile transmission device, which Pierce Group Benefits believes to be given by individuals authorized by the Client.

**1.3** Accuracy of Data.
Pierce Group Benefits has no obligation to determine the accuracy or completeness of any Data submitted by either the Client or the Client's employees or authorized representatives. In the event of malicious destruction of data by Client or Client's employees or other authorized users, Pierce Group Benefits will be compensated by Client for the cost of data reconstruction.

**1.4** Data Exchange.
The Client hereby authorizes Pierce Group Benefits to provide and exchange Data and other information with the Client's payroll provider(s), insurance provider(s), auditor(s), legal counsel or other representative(s) for any such purpose as contemplated by this Contract and as permitted by law.

**1.5** Beneficiary Documents.
It is the sole responsibility of the Client to maintain legally binding beneficiary documents. The Client will also be responsible for maintaining certain documents regarding employee eligibility for insurance coverage. Pierce Group Benefits will at no time be held liable for discrepancies between the beneficiary data within the System and the information on file with either the Client or its insurance carrier.

## 2. USE AND OWNERSHIP

**2.1** Grant of License(s).
Subject to the terms and conditions of this Contract, Pierce Group Benefits hereby grants to Client during the term of this Contract, one (1) or more nonexclusive, non-transferable, non-sub licensable license(s) to permit Authorized Users to access the Pierce Group Benefits portals (through Online Access) and to use Pierce Group Benefits to enter, modify, view, display, download, transmit, reproduce and otherwise process Client Data and the results thereof and to perform the other functions included within the System.

**2.2** Restrictions.
The license(s) granted in Section 2.1 is limited to the commercially available version of the System offered by Pierce Group Benefits as updated from time to time, and Client agrees to continuously transition to the updated versions as requested by Pierce Group Benefits. Client shall not, and shall not permit any other party, to (a) copy or modify the System or any portion thereof, or (b) decompile, reverse engineer, disassemble, or otherwise determine or attempt to determine the source code (or the underlying ideas, algorithms, structure or organization) of the System, or (c) use the System for any purpose other than its intended business use.

**2.3** Title.
Pierce Group Benefits shall retain all right, title and interest (including, without limitation, all copyrights and registrations, patents and applications, service marks, trademarks, trade secrets and other intellectual property rights) in and to System (including all modifications and enhancements thereto) and all confidential and proprietary support and training methods and materials provided by Pierce Group Benefits. Except for the license(s) granted pursuant to this Contract, Client shall not acquire any interest in or to any of the aforementioned items.

**2.4** Client Ownership of Client Data.
Any Client Data obtained by Pierce Group Benefits hereunder, both in hard copy or electronic format, is and shall remain Client's property. Client hereby grants to Pierce Group Benefits a royalty-free license to use, copy, reproduce, display, and transmit Client Data only for the purposes of facilitating Client's use of the System and for the provision of Services. Client will

own the reports and output generated with Client Data through access to System in accordance with this Contract.

**2.5** System/Usage Audit.
Client hereby grants permission for Pierce Group Benefits to conduct system audits and usage audits of, and conduct maintenance on, the System, during which time Pierce Group Benefits is entitled to access the Client's Data.

**2.6** Availability/Throughput.
Pierce Group Benefits shall use reasonable efforts to provide a sufficient level of throughput to the Internet to ensure reasonable service/response times and to minimize down times to the System and Client Data.

## 3. FEES

**3.1** Fees are $0.00 per benefit eligible employee per month for access, use, and service of the system and shall begin the first month the system is established and functional for use by the client and/or their employees on January 1, 2027, which constitutes the "Effective Date" of this Contract.

**3.2** This Fee schedule is in conjunction with Pierce Group Benefits being the Broker of Record/Administrator of the employee benefits for the Client for the duration of the systems use.

**3.3** The Client will be responsible for all fee payments associated with the system and shall make payment to Pierce Group Benefits, 4928 Linksland Drive, Holly Springs NC 27540. The parties agree that Pierce Group Benefits is entitled to the compensation it is receiving through the end of any Term where the contract is in full force and effect.

**3.4** Pierce Group Benefits agrees to a three (3) year fee guarantee for the amount indicated in **3.1**.

**3.5** Fee Changes.
Fees under this section may be modified by Pierce Group Benefits with thirty (30) days' notice to the Client at the end of the rate guarantee period and this Contract shall be amended to reflect the modified fee schedule. Fees for additional projects, requested services, or unusual revisions that falls outside the Scope of Services, shall be agreed upon between the Client and Pierce Group Benefits and will allow for an adjustment of the Fees even during the Fee Guarantee Period and will be reflected in a revised Contract.

## 4. CONFIDENTIALITY

**4.1** Confidentiality.
Each party agrees that the Client Data (referred to herein as the "**Client Confidential Information**") is the confidential property of Client, and that all nonpublic information, documentation and material incorporated in, related or referring to System (including trade secrets) or the Services or the terms of this Contract (referred to herein as the "**Pierce Group Benefits Confidential Information**") whether created by Pierce Group Benefits, Client or any third party, is the confidential and proprietary property of Pierce Group Benefits. The party receiving the Confidential Information, including such party's employees, officers, directors and agents, (collectively, the "**Receiving Party**") shall hold in strict confidence all Confidential Information and shall not use or disclose the Confidential Information except to its professional service providers (e.g., lawyers and accountants) on a strict "need to know" basis for the purpose

of performance of this Contract or as required by valid legal process. Confidential Information under this Section 4.1 shall not include information that: (i) is or has become publicly available without restriction through no fault of the Receiving Party; (ii) has been received without restriction from a third party lawfully in possession of such information; (iii) does not identify Client or Client Data; or (iv) was in the possession of the Receiving Party before receiving it from the disclosing party.

## 5. TERM AND TERMINATION

**5.1** Term.
The Term of this Contract shall remain in effect for three (3) years from the Effective Date outlined in **3.1** and shall continue thereafter until, (i) Pierce Group Benefits no longer maintains the System, (ii) Pierce Group Benefits no longer maintains an alternate system for the Client, and/or (iii) Pierce Group Benefits no longer provides Benefit Broker/Administration services for the Client. This Contract shall automatically renew for the above term without any notice on the part of either party. Automatic renewal periods shall continue until either party gives the other written notice of termination of this Contract. Such notice of termination is required ninety (90) days prior to the beginning of the next Term.

**5.2** Termination for Breach.
In the event of the material default or failure by either party under this Contract, the non-performing party shall have thirty (30) days after receipt of written notice from the other party to cure such default or failure, and if not corrected within the said period, the notifying party shall have the right, at its option, to terminate this Contract.

**5.3** Return of Confidential Information.
In the event of termination of this Contract, upon Pierce Group Benefits' request, Client agrees to promptly return all Pierce Group Benefits Confidential Information in its possession, custody or control to Pierce Group Benefits, and shall pay in full all Fees due and payable by Client to Pierce Group Benefits. To the extent Pierce Group Benefits has in its possession, custody or control any other Client Confidential Information, Pierce Group Benefits agrees to promptly return it to Client.

## 6. WARRANTY DISCLAIMER AND LIMITATION OF LIABILITY

**6.1** Limitation of Liability.
In no event shall either party's aggregate liability arising out of or related to this Contract, whether in contract, tort or under any other theory of liability, exceed the amounts actually paid by or due from Client for the services during the one (1) year period immediately preceding the date the cause of action arose. Also, neither party shall be liable to the other party for any consequential damages, including, but not limited to punitive damages, damages arising from loss of data, loss of business or other loss arising out of or resulting from this Contract even if the other party has been advised of the possibility of such damages. The foregoing shall apply regardless of the negligence or other fault of the party and regardless of whether such liability arises from contract, negligence, tort, strict liability or any other theory of legal liability.

**6.2** Client Acknowledgment.
Notwithstanding any obligations or commitments of Pierce Group Benefits hereunder, Client acknowledges and agrees that Pierce Group Benefits has no duty or liability in connection with the retention of Client Data for any reasons or purposes including, but not limited to, Client's compliance with federal, state, administrative or local laws or regulations that may apply to

retention of such records. Furthermore, Client agrees to accept full responsibility for immediately notifying Pierce Group Benefits when Client desires to discontinue access by an Authorized User and Client understands that, unless it provides such immediate notification, there is potential for unauthorized access to and use of the System.

## 7. GENERAL PROVISIONS

**7.1** Assignment of Contract.
Except as otherwise provided for in this Section 7.1, neither party shall assign (whether by operation of law or otherwise) this Contract or any of its rights, duties or obligations under this Contract without the prior written consent of the other party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Pierce Group Benefits may assign this Contract without the written consent of Client to a successor entity or purchaser acquiring all or substantially all of its assets of Pierce Group Benefits, provided, however, that such successor entity or purchaser agrees to assume in writing all of the rights, duties and obligations of Pierce Group Benefits under this Contract for the term hereof. This Contract shall bind and inure to the benefit of the parties and their respective successors and permitted assigns.

**7.2** Governing Law.
This Contract is governed by and shall be construed in accordance with the law of the State of North Carolina.

**7.3** Force Majeure.
Neither party hereto shall be in breach or default of any provision of this Contract by reason of its delay or failure to meet any of its obligations hereunder due to any event, circumstance, or cause beyond its control such as, but not limited to, acts of God, strikes, lock-outs, general governmental orders or restrictions, war, threat of war, hostilities, revolution, riots, epidemics, fire, earthquake, failures of internet infrastructure, or flood. The performance of this Contract shall then be suspended for as long as any such event shall prevent the affected party from performing its obligations under this Contract.

**7.4** Invalidity; Waivers.
If any provision or portion of this Contract is held invalid, illegal, void or unenforceable as it appears in this Contract by reason of any rule of law, administrative or judicial provision or public policy, then such provision shall be construed as being enforceable to the extent allowed thereunder. All other provisions of this Contract shall nevertheless remain in full force and effect. Neither of the parties shall be deemed to have waived any of its rights, powers or remedies hereunder unless the waiving party expresses such a waiver in writing.

**7.5** This contract may be extended to any public agency or body in the State of North Carolina to permit those public agencies or bodies to purchase at contract prices, in accordance with the terms, conditions, and specifications of this Contract. Pierce Group Benefits shall deal directly with each public agency or body regarding order placement, delivery, invoicing, and payment.

**7.6** The Client acknowledges that the majority of Pierce Group's duties as outlined in in this Contract are performed prior to and at the beginning of each plan year for open enrollment services, printing, building of online systems, websites, etc. Pierce Group Benefits has agreed to allow for the annual fee to be paid in monthly installments. The Client agrees that the total annual fee amount outlined in Article 3 is due in full by December 31, 2030 regardless of reason or date of termination of this contract.

This Enrollment System Contract is signed and considered executed as of the last date shown below.

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This document must be executed by a person authorized to amend or obtain coverage under the Benefits Plan.

| | |
|---|---|
| Pierce Group Benefits | City of Lincolnton |
| BY: _____ | BY: _____ |
| Print Name: Raquel Bootes | Print Name: _____ |
| Title: Agency President | Title: _____ |
| Date: _____ | Date: _____ |

**CITY OF LINCOLNTON**
**ADMINISTRATIVE POLICY**

| | |
|---|---|
| **Subject:**<br>**Internal Control Policy: ARP/CSLFRF Award** | **Manual:**<br>**Administrative** |
| **Policy Number: 29** | **Effective Date:** |
| **Issued By:**<br>**Pamela McBryde, Finance Director** | **City Manager Approval:**<br>**Ritchie Haynes, City Manager** |

**A copy of this policy must be maintained in the City of Lincolnton's Administrative Manual for each City department and division.**

## Definitions

- **Management** refers to employees who have direct responsibility for the day-to-day operations of the entity, including the implementation of internal controls. For the purposes of this policy, "management" includes: Finance Director, or Director's designee.
- **Oversight Body**, as referenced in the Government Accountability Office's Standards for Internal Control in the Federal Government, refers to an appointed body designated to perform oversight at the direction of the governing board. The oversight body of the City of Lincolnton is the City Council.

## Policy Overview and Purpose

Internal control is a process effected by an entity's oversight body, management, and other personnel that provides reasonable assurance that the objectives of an entity will be achieved. This policy outlines the internal control process established by the City of Lincolnton to provide reasonable assurances that the unit will expend ARP/CSLFRF award funds in compliance with governing laws and regulations. This document is adopted in accordance with the following directive from U.S. Treasury's Compliance and Reporting Guidance: "Per 2 CFR Part 200.303, your organization must develop and implement effective internal controls to ensure that funding decisions under the ARP/CSLFRF award constitute eligible uses of funds, and document determinations."[2]

**Internal Control Framework:**

The City of Lincolnton's internal controls are modeled after the internal control framework set forth in the Government Accountability Office's Standards for Internal Control in the Federal Government (the "Green Book"). As described in the Green Book, Management is responsible for establishing and maintaining the internal control system in compliance with the duties outlined in this policy. The Oversight Body's primary role is to ensure management performs its internal control responsibilities. However, every employee bears some responsibility for the internal control process.

## The Green Book Recognizes Five Components of Internal Control: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring

The City of Lincolnton understands that each component must be present and functioning for the internal control process to operate at the optimal level. The responsibilities tied to each of the components are discussed below.

### 1. Control Environment

The control environment is the foundation for all other components of internal control, providing discipline and structure. Management values integrity, ethics, and competence in all operations, including the administration of federal awards. Management communicates and reinforces its expectations throughout the organization. Examples of management's commitment to internal controls over expenditures of ARP/CSLFRF funds include, but are not limited to, the following:

- Management demonstrates a commitment to integrity and ethical values through its leadership, communications, personnel practices, and daily actions.
- Management conducts ongoing risk assessments to identify internal control weaknesses that may negatively impact the proper administration of the ARP/CSLFRF award.
- Management is committed to educating itself and staff on the compliance requirements tied to the administration of the ARP/CSLFRF award.
- Management adopts policies necessary to ensure compliance with the Uniform Guidance and the ARP/CSLFRF award terms and conditions.

### 2. Risk Assessment

Management is committed to identifying and managing the risks that may arise during the administration of the ARP/CSLFRF award. The risk assessment component of internal control involves management evaluating the risks the entity faces that could negatively impact its ability to achieve its objectives. These objectives include:

- **Operational Objectives:** All assets are appropriately safeguarded against risks of fraud, theft, loss, or abuse.
- **Reporting Objectives:** Finance systems and processes produce accurate and reliable financial reporting for federal award expenditures. The City of Lincolnton's Schedule of Expenditures of Federal Awards (SEFA) is complete and accurate.
- **Compliance Objectives:** Ensure ARP/CSLFRF awards funds are expended in compliance with the award terms and conditions, federal and state law, and U.S. Treasury guidance.

***Risk Identification***

Management shall identify risks that may impair the City of Lincolnton's ability to achieve its objectives. Management shall focus its risk assessment on areas of opportunity for employees to commit fraud. Specific areas and types of risk include:

- rapid growth in operations,
- changes in personnel,
- organizational restructuring, such as centralizing or decentralizing,
- new activities or service areas,
- new or revised information systems,
- new technologies in service delivery or information systems,
- changes in the operating or regulatory environment, and
- new or updated accounting and/or financial reporting practices.

***Uniform Guidance Compliance & Risk Identification***

There are specific risks that arise in the administration of a grant award. Management will identify areas of risk that may impair the City of Lincolnton's ability to comply with the ARP/CSLFRF award's terms and conditions and/or applicable state and federal law and regulations.

Specifically, the City of Lincolnton will evaluate risks of non-compliance in the following compliance areas:

- Eligibility,
- Allowable Costs/Cost Principles,
- Period of Performance,
- Financial Management,
- Property Management,
- Procurement,
- Subrecipient Monitoring, and
- Program Income.

***Risk Analysis***

Management shall determine the potential severity of liabilities associated with the risks identified by weighing the likelihood of occurrence against the degree of impact.

***Risk Response***

Management shall review the results of the risk analysis and determine whether to implement control activities to mitigate risks. Management will respond to identified risks in one of three ways:

- accept the risk,
- reduce the risk by implementing control activities to help prevent or detect issues, or
- avoid the risk by not pursuing certain activities.

Management shall consider the relative cost of implementing controls versus the

benefit(s) offered in deciding whether to mitigate risk(s) through the implementation of control activities. Implementation of control activities will be prioritized based upon weighing a risk's likelihood of occurrence, degree of impact, and cost-effectiveness.

**3. Control Activities**

Control activities are the actions taken by management to respond to risks that may prevent the entity from achieving its objectives. The internal control activities are either preventative or detective. The City of Lincolnton uses a variety of control activities that support strong internal controls, including, but not limited to the following:

- written policies and procedures,
- segregation of duties: separating authorization, custody, record-keeping, and reconciliation functions,
- authorizations to undertake projects/programs/expenditure,
- reconciliation of accounts and records,
- documentation and record-keeping,
- physical controls, including locks, physical barriers, and security systems to protect physical assets,
- IT controls, including passwords, access logs, and firewalls to protect sensitive data and restrict access to electronic data and files,
- staff training, or
- a combination of the above.

**4. Information and Communication**

The City of Lincolnton communicates accurate and quality information to internal staff and personnel and to external stakeholders and community members. Communication plays an integral role in the internal control system by helping to promote transparency regarding the use of public funds. Management shall be responsible for communicating internal control processes to those employees directly involved in finance and/or grant administration. Management will communicate its policies, procedures, and internal controls through various handbooks, programs, training, and electronic communication.

Information regarding pertinent policies, processes, and control activities will flow down, across, and up the organizational structure. Internal control deficiencies should be reported upstream, with serious matters reported immediately to top-level management and/or to the governing board. Employees are required to report any critical issues within the internal control system to management as soon as possible after the discovery.

To ensure transparency regarding the use of ARP/CSLFRF funds, the City of Lincolnton shall communicate quality information to community members and external stakeholders. These communications include quarterly budget and expenditure reports.

**5. Monitoring**

The City of Lincolnton shall conduct ongoing monitoring of the internal control system to identify its strengths and weaknesses. Internal and external audits will be conducted

pursuant to federal and state law. These audit processes will test the effectiveness of internal controls over federal and state awards.

# Internal Controls & Uniform Guidance Compliance

## **Financial Management,** 2 CFR § 200.302

**Overview:**

Each unit must have a financial management system in place to satisfy the requirements set forth in 2 CFR 200.302. A unit may rely on existing accounting processes and procedures, provided such processes adequately track the obligations and expenditures of ARP/CSLFRF funds.

**Objectives:**

Ensure compliance with the following requirements set forth in 2 CFR 200.302, as follows:

1. Track all federal awards received and related expenditures separately for each federal program.
2. Provide accurate, current, and complete financial data to enable the disclosure of the results of each federal award.
3. Identify the source and application of funds (i.e., the system must be able to track authorizations, obligations, and disbursements, and tie any expenditures to eligible uses of ARP/CSLFRF funds.
4. Maintain control over, and accountability for, all funds, property, and other assets.
5. Compare budgeted amounts with actual expenditures.
6. Expenditures must be supported by the City of Lincolnton's written procedures for determining the allowability, reasonableness, and allocability of costs. (A written Allowable Cost/Cost Principles Policy is required.)

**Control Activities:**

- A recommended practice is to set up a grant project ordinance to separately account for and track expenditures of ARP/CSLFRF funds.
- Utilize a financial management system that meets the standards outlined in 2 CFR 200.302.

***Segregation of Duties:***

Duties and functions related to financial reporting are segregated to ensure no one person has control over all parts of a financial transaction.

***Documentation:***
Documentation of financial transactions is complete and accurate and facilitates tracing the transaction from authorization and initiation through disbursement.

- Finance Director or their designee shall ensure that, at a minimum, accounting records evidencing authorizations, obligations, and expenditures of ARP/CSLFRF funds are created and retained according to record retention requirements.
- Source documentation is retained, including paid invoices, payrolls, time and attendance records, contracts, and subaward documents.

***Reporting:***
Finance Director shall prepare monthly reports for the governing board that includes updates for grant project expenditures and a comparison of budget to actuals.

***Reconciliation:***
General ledger and subsidiary ledgers used to account for the receipt and disbursements of ARP/ CSLFRF funds are reconciled monthly against account balances by someone who does not have record-keeping/bookkeeping functions.

**Communication & Monitoring:**
The Finance Director or their designee is responsible for communicating the financial management requirements and associated control activities to the appropriate personnel. All employees within the finance and accounting office have responsibility for internal controls, including the ongoing assessment of the effectiveness of internal control activities over the financial management system.

## **Eligibility** (See Award Terms & Conditions for ARP/CSLFRF Eligibility Requirements)

**Overview:**
The unit is responsible for ensuring ARP/CSLFRF funds are expended on eligible projects and programs. The process for making eligibility determinations is described in the City of Lincolnton's Eligible Use Policy. (The control activities for Eligibility and Allowable Cost review are often combined.)

**Objectives:**

1. Ensure that supported projects and programs under the ARP/CSLFRF are eligible under one of the expenditure categories. (Eligible uses include projects identified in the Final Rule that fit within one of the four eligible

use categories: COVID-19/Negative Economic Impacts, Revenue Replacement, Premium Pay, Investment in Necessary Broadband and Water/Sewer Infrastructure.)
2. Document eligibility review and project determinations.
3. Establish processes to ensure funds are not expended on ineligible uses. (Prohibited uses include bulk deposits into pension funds, debt services, replenishing financial reserves, the satisfaction of settlements and judgments, support for programs that undermine the effort to stop the spread of COVID-19, and any use that would violate state or local law.)

**Control Activities:**

- **Eligible Use Policy:** The City of Lincolnton has adopted an ARP/CSLFRF Eligible Use Policy that explains the eligible uses of ARP/CSLFRF award funds and includes the City of Lincolnton's process for reviewing and documenting eligibility determinations.
- **Authorization:** Finance Director or their designee has reviewed applicable Treasury guidance, including the Final Rule, and has trained staff to conduct initial eligibility reviews for all project or program requests.
- **Documentation:** Each department is encouraged to use the SOG's Sample Eligibility Worksheet to document the review process. This documentation is retained for the five-year record retention period. Finance Director or their designee is responsible for overseeing compliance with documentation and record retention requirements.

**Communication & Monitoring:**
Management will communicate eligibility requirements and project determinations internally to staff and externally to community members and stakeholders. Management will periodically review a sample of eligibility determinations to ensure that documentation is being maintained and that the supported projects are eligible.

## **Allowable Costs/Cost Principles,** 2 CFR §§ 200.400 to 200.476

**Overview:**
The Uniform Guidance Cost Principles provide guidance on how to charge specific items of cost to a federal award. A written Allowable Cost/Cost Principles policy is required for compliance with 2 CFR 200 § 202.

Cost items charged using Revenue Replacement ARP/CSLFRF funds are subject to an allowable cost review. Cost items charged under the COVID-19/Negative Economic Impacts and Infrastructure Investment categories are subject to additional compliance requirements, including the Selected Item of Cost review. See Final Rule FAQ 13.15.

**Objectives:**

1. Ensure all costs charged to the federal award are allowable as

defined in the Uniform Guidance, Subpart E—Cost Principles.

2. Consistently apply local policies to both federally financed and non-federally financed activities.
3. Treat costs consistently as direct or indirect costs.
4. Adequately document evidence of allowable cost review and other compliance requirements as necessary.
5. When applicable, appropriately charge indirect costs using either the Negotiated Independent Cost Rate Agreement (NICRA) or the de minimis rate of 10 percent.

**Control Activities:**

- **Policy:** The City of Lincolnton has adopted an Allowable Cost/Cost Principles Policy, as required by 2 CFR 200.302.
- **Segregation of duties:** When possible, duties are segregated between those who initiate, approve, and record financial transactions.
- **Training:** Management trains staff to conduct an allowable cost review in compliance with the UG Cost Principles. (See Cost Principles Policy for specific compliance requirements.)
- **Documentation:** Finance Director or their designee shall ensure that documentation evidencing compliance with the Cost Principles is created and maintained through December 31, 2031. At a minimum, cost items will be reviewed for allowability prior to being charged to the federal award.

**Communication & Monitoring:**

Management shall ensure that staff is adequately trained to recognize allowable costs and associated compliance requirements for each eligibility category. Management shall periodically test the control activities by reviewing a sample of cost items charged to the ARP/CSLFRF award for allowability. Management will also test whether costs are charged to the proper project codes within the grant project ordinance.

## **Period of Performance** (See Award Terms and Conditions)

**Overview:**

The Period of Performance covers the period of time the City of Lincolnton may obligate and expend ARP/ CSLFRF funds. ARP/CSLFRF funds must be used for costs incurred between March 3, 2021, and December 31, 2024. For a cost to be incurred, the funds must be obligated (e.g., contract executed/pre-audit stage). All obligated funds must be expended by December 31, 2026. Any unspent award funds must be returned to the Treasury.

**Objective:**

Ensure that all obligations and expenditures are incurred during the ARP/CSLFRF award's period of performance.

**Control Activities:**

- Management reviews obligation dates to ensure that all obligations are made for costs incurred between March 3, 2021, and December 31, 2024.
- Management trains staff to review obligation and expenditure dates on contracts, or when performing eligibility and allowable cost reviews.

**Communication & Monitoring:**

Management shall communicate pertinent dates, including the period of performance, to any staff responsible for obligating or expending federal award funds. Periodic testing by management will ensure that all obligations are incurred between March 3, 2021, and December 31, 2024.

## **Procurement, Suspension & Debarment,** 2 CFR §§ 200.317 to 200.327

**Overview:**

Expenditures of ARP/CSLFRF funds under the revenue replacement category are exempt from federal procurement. When expending ARP/CSLFRF funds in other expenditure categories, the unit is required to adopt *written* procurement procedures and follow all federal procurement rules outlined in the Uniform Guidance (2 CFR §§ 200.318–200.327) as well as its own internal policies. Where established local or state rules are more strict than federal rules, the recipient must follow the most restrictive rule.

*[Note: Any unit that triggers a federal Single Audit, even if only expending funds under revenue replacement, must adopt a written procurement policy and procure single audit services in accordance with 2 CFR §§ 200.320 and 200.509.]*

**Objectives:**

Purchasing agents recognizes they must satisfy the minimum federal procurement requirements, as follows:

1. Adopt a written procurement policy that considers the procurement standards in § 200.318, which includes bidding contracts in compliance with federal bidding thresholds, oversight of contractors' performance, and maintaining records to document the history of procurements.
2. Provide full and open competition in conducting procurements, consistent with the standards outlined in § 200.319 and § 200.320, which allow for non-competitive procurements only in limited circumstances.
3. Comply with the requirements of § 200.320(a) when using the micro- purchase and small purchase methods of procurement.
4. Use the sealed bids method for procurement contracts exceeding the simplified

threshold. Utilize the competitive proposals method when sealed bidding is not possible.

5. Ensure noncompetitive procurement methods meet the conditions set forth under § 200.320(c).
6. Perform a cost or price analysis for every procurement action in excess of the simplified acquisition threshold, including contract modifications.
7. Pursuant to 2 CFR 200.319(b), if a firm assists in the development or drafting of specifications, statements of work, or bids or RFPs, the firm must be excluded from competing for the procurement.
8. Ensure that all contracts include the applicable contract provisions required by § 200.327 and described in Appendix II of 2 CFR 200.
9. Verify that a contractor is eligible by reviewing the suspended and debarred list on SAM.gov.
10. Restrict access to sensitive contractor information, such as Social Security numbers or federal tax ID numbers.

**General Procurement Control Activities:**

- Procurement Policy: The City of Lincolnton maintains documented procurement procedures that are consistent with the standards outlined in §§ 200.317 through 200.327. This policy contains detailed processes and control activities for procurements made with federal funds.
- The City Council shall have sole authority to approve certain contracts, in accordance with the following Administrative Policies: Service Contract (Policy 13) and Uniform Guidance Procurement (Policy 26) .
- Finance Director or their designee is responsible for monitoring and documenting the performance of a contract for compliance with contract terms, conditions, and other specifications.
- Prenumbered purchase orders are used.
- A pre-audit certificate that is signed by the Finance Director or designated deputy is attached to all purchase orders, invoices, or other contract obligations.
- Ensure purchasing forms have multiple copies so other departments, such as receiving and accounts payable, can be notified of the authorization.
- Micro-purchases may be awarded without soliciting competitive quotes if a determination is made that the price is reasonable.
- Cost items shall be reviewed for allowability pursuant to the review process set forth in the Allowable Cost Policy.
- Purchasing agents are responsible for identifying qualified vendors and rotating purchases made under the micro-purchase threshold among different suppliers.

Management shall periodically check compliance with this control activity.

- Purchasing agents shall verify that contractors are not on the suspended or debarred list. A screenshot of the record check shall be maintained.
- Access to sensitive contractor information, such as Social Security numbers or federal tax ID numbers, is restricted.

**Segregation of Duties:**

- Duties are segregated between authorization, custody, record-keeping, and reconciliation.
- The person who sets up new contractors in the accounting system or edits information on existing vendors (record-keeping) is not the same as the person writing the checks (authorization).
- Reconciliations are performed by an employee who does not have record-keeping duties.
- Invoices and other supporting documentation are thoroughly reviewed prior to the invoice being approved (e.g., compare the receiving or packaging slip against the authorization).

**Documentation:**

Documenting the history of procurements is a top internal control priority for the City of Lincolnton. All request personnel shall be trained on documentation and record retention policies. [Ideally, management will require the use of standard forms and templates for purchase orders, contracts, requests for proposals/bids, cost/price analyses, bid evaluation, etc.]

- Bid documents shall reflect all steps in the procurement process, including:
  - Ä bid specifications and proof of advertisement (if required),
  - Ä rationale for the selected method of procurement,
  - Ä bid submissions,
  - Ä evaluation criteria,
  - Ä basis for contractor selection or rejection,
  - Ä justification for lack of competition, when applicable,
  - Ä basis for award cost or price, and
  - Ä contract agreement, including required UG contract clauses.

- Source documentation relating to procurements must be retained and should include sufficient details to support the transaction, including:
  - Ä cost and quantity of items purchased,
  - Ä model numbers,
  - Ä purchase orders with and pre-audit certificates, and
  - Ä personnel who authorized the sale, if applicable.

- All records shall be maintained for a period of five (5) years after the ARP/CSLFRF period of performance (through December 31, 2031).

**Communication & Monitoring:**
Management shall ensure purchasing and finance staff understand federal procurement laws. Additional training shall be provided as necessary. Management will periodically review purchase orders and contracts to ensure that all charges are accounted for in the period in which the cost occurred and fall within the period of performance.

## **Property Management,** 2 CFR §§ 200.310 to 200.316

*Overview:*

Except for property, supplies, or equipment acquired using revenue loss funds, the unit must follow the applicable provisions of the Uniform Guidance regarding property standards (2 CFR 200.310–316), subject to the requirements set out in FAQ 13.16.

Per FAQ 13.16, during the period of performance, the City of Lincolnton may use property, supplies, or equipment purchased with ARP/CSLFRF funds for a purpose other than the purpose for which the initial purchase was made, provided the new use is consistent with another eligible use. After the period of performance, the City of Lincolnton is more limited in how it may use the property purchased.

**Objectives:**

1. Ensure real property, personal property, supplies, and equipment are used in compliance with the UG property standards (2 CFR 200.310– 316), and subject to the requirements set out in FAQ 13.16.
2. Ensure documentation is maintained to substantiate any determination on whether the use of an asset is authorized for a particular purpose during and after the award period of performance.
3. Establish adequate safeguards to prevent loss, damage, or theft of property.
4. Follow adequate maintenance procedures to keep equipment in good condition.
5. Ensure proper disposition of real property and equipment in accordance with § 200.311(c) and § 200.313 (e).

**Control Activities:**

- **Insurance Coverage:** Purchase equivalent insurance coverage for real property and equipment as is provided to other property owned by the City of Lincolnton. 2 CFR § 200.310.

- **Real Property Reporting:** Finance Director or their designee shall oversee the annual reporting requirements for any real property or personal property acquired with federal awards funds. Standard Form 429 shall be used to report real property and the Standard Form 428 shall be used to report tangible personal property, including equipment.
- **Equipment Management:** The City of Lincolnton has procedures for managing equipment, whether acquired in whole or in part under a federal award, until disposition takes place. The City of Lincolnton will, at a minimum, meet the following requirements:

  Ā Maintain equipment records that include a description of equipment, serial number/ model number, source of funding, acquisition date, location and condition of equipment, unit acquisition cost, and final data, including date of disposal, sales price, and method used to determine fair market value. § 200.313(d).

  Ā Ensure adequate safeguards to prevent loss, damage, or theft of property. Such safeguards may include attaching property tags to federally owned equipment that includes the FAIN. Any loss, damage, or theft will be investigated. § 200.313(d).

  Ā Regular maintenance will be performed to keep the property in good condition.

  Ā A physical inventory of equipment will be performed, and the results reconciled with the property records, at least once every two years.

  Ā If the City of Lincolnton is authorized or required to sell equipment, proper sales procedures will be used to ensure the highest possible return.

**Communication & Monitoring:**

Management will train employees to understand the various compliance requirements set forth in the Uniform Guidance property management standards. Periodic testing of established controls shall be performed to ensure that all reporting and property management requirements are satisfied for both real property and equipment.

## Subrecipient Risk Assessment & Monitoring, 2 CFR §§ 200.331 to 200.333

**Overview:**

Subrecipient selection and monitoring shall meet the requirement of 2 CFR 200.331-.333, or the most current and applicable federal regulations/guidance. Expenditures of revenue loss funds are exempt from compliance with this section. See Final Rule FAQ 13.15.

**Objective:**

- Ensure compliance with requirements set forth in the Subaward Policy, which sets forth the UG compliance requirements in 2 CFR 200.331-.333.

**Control Activities***:*

- Subrecipient agreements are reviewed and approved by knowledgeable staff to ensure all compliance requirements are captured and that all required elements set forth in 2 CFR §200.332 are included.
- Management tracks subaward notifications and maintains copies of executed subaward agreements.
- Management conducts subrecipient risk assessments and approves individual subrecipient monitoring plans.
- Management requires a standard template to document all subrecipient agreements that includes the required elements outlined in the UG.
- Supervisors periodically reconcile subrecipient monitoring plans with actual monitoring activities that have been undertaken to ensure monitoring occurs as scheduled.
- Segregation of duties exists between those monitoring a subrecipient and those approving the conclusions regarding the subrecipient's compliance.

**Communication & Monitoring:**

Management shall be responsible for communicating the compliance requirements and specific award terms and conditions to subrecipients. Management will ensure that external stakeholders are apprised of any subaward agreements executed using ARP/CSLFRF funds and
the intended purpose of the supported program. Management shall conduct ongoing monitoring to ensure staff is selecting eligible subrecipients and is adequately monitoring each subrecipient's compliance with the terms set forth in the subaward agreement.

## Program Income, 2 CFR § 200.307

*Overview:*

Program income relates to gross income earned from expenditures of federal awards, such as income from fees for services performed, the use or rental of property acquired with program funds, and for the sale of items fabricated under the program. Program income is only triggered when income will be earned under the COVID-19/Economic Impacts Category or for income earned on a water/wastewater infrastructure project. When program income is earned, it is added back to the total ARP/CSLFRF award allocation.

**Objectives:**

1. Separately track and account for program income during the ARP/CSLFRF award's period of performance.
2. Expend program income on eligible projects and programs during the period of performance (program income is added to the total ARP/CSLFRF award).

**Control Activities:**

- On a monthly basis, recorded program income is reconciled with supporting documentation, such as loan ledgers and other accounting records.
- Program income is separately tracked and accounted for within the grant project ordinance.
- Management ensures program income is added to the total ARP/CSLFRF award and used to support eligible projects and programs.
- Individuals who collect cash or other receipts are different from those who deposit receipts, generate invoices, record general ledger activity, and reconcile bank statements.

**Communication & Monitoring:**

Management shall identify program income requirements and communicate compliance requirements to staff. Management shall periodically review accounting records to ensure program income is separately accounted for during the award period of performance.

## Policy Checklist

**Required UG Policies:**

The following policies are required to ensure compliance with the Uniform Guidance:

- Eligible Use Policy (details the allowable activities under the ARP/CSLFRF award),
- Cost Principles/Allowable Cost Policy, and
- Conflict-of-Interest Policy.

**Optional UG Policies:**

These policies should be adopted if the programs or activities undertaken by the unit trigger compliance with any of the following UG compliance requirements:

- Subaward Policy,
- Property Management Policy, and
- Program Income Policy.

**Required Policies Under the ARP/CSLFRF Award Terms & Conditions:**

- Procurement Policy,[3]
- Records Retention Policy (ARP/CSLFRF records shall be maintained for five years after the period of performance),
- Civil Rights Compliance Policy, and
- Nondiscrimination Policy.