MEMORANDUM OF AGREEMENT

TO: Lincolnton Housing Authority

FROM: City of Lincolnton

DATE: September 3, 2026

SUBJECT: Contract Memorandum – Individual Electrical Metering Project

1. Purpose & Scope

This memorandum establishes the framework for a cooperative agreement between the City of Lincolnton (the "City") and the Lincolnton Housing Authority (the "Housing Authority") to transition the current multi-family residential units that are “mass metered” to individually metered accounts.

2. Procurement & Reimbursement

- **City Responsibility:** The City shall assume full responsibility for calculating and ordering the actual quantity of individual electric meters required to properly instrument all designated housing authority apartments.
- **Housing Authority Responsibility:** Following the initial purchase of the equipment by the City, the Housing Authority agrees to fully and promptly reimburse the City for the actual cost of the procured meters.

3. Installation & Long-Term Maintenance

- **Operational Demarcation:** The City shall be responsible for the physical installation of the new electric meters and shall handle all subsequent technical maintenance of the meter themselves. In the future, if meters stop or malfunction due to normal wear and tear, the City will replace the meter at no cost to the Housing Authority. The City shall not be responsible for the cost of repair or replacement of any meters damaged or defective due to negligence, tampering or malfeasance on the part of the Housing Authority, its agents or its tenants or guests there of.
- **Property Infrastructure Maintenance:** The Housing Authority shall retain full ownership and operational responsibility for maintaining the structural connections at and within the meter boxes, as well as within the dwellings.
- **Project Phasing**: The work will be completed in five distinct phases, contingent upon the availability of funding.
    - Phase 1 - Housing on Sumner St, N. Flint St, and McBee St, including the Housing Authority Main Office, totaling 26 meters.
    - Phase 2 -Housing on Sherrill Ave and Pine St., totaling 21 meters.
    - Phase 3 - Housing on Catawba St, Lincoln St, Linden St, Cline St, and Edwards Street, totaling 41 meters.
    - Phase 4 - Housing on High St and Church St, totaling 14 meters.
    - Phase 5 - All housing and buildings (including daycare building) on Mauney Dr

DRAFT

and Deaton Ave., totaling 98 meters.

4. Mutual Benefits & Strategic Alignment

This agreement serves the strategic and operational interests of both entities:

- **For the City of Lincolnton:** Implementing modern metering directly addresses revenue degradation caused by the current infrastructure, which consists of aging meters that are slowing down. The City will capture accurate, real-time revenue for all electrical consumption passing through the new infrastructure.
- **For the Lincolnton Housing Authority:** The transition empowers administration with precise visibility into individual tenant utility consumption patterns. Furthermore, it completely removes the burden of long-term maintenance of individual meter hardware from the Housing Authority's operational budget.

5. Rate & Billing Structure

- **Rate Code Structure:** The City shall establish a new rate code for individually metered accounts, to be billed monthly. Each phase will include a "main account" designated for water meters, sewer charges, community electric meters, and security lighting, incorporating the base charges for the replaced meters.
- **Individual Accounts:** The rate code for individual accounts will be limited to measuring electric usage for that specific meter.
- **Community Accounts:** Community accounts will be billed at a rate inclusive of base charges, REPS fees, and consumption for the specific building meter.
- **Billing Responsibility:** All monthly invoices will be issued to the Lincolnton Housing Authority, which shall maintain responsibility for timely payment.

6. Length of Terms & Agreement

- **Term and Renewal:** This agreement shall remain in effect for an initial five-year term, with automatic renewals for successive five-year periods, unless at least one party provides prior written notice (90 days or more) of requested changes to the agreement.
- **Termination:** Either party may terminate this agreement upon written notice **(90 days)**. Following the receipt of such notice, the City shall have three billing cycles to implement the necessary billing adjustments.

Signatures To Appear on the Following Page:

DRAFT

City of Lincolnton:

X

Ed Hatley
City Mayor

X

Richard Haynes
City Manager

X

Pamela McBryde
Finance Director

Lincolnton Housing Authority:

X

Barbara Bynum
Executive Director

DRAFT