AMENDED AGENDA
REGULAR MEETING
CITY COUNCIL, CITY OF ASHEBORO
THURSDAY, MAY 9, 2019, 7:00 PM

1. Call to order.

2. Silent prayer and pledge of allegiance.

3. Consent Agenda:

(a) Approval of the meeting minutes for the city council's regular meeting on April 4, 2019.

(b) Approval of the meeting minutes for the city council's special meeting on April 16, 2019.

(c) Approval of the minutes and general account of the closed session held during the city council's special meeting on April 16, 2019.

(d) Approval of a resolution to seal the general account of the closed session held on April 16, 2019.

(e) Approval of the final decision document for land use case number CUP-19-04.

(f) Acknowledgement of the receipt from the Asheboro ABC Board of its meeting minutes for March 4, 2019.

(g) Approval of a request to schedule for June 6, 2019, and to advertise a public hearing pertaining to the following land use cases:

(i) Legislative Hearing: An application asking for the rezoning of property located at 2473 United States Highway 64 East (Randolph County Parcel Identification Number 7771263341) from B2 General Commercial to I1 Light Industrial.

(ii) Legislative Hearing: An application asking for the rezoning of property located at 2382 United States Highway 64 East (Randolph County Parcel Identification Numbers 7771159252 and 7771241808) from R40 Low-Density Residential to B2 General Commercial.

(h) Approval of an agreement for engineering services between the City of Asheboro and Hiram J. Marziano, PE for the City of Asheboro Sanitary Sewer Lift Station No. 3 Improvements Project.

(i) Reappointment of the following individuals to 5-year terms of office on the Asheboro Redevelopment Commission:

(A) Ms. Linda Carter
(B) Mr. David Jarrell
(C) Ms. Ann McGlohon
(D) Ms. Delilah Warner

4. Community Development Director Trevor Nuttall will introduce the following community development items:

(a) Case No. RZ-19-06: A legislative hearing on an application to rezone property located on the north side of East Salisbury Street, between 853 and 933 East Salisbury Street, from R7.5 (Medium-Density Residential) to OA6 (Office-Apartment). This property is more specifically identified by Randolph County Parcel Identification Numbers 7761229556, 7761229618, and 7761229996.

(b) Case No. SUB-19-01: A preliminary plat review for West Pointe Townhomes (formerly identified as "Sunny Day Townhomes": Sherwood Avenue).

(c) Annual Planning Board Report.

5. Public Comment Period.

6. City Engineer Michael Leonard, PE will report on the results of recent bid solicitations:

(a) Flooring in the common areas of the Asheboro Recreation Center; and

(b) Pool deck resurfacing at Memorial Park and at North Asheboro Park.

7. City Engineer Michael Leonard. PE will present the annual report from the Asheboro Airport Authority.

8. The city attorney will present an ordinance to implement administrative action taken by the airport authority in response to the council's most recent enactment concerning alcoholic beverage options at the airport.

9. Finance Director Deborah Reaves will present the following items:

(a) Consideration of two ordinances to amend the General Fund for fiscal year 2018-2019.

(b) Consideration of an ordinance to amend the Water and Sewer Fund for fiscal year 2018-2019.

(c) Consideration of the audit contract for fiscal year 2018-2019.

(d) Consideration of a contract to examine the ORBIT employee census data for the period January 1, 2018, to December 31, 2018, in accordance with the most recent edition of the North Carolina Local Governmental Employee Retirement System Handbook.

(e) Consideration of a resolution approving installment financing agreement terms between the city and BB&T.

10. Mayor Smith will lead a discussion of upcoming events and items not on the agenda.

11. Adjournment.

REGULAR MEETING
ASHEBORO CITY COUNCIL
CITY COUNCIL CHAMBER, MUNICIPAL BUILDING
THURSDAY, APRIL 4, 2019
7:00 p.m.

This being the time and place for a regular meeting of the Asheboro City Council, a meeting was held with the following elected officials and city management team members present:

David H. Smith	) – Mayor Presiding
Clark R. Bell	)
Edward J. Burks	)
Walker B. Moffitt	) – Council Members Present
Jane H. Redding	)
Katie L. Snuggs	)
Charles A. Swiers	)
Linda H. Carter	) – Council Member Absent

John N. Ogburn, III, City Manager
Timothy E. Cockman, Deputy Fire Chief
Holly H. Doerr, CMC, NCCMC, City Clerk
P. Douglas Kemp, Human Resources Director
Michael L. Leonard, PE, City Engineer
Jody Maness, Assistant Recreation Services Director
Trevor L. Nuttall, Community Development Director
Deborah P. Reaves, Finance Director
Michael D. Rhoney, PE, Water Resources Director
Jonathan L. Sermon, Recreation Services Director
Jeffrey C. Sugg, City Attorney
Willie Summers, Fire Chief
Jody P. Williams, Chief of Police

1. Call to order.

A quorum thus being present, Mayor Smith called the meeting to order for the transaction of business, and business was transacted as follows.

2. Moment of silent prayer and pledge of allegiance.

After a moment of silence was observed in order to allow for private prayer and meditation, Mayor Smith asked everyone to stand and recite the pledge of allegiance.

3. Presentation of a *Key to the City* to Dr. James M. Rich, Jr. for his many years of dedicated service on the Asheboro Airport Authority.

On behalf of the City of Asheboro, Mayor Smith presented a *Key to the City* to Dr. James M. Rich, Jr. for his many years of positive contributions to the community and his dedicated service on the Asheboro Airport Authority.

4. Discussion of the Randolph County Partnership for Children's upcoming Children's Puppet Parade in downtown Asheboro.

Ms. Andee Edelson of the Randolph County Partnership for Children invited Mayor Smith and members of the city council to the children's puppet parade that is scheduled for April 12, 2019 at 9:30 a.m. in downtown Asheboro.

5. Presentation of Randolph County's application for the Recreation Trails Program grant funding for the Deep River Worthville to Central Falls Blueway.

Ms. Mary Joan Pugh, Trails/Natural Heritage Coordinator for Randolph County presented the county's application for Recreation Trails Program grant funding for the Deep River Worthville to Central Falls Blueway.

No action was taken by the Council during this portion of the meeting.

6. The police department's annual report.

Police Chief Jody Williams presented an overview of the Police Department's activities for 2018. During his presentation, Chief Williams highlighted that there were a total 26,425 calls for service during 2018, with approximately 22.3% of those calls requiring a report.

A copy of the written report is on file in the city clerk's office.

7. Discussion of the 2018 North Carolina Department of Labor safety awards.

Human Resources Director Doug Kemp reported that the North Carolina Department of Labor presented safety awards to nine (9) departments within the City of Asheboro for the calendar year 2018.

8. An invitation for the council members to attend the Asheboro Fire Department's upcoming promotion ceremony and celebration.

Fire Chief Willie Summers invited the mayor and members of the city council to attend the Asheboro Fire Department's upcoming promotional ceremony and celebration that is scheduled for April 25, 2019 at 5:30 p.m. in the Sunset Theatre.

9. Update on the proposed Arboretum Project. [Listed as Agenda Item 17]

Without objection, Mayor Smith moved agenda item 17 (an Update on the Arboretum Project) to the spot on the agenda immediately preceding consideration of the consent agenda.

Mayor Smith reported that the Arboretum Project is proceeding with the help of former Mayor David Jarrell and his wife, Pauline Jarrell. Currently, 120 pledges have been made for a total of $66,000.00.

No action was taken by the Council on this agenda item.

10. Consent agenda. [Listed as Agenda Item 9]

Upon motion by Mr. Burks and seconded by Mr. Bell, the Council voted unanimously to approve/adopt the following consent agenda items. Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted in favor of the motion.

(a) The meeting minutes for the city council's regular meeting on March 7, 2019.

The approved minutes are on file in the city clerk's office, and an electronic copy of the approved minutes is posted on the city's website.

(b) Acknowledgement of the receipt from the Asheboro ABC Board of its meeting minutes for February 4, 2019.

The minutes of the meeting held by the Asheboro ABC Board on February 4, 2019 have been received by the city clerk, distributed to the mayor and members of the city council for review, and are on file and available in the city clerk's office.

(c) The final decision document for land use case number SUP-19-01.

Case No. SUP-19-01
Final Decision Document
City Council of the City of Asheboro, North Carolina

IN THE MATTER OF THE APPLICATION BY ASHEBORO RESIDENTIAL, LLC FOR A SPECIAL USE PERMIT AUTHORIZING A MULTIPLE - FAMILY DWELLING UNIT DEVELOPMENT WITH A FLOOR AREA RATIO OF UP TO 22%

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING THE REQUESTED SPECIAL USE PERMIT

THIS LAND USE CASE was brought before the Asheboro City Council (the "Council") for a quasi-judicial hearing conducted during a regular meeting of the Council on March 7, 2019. After receiving sworn testimony and other evidence, the Council, on the basis of competent, material, and substantial evidence, hereby enters the following:

FINDINGS OF FACT

1. By and through Alex Zarris, Asheboro Residential, LLC (the "Applicant") has properly submitted an application with the required site plan for a special use permit ("SUP") that, if approved, will provide continuing authorization for a multiple-family dwelling unit development with a floor area ratio of up to 22%.

2. The multiple family dwelling unit development for which continuing authorization is sought is an apartment complex commonly referred to as Madison Heights.

3. Madison Heights is located on an approximately 8-acre parcel of land (the "Zoning Lot") owned by the Applicant. The street address for the Zoning Lot is 2280/2282 North Fayetteville Street in Asheboro, and the lot is more specifically identified by Randolph County Parcel Identification Number 7763140433.

4. The Zoning Lot is located within the Asheboro city limits and is in an RA6 zoning district.

5. In Article 200 (Schedule of District Regulations), Section 210 (Schedule of Statements of Intent), Subsection E, the City of Asheboro Zoning Ordinance (the "Ordinance") provides the following description of the RA6 zoning district:

The RA6 Residential District is intended to produce a high intensity of residential uses in close proximity to major nodes of non-residential development, characterized primarily by group housing, plus the necessary governmental and other support facilities to service that level of development. Land designated RA6 shall normally be located with access to a minor thoroughfare or higher classification street with access to local residential streets discouraged.

6. Pursuant to Article 1100 of the Ordinance, a multiple-family dwelling/residence is a "structure containing three or more dwelling units."

7. The Madison Heights development currently has 72 dwelling units.

8. Pursuant to Article 1100 of the Ordinance, gross floor area means:

The sum in square feet of the horizontal areas on all floors of a building or buildings measured from the outside faces of the exterior walls including halls, lobbies, arcades, stairways, elevator shafts, enclosed porches and enclosed balconies, and any below-grade floor area used for habitation, access and storage. Attic area shall be counted when used for habitation. In calculating attic space, only areas enclosed for habitation shall be counted. Open porches, *balconies, patios, decks, and attached garages and/or carports shall not be considered in floor area calculations.*

9. Pursuant to Article 1100 of the Ordinance, floor area ratio means the "ratio of permitted floor area to the area of the lot."

10. Pursuant to Table 200-2 in the Ordinance, multiple-family dwelling unit developments with a floor area ration of up to 22% are permitted by special use permit in an RA6 zoning district.

11. Prior to the consideration of the current SUP application, the permit applicable to the existing Madison Heights apartment development was the following permit issued under case number SUP-04-06:

Case No. SUP-04-06
City Council
City of Asheboro

IN THE MATTER OF THE APPLICATION OF MADISON HEIGHTS, L.L.C. FOR A SPECIAL USE PERMIT ALLOWING A FLOOR AREA RATIO OF UP TO .22

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING THE REQUESTED SPECIAL USE PERMIT

THIS MATTER came before the Asheboro City Council (hereinafter referred to as the "Council") for hearing during the Council's regularly scheduled meeting on January 6, 2005. Having considered all competent evidence and argument, the Council, on the basis of competent, material, and substantial evidence, does hereby make the following:

FINDINGS OF FACT

1. Madison Heights, L.L.C. (hereinafter referred to as the "Applicant") properly filed an application with the City of Asheboro Planning Department for a Special Use Permit that would allow a floor area ratio (hereinafter referred to as FAR) of up to .22.

2. The parcel of land for which a Special Use Permit is sought is located on the east side of North Fayetteville Street and is more specifically identified by Randolph County Parcel Identification Number 7763140433.

3. The Applicant owns the parcel of land referenced in the immediately preceding paragraph (said land shall be hereinafter referred to as the "Zoning Lot").

4. The Zoning Lot is zoned RA6 and consists of approximately 8.28 acres of land.

5. The Growth Strategy Map designates the area in which the Zoning Lot is located as "Primary Growth," and the Proposed Land Development Plan Map indicates that said lot is located in an area designated as "Urban Residential."

6. The land use to the north is multi-family residential, and a mobile home park is located to the west. Single-family residential use is located to the east, and the land use to the south is classified as undeveloped floodplain.

7. North Fayetteville Street is a major thoroughfare with a one hundred (100) foot right-of-way.

8. The Zoning Lot is located within the corporate limits of the City of Asheboro and all city services are available to the property.

9. The proposed development consists of seventy-two (72) total units and a clubhouse consisting of approximately 2,500 square feet.

10. A one hundred (100) year floodplain is located along the southern boundary of the Zoning Lot (Hasketts Creek). The Land Development Plan's "Proposed Land Use Map" shows a future greenway following the stream, and the plan recommends "dedication of open space and greenway easements as part of the land development process."

11. The Applicant is pursuing this application for the principal purpose of adding amenities to the project, such as a clubhouse and a carwash, and not for the purpose of increasing the total number of units.

12. Under the Asheboro Zoning Ordinance, a multi-family project is allowed by right to utilize a FAR of up to .17, and a FAR of up to .22 is allowed with a Special Use Permit.

13. The site plan and elevations submitted by the Applicant are in compliance with the provisions of the Asheboro Zoning Ordinance.

14. The Applicant has obtained approval from the North Carolina Department of Transportation for a turn lane that will serve the project.

15. No testimony was presented in opposition to the Applicant's request.

Based on the foregoing findings of fact, the Council makes the following:

<u>*CONCLUSIONS OF LAW*</u>

1. During the hearing of this matter, the evidence submitted to the Council indicated that the use will not materially endanger the public health or safety if located where proposed and developed according to the plan as submitted and approved.

2. The proposed use meets all required conditions and specifications of the Asheboro Zoning Ordinance.

3. The Applicant's proposed use will not substantially injure the value of adjoining or abutting property, and the use is a public necessity.

4. The location and character of the use if developed according to the plan as submitted and approved will be in harmony with the area in which it is to be located and in general conformity with the plan of development of Asheboro and its environs.

Based on the above-recited findings of fact and conclusions of law, the Council hereby enters the following:

<u>*ORDER*</u>

The above-referenced application submitted by Madison Heights, L.L.C. for a Special Use Permit allowing a floor area ratio of up to .22 is hereby approved on the express condition that the Applicant and its successors and assigns meet and remain in compliance with the following conditions:

1. Development on the Zoning Lot shall occur according to the approved site plan, with a maximum floor area ratio of .22. No additional *structures shall be permitted as the proposed development will cover almost 22%.*

2. The developer shall grant public greenway easements along the floodplain of Hasketts Creek as recommended by the City's Land Development Plan.

Adopted in regular session this 10th day of March, 2005.

<u>/s/ David H. Jarrell</u>
David H. Jarrell, Mayor

ATTEST:

<u>/s/ Carol J. Cole</u>
Carol J. Cole, CMC, City Clerk

12. Uncontroverted testimony established that the Madison Heights is in compliance with the above-stated Order.

13. Pursuant to Section 606 of the Ordinance, permit modifications require action by the Council. The cited Ordinance provision states:

The Zoning Administrator is authorized to approve minor changes in the approved plans of Special Uses, as long as they are in harmony with action of the approving body, but shall not have the power to approve changes that constitute a modification of the approval. A modification shall require approval of the City Council and shall be handled as a new application.

<u>The following actions shall constitute a modification, unless expressly authorized by the permit:</u>

A. (Reserved for future amendments)

B. The erection of a new structure or the addition to an existing structure that:

1. exceeds 1,000 square feet, either cumulatively or non-cumulatively;

2. exceeds 10% of the useable floor area, either cumulatively or non-cumulatively, approved by the City Council as part of its review of the applicable Special Use Permit; or

3. results in any portion of a structure being located closer than thirty (30) feet to an adjoining property developed with a single-family or two-family dwelling.

C. An increase in number of dwelling or lodging units.

D. An increase in outside land area devoted to sales, displays, or demonstrations.

E. Any change in parking areas resulting in an increase or reduction of 5% or more in the number of spaces approved by the City Council. In no case shall the number of spaces be reduced below the minimum required by the ordinance.

F. Structural alterations significantly affecting the basic form, style, ornamentation and the like of the building as shown on the approved plan.

G. Substantial change in the amount and/or location of open space, recreation facilities or landscape buffers/screens.

H. A change in use.

I. Substantial changes in pedestrian or vehicular access or circulation.

Notwithstanding any other provision within this Section, the Zoning Administrator is expressly prohibited from approving any changes that would be in conflict with the requirements of the Zoning Ordinance or significantly contrary to the Findings of Facts, Conclusions of Law, or Order as outlined (for) the applicable Special Use Permit.

The Zoning Administrator shall, before making a determination as to whether a proposed action is a minor change or a modification, review the record of the proceedings on the original application for the approval of the Special Use.

The Zoning Administrator shall, if he determines that the proposed action is a modification, require the applicant to file a request for approval of the modification, which shall be submitted to the City Council. The Council may approve or disapprove the application for approval of a modification.

14. The Applicant proposes adding structures to the Zoning Lot for the storage of the residents' personal belongings and/or vehicles. This proposal has to be evaluated as a modification of the existing SUP.

15. Uncontroverted testimony was offered to show that the additional structures do not count toward the maximum floor area ratio of 22% because the proposed structures are not for habitation. No additional dwelling units are proposed.

16. North Fayetteville Street, which serves the Zoning Lot, is a state-maintained major thoroughfare.

17. The land uses to the north and south of the Zoning Lot are multiple-family residential dwellings, single-family residential use is located to the east, and a manufactured home park is located to the west.

18. The site plan for the proposed land use is compliant with the Ordinance.

19. A portion of the Zoning Lot that is adjacent to Hasketts Creek is within a 100-year flood area. However, no new structures or parking areas are proposed for development within the flood area.

20. The building elevations indicate that the proposed structures will be built in a manner that matches the facades of the Zoning Lot's existing buildings.

21. The proposed structures are designed to function as amenities for residents who need storage area. The additional storage space will promote the maintenance of common areas as clean and well-kept areas.

22. Alex Zarris has in excess of thirty years of experience in acquiring and redeveloping properties for commercial and residential use in Florida, Indiana, and North Carolina. Mr. Zarris offered his professional opinion that the proposed land use will enhance the Zoning Lot and not have a negative impact on the area.

23. No evidence was entered in opposition to the issuance of the requested permit.

24. Pursuant to Section 602.1 of the Ordinance, the Council must find that the Applicant has met four general standards before the application for a SUP can be approved. The four standards are as follows:

1. *That the use will not materially endanger the public health or safety if located where proposed and developed according to the plan as submitted and approved.*

2. *That the use meets all required conditions and specifications.*

3. *That the use will not substantially injure the value of adjoining or abutting property, or that the use is a public necessity.*

4. *That the location and character of the use if developed according to the plan as submitted and approved will be in harmony with the area in which it is to be located and in general conformity with the plan of development of Asheboro and its environs.*

Based on the foregoing findings of fact, the Council hereby enters the following:

CONCLUSIONS OF LAW

1. When an applicant has produced competent, material, and substantial evidence tending to establish the existence of the facts and conditions that the Ordinance requires for the issuance of a SUP, prima facie the applicant is entitled to the permit. A denial of the permit has to be based upon findings contra that are supported by competent, substantial, and material evidence appearing in the record.

2. In this case, the Applicant has properly submitted an application for a SUP authorizing a multiple-family dwelling unit development with a floor area ratio of up to 22%.

3. On the basis of the evidence presented during the hearing of this matter, the Council has concluded that the proposed use meets the four general standards for issuing the requested SUP. More specifically, the proposed use will not materially endanger the public health or safety, meets all required conditions and specifications of the Ordinance, will not substantially injure the value of adjoining or abutting property, and will be in harmony with the area in which it is to be located and is in general conformity with Asheboro's plan of development.

Based on the above-recited findings of fact and conclusions of law, the Council hereby enters the following:

ORDER

A special use permit authorizing a multiple-family dwelling unit development with a floor area ratio of up to 22% on the Zoning Lot is hereby issued to the Applicant and its heirs, successors, and assigns. This special use permit shall be valid so long as, and only so long as, the Applicant and its heirs, successors, and assigns develop and conduct the approved land use in compliance with the provisions of the City of Asheboro Zoning Ordinance and the approved site plan.

The foregoing final decision document was adopted by the Asheboro City Council in open session during a regular meeting held on the 4th day of April, 2019.

/s/David H. Smith
David H. Smith, Mayor

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

(d) The final decision document for land use case number SUP-19-02/SUB-19-01.

Case Nos. SUP-19-02 and SUB-19-01
Final Decision Document
City Council of the City of Asheboro, North Carolina

IN THE MATTER OF LARRY MCKENZIE'S APPLICATION FOR A SPECIAL USE PERMIT, INCLUDING SUBDIVISION SKETCH DESIGN APPROVAL, AUTHORIZING A RESIDENTIAL PLANNED UNIT DEVELOPMENT KNOWN AS SHERWOOD TOWNHOMES

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER GRANTING, WITH CONDITIONS, THE REQUESTED LAND USE APPROVALS

THIS LAND USE CASE came before the Asheboro City Council (the "Council") for a properly advertised quasi-judicial hearing on March 7, 2019. During this hearing, the Council received evidence, including sworn testimony, and considered all competent evidence and argument. On the basis of competent, material, and substantial evidence, the Council does hereby enter the following:

FINDINGS OF FACT

1. Larry McKenzie (the "Applicant") has properly applied for a Special Use Permit (a "SUP") authorizing a residential planned unit development (a "PUD") with 29 dwelling units plus common area. During the hearing of this case, the PUD was referred to as Sherwood Townhomes. Along with the PUD application, the Applicant properly submitted the mandated subdivision sketch design plat for review and approval.

2. The PUD is proposed for an approximately 7.34-acre parcel of land (the "Zoning Lot") owned by the Applicant and located on the north side of Sherwood Avenue. The street addresses currently associated with the Zoning Lot are 145 Whitley Street and 159 Whitley Street. Randolph County Parcel Identification Number 7750249743 more specifically identifies the parcel of land.

3. The Zoning Lot is located in an R10 (Medium-Density Residential) zoning district.

4. The City of Asheboro Zoning Ordinance (the "Ordinance") describes the R10 zoning district in Section 210, Subsection C of the Ordinance as follows:

> *The R10 Residential District is intended to provide regulations which will produce a moderate intensity of residential uses, usually single family or two family in character and served by central water supply and sewage disposal systems, plus the necessary governmental and other support facilities to service such urban intensity living.*

5. A PUD is permitted by special use permit in an R10 zoning district.

6. Section 630, Subsection A of the Ordinance lists the following specific requirements for a PUD:

> *1. Residential Planned Unit Developments may be permitted in any R40, R15, R10, R7.5, RA6 or OA6 zoning district as long as the proposed development contains a minimum of 2 acres. Those uses ordinarily permitted by right, by SUP, or as an accessory within the district (where) the development is to be located may be included in the development.*
>
> *2. Review of an application for a PUD SUP shall occur simultaneously with a review of plats submitted in compliance with the Asheboro Subdivision Ordinance. If the PUD requires review as a "major" subdivision the Sketch Design Plat shall be properly submitted, reviewed*

and recommended by the Planning Board for the City Council's consideration as the PUD SUP. The Sketch Design Plat and the site plan required for the SUP may be combined on one plat so long as the requirements for each are met. If the PUD requires a minor subdivision the required subdivision plat shall be properly submitted for approval. Approval shall be subject to any conditions of the PUD SUP and granted only after approval of the SUP by the City Council.

3. Residential PUDs may have direct access to City streets or State roads which are not major or minor thoroughfares, provided such access will not create safety hazards due to design or congestion.

4. Streets within a PUD may be public or private according to the regulations of the Asheboro Subdivision Ordinance.

5. The yard and height regulations set forth in Table 200-1 may be modified for a PUD, provided that, for such development as a whole, excluding public street right-of-ways or the area dedicated to private streets but including individual lots, common areas, parks and other permanent open spaces, there shall not be less than the required area per dwelling unit for the district in which such development is located.

6. Utilities shall be planned and installed according to the Asheboro Subdivision Ordinance.

7. Provisions and plans for garbage and waste collection shall be included with the application.

8. Buffers and/or screening shall be installed and maintained based on the types of individual uses contained within the development as per Article 304A.

9. Signs will be regulated as per Article 500.

10. Off street parking shall be provided as per Article 400.

11. General landscaping shall be installed and maintained. Plans indicating all required and non-required landscaping shall be submitted as part of the application.

7. The land uses surrounding the Zoning Lot are as follows:

North:	Commercial	**East:**	Single-Family/Two-Family
South:	Single-Family/Two-Family	**West**:	Single-Family/Commercial

8. With regard to the city's comprehensive development plans, the growth strategy map identifies the area in which the Zoning Lot is located as a primary growth area, and the proposed land development plan map designates the area as commercial/neighborhood residential.

9. The Zoning Lot's existing land use is classified as currently undeveloped. Formerly, there were two single-family dwellings located on the lot.

10. The Zoning Lot is located inside Asheboro's corporate limits.

11. Sherwood Avenue, which provides access to the Zoning Lot, is a city-maintained street. The city engineer has raised no objections to the proposed street connection between Sherwood Avenue and the Zoning Lot.

12. For the PUD, the Applicant proposes a combination of city-maintained and privately maintained streets. Whitley Street will be constructed as a public, city-maintained

street (approximately 640 linear feet), and private streets (approximately 1,000 linear feet) will be connected to Whitley Street.

13. The site plan indicates the dwelling units will consist of single-story units with single-vehicle garages or two-vehicle garages. Of the 29 dwelling units, five are stand-alone detached dwellings and 24 dwelling units are located in duplex structures with two dwellings in each structure.

14. A small recreation area consisting of passive picnic areas is proposed on the north side of the Zoning Lot. The recreation area indicated on the site plan is compliant with the recreation requirements in the Ordinance.

15. The sidewalk connectivity required by the Ordinance is present.

16. The average lot size is 3,072 square feet.

17. As part of his sworn testimony, the Applicant agreed to the following conditions that were recommended by the city's planning staff for attachment to the requested SUP in order to ensure the long-term compliance of the proposed PUD with the Ordinance:

(A) All permits from the North Carolina Department of Environmental Quality shall be obtained as required.

(B) Fire hydrant location(s) shall be coordinated with the Asheboro Fire Department.

(C) As required by the City of Asheboro Subdivision Ordinance, a declaration of restrictive covenants prohibiting recreational vehicle parking, inclusive of boats, shall be submitted and recorded with the final plat.

(D) Except as explicitly noted to the contrary, roads, driveways, parking areas, storm sewer systems, and other improvements shall be maintained by the homeowners' association.

(E) The site plan indicates that mail delivery will be through individual mail boxes. If the United States Postal Service requires a community mail box, such drop-off area shall be designed in accordance with commonly accepted traffic engineering practices. If the developer chooses or is required to construct the community mailbox and any associated vehicular areas in a location completely on private property, such construction shall not be considered a modification of the Special Use Permit under Section 606 of the Ordinance.

(F) The following information shall be included on a revised site plan to be reviewed by city staff for inclusion in the community development division files without further review by the Council:

(1) Additional detail concerning street lighting fixtures.
(2) Correct labeling of Sherwood Avenue as a city-maintained street.
(3) Confirmation as to whether the sight distance triangle located on the west side of Whitley Street, at the intersection of Sherwood Avenue, has the benefit of an easement from the adjoining property owner. If not, this site distance triangle shall be removed.
(4) Detail concerning the proposed front yard landscaping along Whitley Street.

(G) Prior to the issuance of a Zoning Compliance Permit for the proposed land use, the owner(s) of the Zoning Lot shall properly execute and deliver to the Zoning Administrator for recordation in the Office of the Randolph County Register of Deeds a Memorandum of Land Use

Restrictions prepared by the city attorney for the purpose of placing notice of the conditions attached to this Special Use Permit in the chain of title for the Zoning Lot.

18. The Applicant has many years of experience in real estate and has developed multiple PUDs in the greater Asheboro area. Mr. McKenzie offered his professional opinion that the proposed land use will enhance the Zoning Lot and not have a negative impact on the area

19. The proposed PUD does not pose any elevated risk of generating health and safety concerns.

20. No testimony was offered in direct opposition to either the Applicant's request or the testimony/evidence introduced during the hearing of this land use case.

21. Section 602.1 of the Ordinance provides that the following four general standards must be met for the Council to approve a requested SUP:

1. *That the use will not materially endanger the public health or safety if located where proposed and developed according to the plan as submitted and approved.*

2. *That the use meets all required conditions and specifications.*

3. *That the use will not substantially injure the value of adjoining or abutting property, or that the use is a public necessity.*

4. *That the location and character of the use if developed according to the plan as submitted and approved will be in harmony with the area in which it is to be located and in general conformity with the plan of development of Asheboro and its environs.*

Based on the foregoing findings of fact, the Council hereby enters the following:

CONCLUSIONS OF LAW

1. When an applicant has produced competent, material, and substantial evidence tending to establish the existence of the facts and conditions that the Ordinance requires for the issuance of a special use permit, prima facie the applicant is entitled to the permit. A denial of the permit has to be based upon findings contra that are supported by competent, substantial, and material evidence appearing in the record.

2. In this case, the Applicant properly submitted an application for a SUP authorizing a PUD on the Zoning Lot, which is located in an R10 zoning district.

3. In light of the evidence and the Applicant's acceptance of the conditions attached to the SUP by the Council, the Applicant's proposed land use is compliant with the applicable requirements of the Ordinance.

4. On the basis of substantial evidence in the record, the Council has concluded that, with the clarifications and protections provided by the conditions attached to this permit, the proposed land use meets the four general standards for granting the requested special use permit. The proposed land use will not materially endanger the public health or safety, meets all required conditions and specifications of the Ordinance, will not substantially injure the value of adjoining or abutting property, and will be in harmony with the area in which it is to be located and is in general conformity with Asheboro's plan of development.

5. The Applicant's subdivision sketch design review application, with the comments/conditions noted in the Order, is compliant with the applicable land use regulations.

Based on the above-recited findings of fact and conclusions of law, the Council hereby enters the following:

ORDER

Part 1 – Special Use Permit

Subject to the following conditions, a Special Use Permit authorizing the proposed residential planned unit development on the Zoning Lot is hereby approved and issued to the Applicant and the Applicant's heirs, successors, and assigns. The continuing validity of this Special Use Permit is hereby made expressly contingent upon the Applicant and the Applicant's heirs, successors, and assigns complying at all times with the applicable provisions of the City of Asheboro Zoning Ordinance, the approved site plan, and the following supplementary conditions:

(A) All permits from the North Carolina Department of Environmental Quality shall be obtained as required.

(B) Fire hydrant location(s) shall be coordinated with the Asheboro Fire Department.

(C) As required by the City of Asheboro Subdivision Ordinance, a declaration of restrictive covenants prohibiting recreational vehicle parking, inclusive of boats, shall be submitted and recorded with the final plat.

(D) Except as explicitly noted to the contrary, roads, driveways, parking areas, storm sewer systems, and other improvements shall be maintained by the homeowners' association.

(E) The site plan indicates that mail delivery will be through individual mail boxes. If the United States Postal Service requires a community mail box, such drop-off area shall be designed in accordance with commonly accepted traffic engineering practices. If the developer chooses or is required to construct the community mailbox and any associated vehicular areas in a location completely on private property, such construction shall not be considered a modification of the Special Use Permit under Section 606 of the Ordinance.

(F) The following information shall be included on a revised site plan to be reviewed by city staff for inclusion in the community development division files without further review by the Council:

(1) Additional detail concerning street lighting fixtures.

(2) Correct labeling of Sherwood Avenue as a city-maintained street.

(3) Confirmation as to whether the sight distance triangle located on the west side of Whitley Street, at the intersection of Sherwood Avenue, has the benefit of an easement from the adjoining property owner. If not, this site distance triangle shall be removed.

(4) Detail concerning the proposed front yard landscaping along Whitley Street.

(G) Prior to the issuance of a Zoning Compliance Permit for the proposed land use, the owner(s) of the Zoning Lot shall properly execute and deliver to the Zoning Administrator for recordation in the Office of the Randolph County Register of Deeds a Memorandum of Land Use Restrictions prepared by the city attorney for the purpose of placing notice of the conditions attached to this Special Use Permit in the chain of title for the Zoning Lot.

Part 2 – Subdivision Sketch Design Approval

The subdivision sketch design plat submitted under Case No. SUB-19-01 for the residential planned unit development known as Sherwood Townhomes is hereby approved with the following comments/conditions:

(A) Additional revisions to the proposed utility locations (i.e. water, sanitary sewer, storm sewer) may be needed prior to approval of the preliminary plat for construction.

(B) The following items must be included on the preliminary plat:

(1) Additional detail concerning street lighting fixtures.

(2) Correct labeling of Sherwood Avenue as a city-maintained street.

(3) Confirmation as to whether the sight distance triangle located on the west side of Whitley Street, at the intersection of Sherwood Avenue, has an easement from the adjoining property owner. If not, this site distance triangle must be removed.

(C) Homeowners documents are required to be recorded with the final plat, and these documents must include maintenance mechanisms for the common area and restrictions concerning recreational vehicle (RV) parking.

(D) The plat contains information beyond the requirements and scope of review for the sketch design process.

The foregoing final decision document was adopted by the Asheboro City Council in open session during a regular meeting held on the 4th day of April, 2019.

/s/David H. Smith
David H. Smith, Mayor

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

(e) Approval to schedule for May 9, 2019, and to advertise a public hearing on an application to rezone approximately 4.5 acres of land located on the north side of East Salisbury Street, between 853 and 933 East Salisbury Street, from R7.5 (Medium-Density Residential) to OA6 (Office-Apartment) zoning. This property is more specifically identified by Randolph County Parcel Identification Numbers 7761229556, 7761229618, and 7761229996.

The above-listed land use case will be advertised and heard by the Council on May 9, 2019.

(f) Acknowledgement of the receipt of the statutorily prescribed notice of construction work to enhance the city's sewer maintenance program by installing sanitary sewer service line clean-outs along the following streets: Thayer Drive, Idlewood Drive, Neely Drive, Rockridge Road, Westover terrace, Westmont Drive, Edgewood Road, Westmont Circle, Oakmont Drive, Mountain Drive, Lincoln Avenue, Chapelgate Lane, Southway Road, Timbal Court, North McCrary Street, and Lord Randolph Circle.

(g) A resolution authorizing the city manager to exercise an option to purchase real property for the benefit of the Asheboro Regional Airport.

RESOLUTION NUMBER <u>15 RES 4-19</u>

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

<u>RESOLUTION AUTHORIZING THE CITY MANAGER TO EXERCISE AN OPTION TO PURCHASE REAL PROPERTY FOR THE BENEFIT OF THE ASHEBORO REGIONAL AIRPORT</u>

WHEREAS, in an effort to act upon the transportation improvement program adopted for the Asheboro Regional Airport (the "Airport"), the City of Asheboro (the "City") is attentive to opportunities to implement improvements for the Airport; and

WHEREAS, with the assistance of programs supported by the Federal Aviation Administration and the North Carolina Department of Transportation's Division of Aviation, grant funding is available for the City to use to purchase real property from willing sellers who own land identified for acquisition for the Airport's Runway Protection Zone; and

WHEREAS, in furtherance of this grant-supported land acquisition program, the City acquired, in June 2018, an option to purchase the residential property of Michael E. Jones and Tina O. Jones at 2142 Doul Mountain Road; and

WHEREAS, based on the terms and conditions of the option and the requirements of the applicable grant funding program, the city council has decided to exercise the option to purchase the Jones' real property.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Asheboro that the city manager is hereby authorized and directed to exercise, on behalf of the City, the option to purchase the residential parcel of land at 2142 Doul Mountain Road by executing and delivering to Michael E. Jones and Tina O. Jones the Notice of Exercise of Option to Purchase Real Property form attached to this Resolution as EXHIBIT 1 and incorporated into this Resolution by reference as if copied fully herein; and

BE IT FURTHER RESOLVED by the City Council of the City of Asheboro that, in addition to the purchase price and closing costs specified in the option agreement, the City will pay any balances owed on the moving expenses and the replacement housing payment prescribed by the approved relocation assistance program for this federally assisted project (the cumulative total of money paid for moving expenses cannot exceed the sum of $4,000, and the cumulative total of money paid as a replacement housing payment cannot exceed the sum of $31,000, of which $15,500 has already been paid to Michael E. Jones and Tina O. Jones, through their attorney, when the option to purchase was acquired in June 2018); and

BE IT FURTHER RESOLVED by the City Council of the City of Asheboro that the city manager, finance officer, and all other city officials needed to complete the purchase of the residential parcel of land at 2142 Doul Mountain Road are hereby authorized and directed to take all of the administrative, financial, and legal actions necessary to successfully implement the land acquisition contemplated by the exercise of the above-described option to purchase real property.

This Resolution was adopted by the Asheboro City Council in open session during a regular meeting held on the 4th day of April, 2019.

<u>/s/David H. Smith</u>
David H. Smith, Mayor

ATTEST:

<u>/s/Holly H. Doerr</u>
Holly H. Doerr, CMC, NCCMC, City Clerk

11. Community Development Items: [Listed as Agenda Item 10]

(a) Legislative Hearing: Text amendments to the zoning ordinance concerning the maximum allowable floor area ratio and supplementary requirements for multi-family residential developments.

Mayor Smith opened the public hearing which was legislative in nature on the application by Wynnefield Properties, Inc. for text amendments to the Asheboro Zoning Ordinance concerning permissible maximum floor area ratios for multi-family residential developments.

Community Development Director Trevor Nuttall utilized a visual presentation in order to give the Council Members an overview of the proposed text amendments related to permissible floor area ratios for developments with multiple family dwellings.

During his presentation, Mr. Nuttall summarized the planning staff's analysis of the request as follows:

1. The request is to amend the zoning ordinance in order to establish a maximum allowable floor area ratio (FAR) of up to 43% for multiple family developments within the RA6 High-Density Residential zoning district and OA6 Office and Apartment zoning district as long as certain development standards are met and a Special Use Permit is obtained. Open space ratio would be established at 40% and recreation space ratio at 6.6%.

2. Floor Area Ratio (FAR) is a ratio of gross floor area to land area. Gross floor area generally includes enclosed conditioned space that is used for habitation.

3. Current zoning regulations permit a FAR of up to 22% with a Special Use Permit. No specific special use standards apply beyond the general permit standards.

4. For illustration purposes, an allowable FAR of 43% on a lot with 100,000 square feet would permit development with a total gross floor area of 43,000 square feet. This cumulative gross floor area is allowed regardless of the number of stories in a structure (i.e. a single-story structure with 20,000 square feet of floor area would yield the same FAR as a two-story structure with 10,000 square feet of floor area on each level).

5. Floor area ratio provisions do not apply within the Center City Planning Area. Within this area, overall density and bulk is regulated through maximum permitted built-upon area and height restrictions.

6. The Applicant proposes specific use standards for projects seeking a 43% FAR. These standards are provided in new section 653 and include property access requirements, enhanced landscaping and building design requirements, stormwater control requirements, and increased recreational area criteria.

A copy of the visual presentation used to provide the staff's analysis is on file in the city clerk's office.

The Planning Board recommended approval of the request. This recommendation was based on the Planning Board's concurrence with the following analysis from the Community Development Division staff that evaluated the consistency of the request with the adopted comprehensive plans as well as the reasonableness of the request and whether the request is in the public interest:

> The Land Development (LDP) generally encourages site design, density, and architecture of new residential development to be compatible with adjoining neighborhoods and land uses. During LDP preparation, significant public input was received related to the appropriate size and scale of multi-family developments. The LDP also states its vision for "urban residential" development to be located "within walking distance of commercial areas and major thoroughfares." The Applicant's proposal includes development standards that can achieve these plan objectives and policies while retaining the ability for public participation through the Special Use Permit (SUP) process. The standards and the SUP process should result in developments with a FAR of up to 43% locating in appropriate places that are compatible with surrounding land uses and provide convenient access to supporting commercial services and adequate public infrastructure.
>
> Considering these factors, city staff believes the requested text amendments are reasonable and in the public interest.

Mr. H.R. Gallimore, a real estate broker, presented comments in support of the request.

There being no further comments and no opposition from the public, Mayor Smith transitioned to the deliberative phase of the public hearing.

The city council concurred with the staff and planning board analysis of the general consistency of the request with the land development plan. Council Member Bell moved, and Council Member Swiers seconded the motion, to adopt a plan consistency statement and to approve the requested text amendments to the Asheboro Zoning Ordinance with the following multi-part motion:

1. The Land Development (LDP) generally encourages site design, density, and architecture of new residential development to be compatible with adjoining neighborhoods and land uses. During LDP preparation, significant public input was received related to the appropriate size and scale of multi-family developments. The LDP also states its vision for "urban residential" development to be located "within walking distance of commercial areas and major thoroughfares." The proposed text amendments include development standards that can achieve these plan objectives and policies while retaining the ability for public participation through the Special Use Permit (SUP) process. The standards and the SUP process should result in developments with a FAR of up to 43% locating in appropriate places that are compatible with surrounding land uses and provide convenient access to supporting commercial services and adequate public infrastructure.

2. With the above-stated standards and due process safeguards provided by the SUP process, the proposed amendments are reasonable and in the public interest.

3. In light of the above-stated analysis, the requested text amendments to the Asheboro Zoning Ordinance are approved as consistent with the adopted plan.

The above-stated motion was approved unanimously by the following Council Members: Bell, Burks, Moffitt, Redding, Snuggs, and Swiers.

The approved text amendments are as follows:

Table 200-1

Table of Area, Height, Bulk and Placement Regulations

District	Minimum Lot Size in Sq. Ft.	Lot Width (Frontage) In Feet*	Front Required Yard in Feet*	Side Required Yard In Feet*	Rear Required Yard in Feet*	Maximum Height in Feet*	Maximum Floor Area Ratio*	Open Space Ratio*	Recreation Ratio*
R40	40,000 SF	100	30	15	25	35	22%		
	80,000 Duplex	1 Single Family or 1 Duplex Only					22%		
	40,000 NonRes						22%		
R15	15,000	100	30	15	25	35	22%		
		1 Single Family Only							
R10	10,000 SF	75	30	10	25	35	22%		
	15,000 Duplex	1 Single Family or 1 Duplex Only					22%		
	10,000 NonRes						22%		
R7.5	7,500 SF	60	25	10	20	35	22%		
	11,500 Duplex	1 Single Family or 1 Duplex Only					22%		
	7,500 NonRes						22%		
RA6	Residential (SF & Duplex)								
	6,000	60	25	10	20	35	22%		
	Multi Family: Maximum 4 Units Permitted Less than 45,000						17%	30%	
	Multi Family: Greater than 45,000						17%	52%	3.3%
	Multi Family: Greater than 45,000 with SUP						22%	52%	3.3%
	Multi Family: Greater than 45,000 with SUP authorized by Article 600, Section 653						*43%*	*40%*	*6.6%*
	Non-residential								
	6,000	60	25	10	20	35	22%		
OA6	Residential (SF & Duplex)								
	6,000	60	25	10	20	35	22%		
	Multi Family: Maximum 4 Units Permitted Less than 45,000						17%	30%	
	Multi Family: Greater than 45,000						17%	52%	3.3%
	Multi Family: Greater than 45,000 with SUP						22%	52%	3.3%
	Multi Family: Greater than 45,000 with SUP authorized by Article 600, Section 653						*43%*	*40%*	*6.6%*
	Non-residential								
	6,000	60	25	10	20	35	30%		
	Multi Use: Minimum 45,000 for 5 or more units						30%		
O&I	6,000	60	25	10	20	35	30%		
	Multi Use: Minimum 45,000 for 5 or more units						30%		
B1	6,000	60	25	15	15	25	33%		
M	10,000	75	25	10	10	25	33%		
B2	10,000	75	25	0 or 5	0 or 5	35	100%		
TH	40,000	100	30	10	10	35	100%		
B3	N/A	N/A	0	0 or 5	0 or 5	50	N/A		
I1	10,000	75	10	10	10	45	N/A		
I2	20,000	100	10	10	10	45	N/A		
I3	30,000	100	50	20	20	45	N/A		

*Except as specifically modified by this Ordinance — Revised 4/2019

Table 200-2
Table of Permitted Uses (Amended 8-6-2015)

Use	Buffer/ Screen	R40	R15	R10	R75	RA6	OA6	O&I	B1	M	B2	TH	B3	I1	I2	I3	Supp. Reg.
Dwelling Multiple Family Units up to .17 FAR	MF					P	P										Note 15
Dwelling Multiple Family Units up to .22 FAR	MF					S	S										Note 15
Dwelling Multiple Family Units up to .43 FAR	Per Section 653					S	S										Section 653
Dwelling Single Family Units	SF	P	P	P	P	P	P										
Dwelling Two Family Units	SF	P		P	P	P	P										
Dwelling within Mixed Use Structure							P						P				Note 16
Eating Establishments - Drivein	2										P	P					
Eating Establishments - Walkin / Carry-out	2								P	P	P	P	P				

P - Permitted as Principal Use in District
S - Permitted by Special Use Permit
A - Permitted as Accessory Use Only

New Proposed Section 653 of the Asheboro Zoning Ordinance
Residential Development with Multiple Family Structures with a Gross Floor Area Ratio in Excess of 0.22 and Up to 0.43

653 Residential Development with Multiple Family Structures with a Gross Floor Area Ratio in Excess of 0.22 and Up to 0.43.

653.1 Development shall comply with all applicable zoning and subdivision ordinance standards except as modified herein.

653.2 Access shall be from a minor thoroughfare or higher classification street.

653.3 No parking shall be permitted within the first 25 feet of the required front yard.

653.4 Overflow parking spaces for visitors shall be provided. One overflow parking space shall be provided for every ten (10) required parking spaces within the development.

653.5 Parking of recreational vehicles, including but not limited to watercraft, travel trailers, and campers, is not permitted unless such parking occurs within an entirely enclosed structure that complies with the requirements of the Zoning Ordinance.

653.6 Within the required front yard, there shall be planted and maintained one tree which is not less than six feet in height at the time of planting, for each twenty linear feet of street frontage or portion thereof, and one evergreen shrub for each ten linear feet of street frontage or portion thereof. The balance of the required front yard shall be covered with evergreen ground cover or mulch.

653.7 A Type D buffer or screen shall be provided adjacent to single or two-family uses or zoning districts. A Type A buffer or screen shall be provided adjacent to all other uses or zoning districts.

653.8 Foundation plantings consisting of evergreen shrubs shall be installed along the entire front foundation wall of each building. Plant installation shall be a minimum of two feet in height planted at six-foot intervals.

653.9 All Facades: One hundred (100) percent of the area below the facia of any building, excluding trim and similar architectural detailing but including doors and windows, shall be finished with any Building Code approved material except:

(a) Unfinished wood, concrete block (except split-faced block), vinyl siding, metal panels, metal painted panels and any metal panel with "rib" or "u" configuration.

(b) Laminated, composite or press board wood type materials composed of layers of firmly united wood materials made by bonding or impregnating superposed layers with resin and compressed under heat.

653.10 All multifamily structures less than three (3) stories in height using a sloped roof shall have a minimum slope of 5 in 12 on the principal roof. All multifamily structures not using a sloped roof shall have a parapet wall above the roof of at least three (3) feet in height.

653.11 Stormwater control measures designed by a licensed professional in accordance with the current North Carolina Department of Environmental Quality Stormwater BMP Manual shall be provided. Measures shall control the ten-year post-development peak discharge rates to pre-development peak flow rates. Prior to a Certificate of Occupancy, a licensed professional shall provide certification that the storm water control measures were built according to the plans. Any open water retention or drainage areas shall be managed to control mosquitos. The maintenance of all runoff control measures shall be the responsibility of the property owner.

653.12 The minimum recreation ratio may be satisfied with a mixture of indoor and outdoor amenity space, provided that no more than fifty (50) percent of the recreated space is located within an enclosed structure.

653.13 A full-time on-site manager shall be provided for multifamily dwellings with a total of 75 units or more. A permanent office shall be provided for the manager. The floor area contained in the on-site manager's office shall not be counted in the total FAR.

(b) Quasi-Judicial Hearing: Combined hearing concerning property located at 481 North Carolina Highway 49 South (Randolph County Parcel Identification Numbers 7740931871 and 7740941140). The application asks for the rezoning of a portion of the property from B2 (General Commercial) to CU-RA6 (Medium-Density Residential) and asks for the issuance of a Conditional Use Permit authorizing a multiple family development.

Mayor Smith opened the public hearing on the combined request to legislatively rezone property and to issue a Conditional Use Permit on the basis of evidence presented during the quasi-judicial process.

Community Development Director Trevor Nuttall was placed under oath and presented the staff's analysis of the request by Wynnefield Properties, Inc. (hereinafter referred to as the "Applicant") to rezone the property located at 481 N.C. Highway 49 South (hereinafter referred to as the "Zoning Lot"), more specifically identified by Randolph County Parcel Identification Numbers 7740931871 and 7740941140, from B2 (General Commercial) zoning to CU-RA6 (Conditional Use High-Density Residential) zoning. Along with the requested rezoning, the Applicant also applied for a Conditional Use Permit for a development with multiple family units with a gross Floor Area Ratio of up to 0.43.

Mr. Nuttall certified that the required notices of the requested rezoning had been provided and utilized a visual presentation to summarize the planning staff's analysis of the rezoning application. The staff report noted the following:

1. The property is inside the city limits.

2. N.C. Highway 49 South is a state-maintained major thoroughfare.

3. The Applicant has requested rezoning to a Conditional Use High-Density Residential zoning district. The zoning ordinance describes the underlying RA6 zoning district as follows: "Intended to produce a high intensity of residential uses in close proximity to major nodes of non-residential development, characterized primarily by group housing, plus the necessary governmental and other support facilities to service that level of classification street with access to local residential streets discouraged."

4. The Applicant has also filed a Conditional Use Permit for a multi-family residential development.

5. The area is characterized by a mix of commercial, industrial, and residential uses, including a multi-family residential development to the southeast consisting of 216 dwelling units.

Mr. Nuttall also presented the staff's analysis of the application for a Conditional Use Permit. This analysis of the Conditional Use Permit application noted as follows:

1. The request is for a multiple family residential development consisting of a total of 72 residential units.

2. One entrance from N.C. Highway 49 South, a state-maintained major thoroughfare, is proposed. Based on feedback from the North Carolina Department of Transportation (NCDOT), no traffic signal will be required. However, some restriping of N.C. Highway 49 south may be required. NCDOT has also indicated that the sidewalk shown within the right-of-way will need to be moved further south away from the travel lanes.

3. The proposed development consists of two 3-story residential structures plus an office/clubhouse and outdoor recreation area for residents' use.

4. In response to comments made at the March Planning Board meeting about potential school impacts, the city staff contacted the administrative staff for Asheboro City Schools. They indicated no concerns related to the impact of this project.

In regards to the request for rezoning, the Planning Board recommended approval of the request. This recommendation was based on the Planning Board's concurrence with the following analysis from the Community Development Division staff that evaluated the consistency of the requested rezoning with the adopted comprehensive plans as well as the reasonableness of the request and whether the requested rezoning is in the public interest:

> Although the request doesn't align with the Land Development Plan map designation of the property for commercial use, several factors support the requested Conditional Use High-Density Residential district.
>
> The property is in close proximity to another significant multi-family residential use as well as complementary commercial development. This immediacy supports the Land Development Plan's objective of locating urban residential uses in close proximity to supportive non-residential uses.
>
> The Conditional Use permitting process can also help ensure that the property develops in a manner consistent with the Land Development Plan's "urban residential" description, including design features that promote walkability and harmony with surrounding land uses.
>
> Considering these factors, staff believes that the proposed zoning map amendment is reasonable and in the public interest.

Mr. Davis Ray, a representative of Wynnefield Properties, Inc. (the Applicant) was placed under oath and offered testimony in support of the application. This testimony was focused on addressing the four standards for issuance of a Conditional Use Permit. As part of his testimony, Mr. Ray expressed agreement with the following conditions that were recommended by the planning staff for attachment to the requested Conditional Use Permit.

1. Should additional pedestrian, vehicular and/or driveway connections be proposed to adjoining properties in a manner consistent with the requirements of the Asheboro Zoning Ordinance, the Applicant shall submit a revised site plan to city staff for review and inclusion in the file without further review by the city council.

2. The exact location of the sidewalk parallel to N.C. Highway 49 South shall be subject to approval by NCDOT. Should NCDOT not issue an encroachment agreement for a sidewalk within the public right-of-way, the Applicant may construct a sidewalk parallel to N.C. Highway 49 South on the subject property.

3. Should the Applicant provide additional dumpster(s), such action shall not be considered a modification provided it is consistent with the requirements of the Asheboro Zoning Ordinance.

4. The following information shall be included on a revised site plan to be reviewed by city staff for inclusion into the file without further review by the city council:

   a. Front yard landscaping details which comply with the zoning ordinance.
   b. Spelling of "space" in open space.
   c. Corrected calculation of recreational space. [Staff Note: The Applicant labels less recreation space (3,000 square feet) than the amount shown on the site plan.]

5. Prior to issuance of a zoning compliance permit, the following approvals are required:

   a. NCDOT driveway permit and encroachment agreement if a sidewalk is to be built within public right-of-way.
   b. An erosion control permit from the North Carolina Department of Environmental Quality (NCDEQ).
   c. Plans showing outdoor lighting information compliant with Section 318A of the Asheboro Zoning Ordinance.

6. Prior to the issuance of a certificate of zoning compliance, the developer shall provide a plat, prepared by a licensed surveyor, that is acceptable to the city and identifies easements necessary for public maintenance of any city utility including, but not limited to, water lines serving required fire hydrants. Upon plat acceptance, the property owner shall execute the necessary instrument, prepared by the city's legal department, to grant such easements to the city.

7. Prior to the issuance of a Zoning Compliance Permit for the proposed land use, the owner(s) of the Zoning Lot shall properly execute and deliver to the Zoning Administrator for recordation in the office of the Randolph County Register of Deeds, a Memorandum of Land Use Restrictions prepared by the city attorney for the purpose of placing notice of the conditions attached to this Conditional Use Permit in the chain of title for the Zoning Lot.

No one offered testimony in opposition to the Application. There being no further comments, Mayor Smith transitioned to the deliberative phase of the application process.

With regard to the request to place the property in a different zoning district, the city council concurred with the staff and planning board analysis of the general consistency of the request with the land development plan. Council Member Bell moved, and Council Member Burks seconded the motion, to adopt a plan consistency statement and to approve the requested rezoning with the following multi-part motion:

1. Although the request doesn't align with the Land Development Plan map designation of the property for commercial use, there is overall consistency with the plan and its objectives. The property is in close proximity to another significant multi-family residential use as well as complementary commercial development. This immediacy supports the Land Development Plan's objective of locating urban residential uses in close proximity to supportive non-residential uses.

The Conditional Use permitting process helps to ensure that the property develops in a manner consistent with the Land Development Plan's "urban residential" description, including design features that promote walkability and harmony with surrounding land uses.

Considering these factors, the city council has concluded that this application for a zoning map amendment is generally consistent with the Land Development Plan, is generally in the public interest, and supports a reasonable use of the property.

2. In light of the above-stated analysis, the requested zoning map amendment to place the Zoning Lot in a CU-RA6 Conditional Use High-Density Residential zoning district is approved as consistent with the adopted plan.

Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted in favor of the motion. There were no dissenting votes. Consequently, the above-stated motion was adopted unanimously.

After its approval of the requested zoning amendment, the Council Members concluded that the standards for granting the requested Conditional Use Permit had been met. Upon motion by Mr. Moffitt and seconded Mr. Burks, the Council voted unanimously to approve the requested Conditional Use Permit, with the staff suggested conditions, for a Development with Multiple Family Units with a gross Floor Area Ratio of up to 0.43. Council members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted in favor of the motion. There were no dissenting votes. Consequently, the above-stated motion was adopted unanimously.

The formal finding of fact, conclusions of law, and order authorizing the Conditional Use Permit and specifying the conditions attached to the permit, will be entered by the Council during regular session on May 9, 2019.

A copy of the visual presentation utilized by Mr. Nuttall during his presentation is on file in the city clerk's office.

(c) Legislative Hearing: An application to rezone the property located at 1644, 1702, and 1712 North Fayetteville Street (portions of Randolph County Parcel Identification Numbers 7762064208, 7762065123, and 7762067634) from R10 (Medium-Density Residential) and RA6 (High-Density Residential) to O&I (Office & Institutional).

Mayor Smith opened the public hearing, which was legislative in nature, on the request by Balfour Baptist Church (the "Applicant") to rezone approximately 6.3 acres of land from R-10 (Medium-Density Residential) and RA6 (High-Density Residential) to O&I (Office & Institutional). The land to be rezoned (the "Zoning Lot") is owned by Balfour Baptist Church.

Mr. Nuttall certified that the required notices of the requested rezoning had been provided and utilized a visual presentation to summarize the planning staff's analysis of the rezoning application. The staff report noted the following:

1. The property is inside the city limits.

2. North Fayetteville Street is a state-maintained major thoroughfare. East Bailey Street is a local, city-maintained street.

3. The Applicant is requesting that the portion of the property that is currently zoned B2 remain B2. The requested O&I (Office & Institutional) district is only proposed for the portion of the property currently zoned R10 and RA6.

4. The zoning ordinance describes the O&I Commercial District as "intended to produce moderate intensity office and institutional development to serve adjacent residential areas and to provide a transition from residential to commercial uses. Land designated O&I shall normally be located with access to a minor thoroughfare or higher classification street with access to local residential streets discouraged."

5. There is currently a place of worship occupying the properties. Tax records indicate that the current structures have been in place since 1950 (1644 N. Fayetteville Street), 1967 (1702 N. Fayetteville Street), and 1976 (1712 N. Fayetteville Street). A place of worship is permitted by right in an O&I district along with the other permitted uses (such as medical/professional offices, schools, cultural centers, light services uses such as hair salons.). Significant additions or modifications (such as adding more than 5 percent additional parking) requires a Special Use Permit when located in a residential zoning district.

6. The majority of the property located at 1644 N. Fayetteville Street and 1702 N. Fayetteville Street is developed with structures and/or parking. The majority of the property located at 1712 N. Fayetteville Street (Parcel ID 7762067634) is undeveloped.

The Planning Board recommended approval of the request. This recommendation was based on the Planning Board's concurrence with the following analysis from the Community Development Division staff that evaluated the consistency of the requested rezoning with the adopted comprehensive plans as well as the reasonableness of the request and whether the requested rezoning is in the public interest:

> Staff believes that the request is generally consistent with the Land Development Plan. The LDP directly supports extending commercial zoning an additional 100 feet east of the B2/R10 zoning line. Further the established use of each of the properties is also consistent with an Office & Institutional designation and there are surrounding uses in the vicinity (such as a school, emergency public use facility, and other places of worship) that make an O&I zoning district an appropriate zoning designation. Additionally, the O&I district can serve as an effective transition between the existing B2 zoning on the front portion of the property and residential uses to the east.
>
> While there are a number of residential properties directly abutting parcel 7762067364, the limited number of non-residential uses allowed in the O&I district combined with O&I landscaping requirements help to mitigate concerns over possible adverse impacts to adjoining residential properties.

Mr. Roger Pritchard of Balfour Baptist Church was available to answer questions.

There being no further comments, and no opposition from the public, Mayor Smith transitioned to the deliberative phase of the case.

The city council concurred with the staff and planning board analysis of the general consistency of the request with the land development plan. Council Member Bell moved, and Council Member Swiers seconded the motion, to adopt a plan consistency statement and to approve the requested rezoning with the following multi-part motion:

1. The request is generally consistent with the Land Development Plan. The LDP directly supports extending commercial zoning an additional 100 feet east of the B2/R10 zoning line. Further the established use of each of the properties is also consistent with an Office & Institutional designation and there are surrounding uses in the vicinity (such as a school, emergency

public use facility, and other places of worship) that make an O&I zoning district an appropriate zoning designation. Additionally, the O&I district can serve as an effective transition between the existing B2 zoning on the front portion of the property and residential uses to the east.

While there are a number of residential properties directly abutting parcel 7762067364, the limited number of non-residential uses allowed in the O&I district combined with O&I landscaping requirements help to mitigate concerns over possible adverse impacts to adjoining residential properties.

Considering these factors, the city council has concluded that this application for a zoning map amendment is generally consistent with the Land Development Plan, is generally in the public interest, and supports a reasonable use of the property.

2. In light of the above-stated analysis, the requested zoning map amendment to place R10 and RA6 portions of the Zoning Lot in an O&I (Office and Institutional) zoning district is approved as consistent with the adopted plan.

Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted in favor of the motion. There were no dissenting votes. Consequently, the above-stated motion was adopted unanimously.

(d) An update on staff's review of Article 200 of the Zoning Ordinance as recommended by the city council on December 6, 2018.

At the December 6, 2018 regular city council meeting, the city council directed city staff to examine the Asheboro Zoning Ordinance's Table of Permitted Uses in order to identify any potential uses currently permitted by right that may warrant additional scrutiny by the city council due to the potential for adverse community impacts.

During his presentation, Mr. Nuttall reported the following:

1. Certain agricultural-related uses, namely livestock production, are permitted in all residential zoning districts by right and may be incompatible with residential zoning district descriptions.

2. Clean (inert) material landfills are permitted in the I1 and I2 zoning districts by right with no additional development standards beyond customary zoning requirements. There may be need for further investigation of development standards that pertain to size, access, or other criteria.

3. The application of sludge is permitted by right in the majority of the city's zoning districts. While there are state rules that pertain to municipal wastewater sludge applications, the lack of an ordinance definition combined with the allowance of such use within all residential zoning districts may result in land use conflicts.

No action was taken by the city council on this agenda item.

12. Public comment period. [Listed at Agenda Item 11]

Mayor Smith opened the floor for public comments, and none were offered.

Mayor Smith closed the public comment period.

13. Presentation of a bid summary and request for the award of contracts for the supply of chemicals to the water and wastewater treatment plants. [Listed as Agenda Item 12]

Water Resources Director Michael D. Rhoney, PE reported that fifteen (15) bid packages were received on March 12, 2019 in response to the chemical procurement process undertaken for operations at the Water/Wastewater Treatment Plants. These bids included furnishing the chemicals required by the plants for the time period from April 16, 2019 to April 15, 2020.

Mr. Rhoney recommended that the contracts to supply the chemicals required by the plants from April 16, 2019 to April 15, 2020 be awarded to the responsive low bidders as listed below:

Chemical	Company	Price
Liquid Alum	C&S Chemicals	$286.00/Ton
Liquid Caustic	Brenntag Mid-South	$553.00/Ton
Fluosilicic Acid	Pennco, Inc.	$323.75/Ton
Sodium Hypochlorite	JCI Jones Chemicals	$0.66/Gal
Calcium Nitrate	Lime-Chem	$1.95/Gal
Sodium Permanganate	Shannon Chemical Corp.	$8.34/Gal
Magnesium Hydroxide	Polytec, Inc.	$1.88/Gal

Upon motion by Mr. Moffitt and seconded by Mr. Burks, the Council Members voted unanimously to award to the above-listed lowest responsive, responsible chemical suppliers the respective contracts to supply the chemicals required by the city's plants from April 16, 2019 to April 15, 2020. Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted in favor of the motion.

A copy of the bid summary presented by Mr. Rhoney is on file in the city clerk's office.

14. Recreation Services Items: [Listed as Agenda Item 13]

(a) The 2019 operational days and hours, including special events, planned for the Downtown Farmers' Market.

Mr. Jody Maness, Assistant Recreation Services Director reported that the "Pre-Market" Day for 2019 is scheduled for Saturday, April 27, 2019. The opening day for the Downtown Farmers' Market is scheduled May 2, 2019. The market will operate on Tuesdays, Thursdays, and Saturdays from 7:00 a.m. until 1:00 p.m. Strawberry Day is scheduled for Saturday, May 18, 2019 and Peach Day is scheduled for Saturday, July 27, 2019.

No action was taken by the Council Members on this agenda item.

(b) A request for the approval of an ordinance amending Article I (Rec Cards) in the City of Asheboro Cultural and Recreation Services Policy Manual.

Mr. Maness presented and recommended adoption, by reference, of an ordinance amending Article I in the Cultural and Recreation Services Policy Manual.

Upon motion by Mr. Bell and seconded by Mr. Swiers, the Council voted unanimously to adopt the following ordinance by reference.

ORDINANCE NUMBER 09 ORD 4-19

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

AN ORDINANCE AMENDING ARTICLE I IN THE CULTURAL AND RECREATION SERVICES POLICY MANUAL

WHEREAS, the City of Asheboro Cultural and Recreation Services Policy Manual contains the rules and regulations applicable to the city's cultural and recreational facilities; and

WHEREAS, Section 98.01 (Adoption by Reference) of the Code of Asheboro provides that the City of Asheboro Cultural and Recreation Services Policy Manual (the "Manual") has been adopted by the Asheboro City Council by reference and made a part of the Code of Asheboro; and

WHEREAS, within the Manual, Article I contains the regulatory provisions applicable to the Rec Card used by the city's cultural and recreation services system; and

WHEREAS, the recreation services director and the city manager have recommended updates to the Rec Card that are highlighted in an exhibit attached to this Ordinance as EXHIBIT 1, which is hereby incorporated into this Ordinance by reference as if copied fully herein; and

WHEREAS, the Asheboro City Council concurs with the recommended updates to Article I.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Asheboro as follows:

Section 1. Article I of the City of Asheboro Cultural and Recreation Services Policy Manual is hereby rewritten to provide as specified in EXHIBIT 1. All articles, sections, and provisions of the Manual that are not expressly modified by the contents of EXHIBIT 1 shall continue in full force and effect without alteration.

Section 2. All ordinances and clauses of ordinances in conflict with this Ordinance are hereby repealed.

Section 3. This Ordinance shall be in full force and effect upon and after April 4, 2019.

This Ordinance was adopted by the Asheboro City Council in open session during a regular meeting held on the 4th day of April, 2019.

/s/David H. Smith
David H. Smith, Mayor

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

EXHIBIT 1

ARTICLE I. REC CARD

~~**SECTION 1.1 QUALIFICATIONS**~~

~~1. The Rec Card is for all Residents who live within the City Limits. The card entitles holders to City Resident rates at the Municipal Golf Course, Lake Lucas, Lake Reese, Memorial Pool, North Asheboro Park Pool and various Recreation Programs.~~
~~2. Rec Cards are available at the Cultural and Recreation Services office during regular business hours.~~
~~3. In order to qualify for a Rec Card, you must:~~

~~a. Currently live in the City Limits.~~
~~b. Present a valid Government Issued ID with current Address.~~
~~c. Present a current (within the month) bill with your street address.~~

~~4. Children age 15 and younger must be accompanied by their parents with the above information plus the following:~~

~~a. Government Issued Picture ID or:~~
~~b. Birth Certificate or~~
~~c. School ID.~~

~~5. Rec Cards are valid for 1 year.~~
~~6. City Residents who choose not to obtain a Rec Card will be charged the non-resident rate at all Cultural and Recreation Services facilities.~~
~~7. The Rec Card must be presented each time to receive the City Resident Rate.~~
~~8. The Rec Card is Free of charge. A replacement fee of $5.00 will be charged if the card is misplaced.~~

~~**SECTION 1.2 SENIOR'S REC CARD QUALIFICATIONS**~~

~~1. To qualify, The Senior must:~~

~~a. Reside in the City Limits.~~
~~b. Be at least 62 years of age.~~
~~c. Present information prescribed in the Rec Card Section.~~

~~2. The Senior Rec Cards are valid for 1 year periods. At the end of the period, you will need to come back to the Recreation Services Department to reverify that you are still a resident of the city.~~
~~3. City Residents who choose not to get a Senior's Rec Card will be charged the non-resident rate at all Cultural and Recreation Services facilities.~~
~~4. The Senior's Rec Card must be presented each time to receive the City Resident Rate.~~
~~5. The Senior's Rec Card is Free of charge. A replacement fee of $5.00 will be charged if card is misplaced.~~

SECTION 1.1 QUALIFICATIONS

(A) The Rec Card is for all residents who live within the city limits. This card entitles holders to city resident rates at the municipal golf course, Lake Lucas, Lake Reese, Memorial Pool, North Asheboro Park Pool, and various recreation programs.

(B) Rec Cards are available at the cultural and recreation services office during regular business hours.

(C) In order to qualify for a Rec Card, the adult applying for the card must currently live within Asheboro's city limits, and such an individual must present a valid government-issued picture ID to verify the individual's current status as a city resident. If the address on the government-issued picture ID is not the applicant's current street address, residency can be proven with one of the following:

(1) A current (within the month) bill with the applicant's street address; or
(2) A current (within the month) bank statement with the applicant's street address.

(D) A child age 15 and younger for whom a Rec Card is sought must be accompanied by a parent/guardian with a verifiable parental/guardian relationship to the child. In addition to the parent/guardian providing the information specified above in Section 1.1(C), one of the following forms of identification must be provided for the child:

(1) A government-issued picture ID;
(2) A birth certificate; or
(3) A school ID.

(E) Rec Cards are valid for two years. At the end of the 2-year period, a card holder may renew his or her Rec Card. In order to renew the card for another 2-year period, the renewal applicant must comply with the above-stated procedures in order to verify the applicant's continuing status as a city resident.

(F) City residents who choose not to obtain a Rec Card will be charged the non-resident rate at all of the city's cultural and recreation services facilities.

(G) The Rec Card must be presented each time to receive the city resident rate.

(H) The Rec Card is free of charge. A replacement fee of $5.00 will be charged if the card is misplaced.

(I) Notwithstanding any other provision in Section 1.1, a non-city resident may acquire a Rec Card with the payment of a biennial fee of $50.00.

SECTION 1.2 SENIOR'S REC CARD QUALIFICATIONS

(A) To qualify, the senior must:

(1) Reside within the city limits;
(2) Be at least 50 years of age; and
(3) Present the information prescribed by Section 1.1(C).

(B) A Senior's Rec Card is valid for two years. At the end of the 2-year period, a card holder may renew his or her Senior's Rec Card. In order to renew the card for another 2-year period, the renewal applicant must comply with the above-stated procedures in order to verify the applicant's continuing status as a city resident.

(C) City residents who choose not to get a Senior's Rec Card will be charged the non-resident rate at all cultural and recreation services facilities.

(D) The Senior's Rec Card must be presented each time to receive the city resident rate.

(E) The Senior's Rec Card is free of charge. A replacement fee of $5.00 will be charged if card is misplaced.

(F) Notwithstanding any other provision in Section 1.2, a non-city resident may acquire a Senior's Rec Card with the payment of a biennial fee of $50.00.

15. Consideration of ordinances designed to address requests for additional alcoholic beverage options at the Asheboro Regional Airport and Sunset Theatre. [Listed as Agenda Item 14]

As a follow-up to the council's action on March 7, 2019, directing the city attorney to draft ordinances to accommodate the desire of nonprofit entities to engage in the sale of unfortified wine and malt beverages during events held on the premises of the Asheboro Regional Airport and the Sunset Theatre, the city attorney brought forward two proposals. One addressed the situation at the airport, and the second proposal focused on the Sunset Theatre.

Airport Discussion

The question raised at the airport pertained to the North Carolina Aviation Museum and Hall of Fame, Incorporated. In order to address this issue, Mr. Sugg presented an ordinance providing for an exemption from Section 130.03 of the Code of Asheboro.

After some discussion, Mr. Moffitt moved, and Mr. Bell seconded the motion, to approve the following ordinance by reference. Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted in favor of the motion.

ORDINANCE NUMBER <u>10 ORD 4-19</u>

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

<u>AN ORDINANCE PROVIDING FOR THE NORTH CAROLINA AVIATION MUSEUM AND HALL OF FAME, INCORPORATED AN EXEMPTION FROM SECTION 130.03 OF THE CODE OF ASHEBORO</u>

WHEREAS, Section 130.03 of the Code of Asheboro regulates the consumption and possession of alcoholic beverages in certain locations, specifically including the city-owned real property at the Asheboro Regional Airport; and

WHEREAS, the North Carolina Aviation Museum and Hall of Fame, Incorporated, a North Carolina nonprofit corporation, (the "Aviation Museum") is a tenant at the Asheboro Regional Airport; and

WHEREAS, in order to support its operations, the Aviation Museum conducts special fund raising events on the nonprofit corporation's leased premises at the Asheboro Regional Airport; and

WHEREAS, the Aviation Museum would like to have the option to include, in compliance with the proper permit from the North Carolina Alcoholic Beverage Control Commission, the sale of malt beverages and wine as part of these special events; and

WHEREAS, the Asheboro City Council has decided to amend the Code of Asheboro to make certain technical corrections in Section 130.03 and to provide the Aviation Museum with an opportunity to host the above-described special events at the nonprofit corporation's facilities.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Asheboro as follows:

<u>Section 1.</u> Section 130.03 (Consumption and Possession of Alcoholic Beverages in Certain Locations) of the Code of Asheboro is hereby rewritten to provide as follows:

(A) *Consumption of malt beverages and unfortified wine.* It shall be unlawful for any person who is not an occupant of a motor vehicle to consume a malt beverage or unfortified wine on any public street, sidewalk, or alley in the city; or on any other property owned, occupied, or controlled by the city.

(B) *Possession of open containers of malt beverages and unfortified wine.* It shall be unlawful for any person who is not an occupant of a motor vehicle to possess open container(s) of malt beverages and unfortified wines on any public street, sidewalk, or alley in the city; or on any other property owned, occupied, or controlled by the city. For the purposes of this section, an ***OPEN CONTAINER*** means a container whose seal has been broken or a container other than the manufacturer's unopened original container.

(C) *Possession of malt beverages and unfortified wines on public streets, alleys, or parking lots which are temporarily closed to regular traffic for special events.* It shall be unlawful for any person to possess any malt beverage or unfortified wine on any public street, alley, or parking lot which has been temporarily closed to regular traffic for a special event.

(D) *Possession and consumption of fortified wine, spirituous liquor, and mixed beverages.* The possession or consumption of fortified wine, spirituous liquor, or mixed beverages is hereby prohibited on property owned or leased by the city.

(E) *Exceptions.* Notwithstanding the prohibitions prescribed by the above-listed divisions of this section, the following acts shall not be deemed to be unlawful.

(1) The possession or consumption of alcoholic beverages by either a sworn law enforcement officer acting in the performance of his or her official duties or a person acting under the immediate and direct supervision of a sworn law enforcement officer discharging his or her official duties.

(2) The possession or consumption of malt beverages at McCrary Park as part of collegiate or professional baseball events hosted by legal entities with whom the City of Asheboro has entered into a lease agreement for the use of McCrary Park; provided, however, any such malt beverages found within McCrary Park must have been obtained in accordance with a sale/distribution plan developed and implemented by the hosting ~~of~~ legal entity in compliance with all applicable laws and administrative regulations.

(3) The possession or consumption of unfortified wine and malt beverages on the premises of the Sunset Theatre and Bicentennial Park facilities, including without limitation the Rotary Pavilion. The possession or consumption of unfortified wine and malt beverages on these premises will be lawful only if such possession or consumption is conducted in strict compliance with all applicable laws, ordinances, and regulations, specifically including without limitation the regulations adopted ~~for the facilities~~ by the city for these facilities that are part of the municipal cultural and recreation services system, inclusive of any and all sale/distribution plans ~~developed and implemented under the regulations found in~~ specified by the City of Asheboro Cultural and Recreation Services Policy Manual.

(4) The possession of unfortified wine on the premises of the Downtown Farmers' Market facility. The possession of unfortified wine on these premises will be lawful only if such possession occurs as part of the retail sale by an approved Downtown Farmers' Market vendor of unfortified wine for off-premise consumption. The retail sale of unfortified wine shall be conducted in strict compliance with all applicable laws,

ordinances, and regulations, specifically including without limitation the regulations prescribed for the Downtown Farmers' Market in the City of Asheboro Cultural and Recreation Services Policy Manual.

(5) The possession or consumption of unfortified wine and malt beverages on the premises leased to the nonprofit North Carolina Aviation Museum and Hall of Fame, Incorporated (these premises are shown as Hangar G and Hangar L on Schedule C of the Asheboro Regional Airport) during events conducted by the nonprofit corporation. The sale or service of wine and malt beverages must be conducted in strict compliance with all applicable laws, ordinances, and regulations, specifically including without limitation any laws and regulations pertaining to either alcoholic beverage control or the operation of the airport by the Asheboro Airport Authority.

(F) *Penalties.* Any person who violates the prohibitions prescribed by divisions (A), (B), and (C) above shall be guilty of a misdemeanor in accordance with G.S. § 14-4.

Section 2. All ordinances and clauses of ordinances in conflict with this Ordinance are hereby repealed.

Section 3. This Ordinance shall be in full force and effect on and after April 4, 2019.

This Ordinance was adopted by the Asheboro City Council in open session during a regular meeting held on the 4th day of April, 2019.

/s/David H. Smith
David H. Smith, Mayor

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

Sunset Theatre Discussion

The city attorney explained that, due to the risk management concerns associated with the city obtaining an ABC permit in a retail business capacity, he had drafted a proposal that would enable nonprofit theatrical production companies to apply for a Special One-Time permit from the North Carolina Alcoholic Beverage Control Commission. Such a permit would enable the nonprofit corporation to sell wine and/or malt beverages at the Sunset Theatre.

The following proposal was the document submitted to the council by the city attorney:

ORDINANCE NUMBER [Not Adopted]

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

AN ORDINANCE AMENDING ARTICLE XIV IN THE CULTURAL AND RECREATION SERVICES POLICY MANUAL

WHEREAS, the City of Asheboro Cultural and Recreation Services Policy Manual contains the rules and regulations applicable to the city's cultural and recreational facilities; and

WHEREAS, Section 98.01 (Adoption by Reference) of the Code of Asheboro provides that the City of Asheboro Cultural and Recreation Services Policy Manual (the "Manual") has been adopted by the Asheboro City Council by reference and made a part of the Code of Asheboro; and

WHEREAS, within the Manual, Article XIV contains the regulatory provisions applicable to the Sunset Theatre, which is administered as part of the city's cultural and recreation services system; and

WHEREAS, due to the interest expressed by some nonprofit groups in pursuing the option of using the Sunset Theatre as a venue for events that include the sale of wine and beer, the recreation services director and the city manager have recommended updates to Article XIV; and

WHEREAS, these updates are specified in the attached EXHIBIT 1, which is hereby incorporated into this Ordinance by reference as if copied fully herein; and

WHEREAS, the Asheboro City Council concurs with the recommended updates to Article XIV.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Asheboro as follows:

Section 1. Article XIV of the City of Asheboro Cultural and Recreation Services Policy Manual is hereby rewritten to provide as specified in EXHIBIT 1. All articles, sections, and provisions of the Manual that are not expressly modified by the contents of EXHIBIT 1 shall continue in full force and effect without alteration.

Section 2. All ordinances and clauses of ordinances in conflict with this Ordinance are hereby repealed.

Section 3. This Ordinance shall be in full force and effect upon and after July 1, 2019.

This Ordinance was adopted by the Asheboro City Council in open session during a regular meeting held on the 4th day of April, 2019.

____
David H. Smith, Mayor

ATTEST:

____
Holly H. Doerr, CMC, NCCMC, City Clerk

EXHIBIT 1

ARTICLE XIV. SUNSET THEATRE

~~**SECTION 14.1 APPLICATION**~~

~~The City of Asheboro Cultural Services Department is responsible for administering the Sunset Theatre facility in a manner that will provide the citizens of Asheboro with an opportunity for a high quality experience. Under the general supervision of the Recreation Services Superintendent, designated city employees within the Cultural Services Department (hereinafter collectively referred to as the "Staff") will operate the facility in the best interest of the City of Asheboro.~~

~~Subject to the regulations prescribed herein, this facility may be rented to individuals or other types of legal entities for events or activities that are consistent with the mission of the Cultural Services Department. The decision as~~

~~to whether to rent the facility on any specific occasion is within the ultimate discretion of the Recreation Services Superintendent as he or she evaluates the needs and priorities of the department. In order to request the use of this facility, an applicant shall accurately complete in its entirety the application form prescribed by and available from the Cultural Services Department.~~

~~SECTION 14.2 RULES & REGULATIONS~~

1. ~~Unless authorization to the contrary is listed on the prescribed application form as part of the written approval of an event by the Cultural Services Department, alcoholic beverages are prohibited in the facility. In those cases where the Recreation Services Superintendent has authorized the sale, possession, and/or consumption of unfortified wines and/or malt beverages on the premises in connection with and for the duration of the approved event, such sale, possession, and/or consumption of the listed beverages must be conducted in strict compliance with Section 14.3 of this manual, any conditions attached by the Recreation Services Superintendent to the event approval, and all applicable laws, ordinances, and regulations. No alcoholic beverages other than unfortified wines and malt beverages are permitted on the premises of the facility at any time.~~
2. ~~Smoking and tobacco products are prohibited in the facility.~~
3. ~~A $100.00 security deposit must be paid at the time of reservation to secure a date. The fee shall be submitted to the Cultural Services Department. Multiple dates will require multiple deposits.~~
4. ~~The Recreation Services Superintendent reserves the right to co-sponsor an event.~~
5. ~~Violation of this agreement shall result in forfeiture of security deposit fees.~~
6. ~~The user fees, as described in the Schedule of Deposits, Fees, and Charges Administered by the Cultural and Recreation Services Departments, must be paid at least 48 hours before the start of the event, or the event will be cancelled. In the event advance tickets have been sold, lessee is responsible for reimbursing ticket holders or to honor any advance tickets sold for a future event sponsored by the same lessee. Lessee is responsible for advertising the cancellation.~~
7. ~~Failure to pay the rental fee will result in denied access to the facility.~~
8. ~~The maximum daily rental period is one 8 hour period (unless otherwise noted in the Schedule of Deposits, Fees, and Charges Administered by the Cultural and Recreation Services Departments), which includes load-in and load-out. At the latest, closing time shall be Midnight, unless otherwise stated. Events that exceed their rental period shall result in loss of security deposit.~~
9. ~~In the event the facility is being rented for an event open to the public, or if admission is being charged, the person/organization renting the facility, hereinafter known as "lessee," shall pay for and maintain, at all times during the individual or entity's use of the facility, Comprehensive and General Liability insurance coverage with primary limits of liability of no less than One Million Dollars ($1,000,000.00) per occurrence for bodily injury and property damage for any events open to the public. Furthermore, the City will be furnished with a certificate of insurance in a form satisfactory to the City. The certificate of insurance must be in the possession of the City of Asheboro Cultural Services Department no later than 48 hours prior to the scheduled event. Failure to provide proof of insurance will result in the event being cancelled. Furthermore, the Applicant must agree to forever hold harmless and to fully indemnify the City and its personnel, agents, officials, and City Council, in both their official and individual capacities, from any and all judgments, liens, claims, assessments, demands, attorney fees, actions, and causes of action of any sort arising out of any damage or injury sustained by any person or entity by reason of any negligent or willful act or omission of the Applicant or its officers, employees, agents or contractors in connection with the Applicant's use of the Sunset Theatre.~~
10. ~~If the event is closed to the general public and no admission fee is charged, a liability waiver shall be required in lieu of liability insurance coverage.~~

~~11. The Lessee must designate a representative who will be responsible for all phases of the event and who will be on site the entire time the event is taking place.~~

~~12. The maximum number of tickets sold for any one event shall be determined by the total number of seats available and set up of the facility.~~

~~13. Assignment: Lessee may not assign this lease agreement or any right contained in this lease agreement or sublet the Sunset Theatre or any adjoining property owned by the City of Asheboro.~~

~~14. The Cultural and Recreation Services Division shall have by way of illustration and without limitation the right to deny the use of the facility if; **1)** It deems such use may result in damage to the facility, **2)** It deems such use is inconsistent with the policies of the division**, 3)** It deems such use may lead to illegal activity at the facility, **4)** it deems such use may be detrimental to the character of the theatre as a multipurpose community facility.~~

~~15. A Cultural Services Department staff member will be in attendance to oversee and supervise all events held at the theatre. This staff member shall be equipped with a cell phone, first aid kit, be certified in First Aid & CPR, have the knowledge and ability to enforce facility rules & regulations, and knowledge of the electrical, HVAC, and lighting systems. This staff member shall have the authority to require anyone to leave the facility at any time for violation of the rules and regulations prescribed for the Sunset Theatre or for engagement in any other form of inappropriate conduct.~~

~~16. Lessee agrees to a "walk-through' inspection prior to use of the facility. Any pre-existing, damaged, broken or malfunctioning equipment, or furnishings shall be noted. A second walk-through shall be made at the completion of the event, and any variance shall be noted and appropriate charges will be billed and due within 5 business days.~~

~~17. No rice or birdseed is to be thrown inside the building.~~

~~18. As appropriate, the lessee is responsible for procuring the services of properly trained security/law enforcement personnel.~~

~~19. The Asheboro Police Department and staff members in the Cultural and Recreation Services Departments shall have access to all areas of the facility at all times before, during, and after the event.~~

~~20. Lessee is responsible for cleaning the facility after the event. The facility must be restored to the condition it was in at the start of the lease period.~~

~~21. Failure to clean up as required shall result in loss of security deposit.~~

~~22. Cleaning supplies and trash can liners are available for use. Trash shall be disposed of in the appropriate location.~~

~~23. Items left after the rental period will result in loss of deposit and shall be deemed to be abandoned property subject to removal and disposition in the sole discretion of the City of Asheboro.~~

~~24. No decorations, posters, pictures, banners, or other such items shall be fastened to walls, windows, woodwork, doors, or curtains nor placed on stands in any area of the facility without approval.~~

~~25. No nails, tacks, staples, or screws of any kind may be applied to any part of the interior or exterior of the building.~~

~~26. Only approved tapes, such as blue painters tape and gaff tape may be applied to the stage floor. If an approved tape is applied to the stage floor it must be removed by the lessee immediately following the event.~~

~~27. No painting, wood cutting, or drilling shall be done on the stage or in the adjacent support areas.~~

~~28. All scenery elements are to be flame retardant. The use of open flame (candles, matches, lighters, etc.) is expressly prohibited.~~

~~29. At no time shall any of the lessee's scenery, stage furniture, props, costumes, or equipment block any exits, loading doors, storage rooms, sidewalks, or parking areas.~~

~~30. Any stage props that have power must meet current electrical codes and are subject to inspection and approval. If such props do not pass inspection, they are subject to immediate removal from the facility.~~

~~31. Lessee is encouraged to provide posters, banners, and promotional material for the "Coming Attractions" Display Board at the Theatre entrance. Any items to be displayed or distributed are subject to approval.~~

~~32. Lessee shall not change the location or use of the lobby displays, easels, or signs without prior approval.~~

~~33. The City of Asheboro Cultural Services Department reserves the right to sell any and all concessions during any event held at the facility.~~

~~34. Lessee warrants that all copyrighted material to be performed has been duly licensed or authorized by the copyright owners or their representatives and agrees to indemnify and hold the City of Asheboro harmless from any and all claims, losses, or expenses incurred with regard thereto. Lessee shall pay all of the City of Asheboro's costs and expenses, including reasonable attorney's fees, incurred in defense of or as a result of any claims respecting copyrights and related matters.~~

~~35. Lessee shall be responsible for payment of any and all taxes, permits, fees (including without limitation fees associated with intellectual property licensing rights), and other charges arising out of or connected with the use of the premises by lessee, and lessee shall save the City of Asheboro harmless from any and all obligations with respect to such taxes, permits, fees, and other charges.~~

~~36. If lessee desires to sell any items in or near the facility, including but not limited to concessions items, videos, CDs, DVDs, tapes, clothing, periodicals, etc., lessee must obtain written permission at least 48 hours prior to the event. The Recreation Services Superintendent may refuse with or without cause such permission.~~

~~37. If lessee is granted permission to sell concessions, lessee agrees to pay the City of Asheboro a 10% commission on any sales of any concession items sold. A joint inventory will be taken prior to and after the event.~~

~~38. If Lessee is approved to sell their own concessions, they shall provide their own workers to sell merchandise, concessions, and supplies, including, food, candy, drinks, cups, napkins, condiments, popcorn supplies, bags, ice, etc. Chewing gum will not be allowed for sale.~~

~~39. If lessee is granted permission to hold a catered event (food beyond normal concession products) the food must be served and consumed in areas designated by Cultural and Recreation Services Division staff members.~~

~~40. Lessee is responsible for providing the following:~~

~~a. A designated, responsible adult to operate the Theatre sound system, if needed.~~
~~b. A designated, responsible adult to operate the Theatrical light system, if needed.~~
~~c. Ushers for the event.~~
~~d. Ticket sellers /takers for the event.~~
~~e. Money box and petty cash as needed.~~

~~41. All persons/groups renting the facility are responsible for knowing the location of all fire extinguishers and exits. A location map shall be provided.~~

~~42. Prior to each performance/event, an announcement must be made stating the location of restrooms and emergency exits.~~

~~43. Only city staff members may adjust thermostats.~~

~~44. The Recreation Services Superintendent reserves the right to cancel any event, at any time, based on rental agreement violations.~~

~~45. The following are available for an additional fee, please contact the City of Asheboro Cultural Services Department for additional information:~~

~~a. Ticket Sellers/Takers (hourly charge).~~
~~b. Ushers (hourly charge).~~
~~c. Ticket design service ($75.00 for up to 390, 1 side printed tickets)~~
~~d. One poster for display case ($25.00 per poster)~~

~~SECTION 14.3 SALE, POSSESSION, AND CONSUMPTION OF MALT BEVERAGES AND UNFORTIFIED WINES~~

~~The possession and consumption of malt beverages and unfortified wines during the course of approved events is currently authorized and regulated in the sole discretion of the~~

~~Recreation Services Superintendent by means of the Superintendent's attachment of conditions to the written approval of the event. Regulations authorizing the sale of malt beverages and unfortified wines on the premises of this facility are currently under review. Until final adoption of these regulations, the sales of malt beverages and unfortified wines on the premises of this facility are strictly prohibited.~~

SECTION 14.1 APPLICATION

The City of Asheboro Cultural Services Department (the "Department") is responsible for administering the Sunset Theatre facility in a manner that will provide the citizens of Asheboro with an opportunity for a high quality experience. Under the general supervision of the Recreation Services Director, designated city employees within the Department will operate the Sunset Theatre (the "Facility") in the best interest of the City of Asheboro (the "City").

Subject to the regulations prescribed herein, the Facility may be rented to individuals or other types of legal entities for events or activities that are consistent with the Department's mission. The decision as to whether to rent the Facility on any specific occasion is within the ultimate discretion of the Recreation Services Director (the "Director") as he or she evaluates the needs and priorities of the City. In order to use the Facility, an applicant must accurately complete in its entirety the rental form provided by the Department and receive written approval from the Director or the Director's designee.

SECTION 14.2 RULES AND REGULATIONS – EVENTS WITHOUT THE SALE OF UNFORTIFIED WINE AND/OR MALT BEVERAGES

(A) Unless authorization for the possession and consumption of unfortified wine and/or malt beverages is explicitly noted by the Director on the approved rental form, alcoholic beverages are prohibited in the Facility. When authorization for the possession and consumption of unfortified wine and/or malt beverages within the Facility is granted, such an authorization is subject to the following rules and regulations:

(1) Unfortified wines and/or malt beverages are the only types of alcoholic beverages that the Director may allow in the Facility. All other types of alcoholic beverages are prohibited.

(2) The sale of wine and/or malt beverages within the Facility is subject to the rules and regulations found in Section 14.3. The possession and consumption of unfortified wine and/or malt beverages within the Facility is subject to strict regulation by the Director.

(3) The restrictions imposed by the City upon the possession and consumption of wine and/or malt beverages during an event held in the Facility will be specified in a distribution and consumption management plan attached to the approved rental agreement. The applicant requesting approval for the possession and consumption of wine and/or malt beverages must provide a proposed distribution and consumption management plan for review when the rental agreement is submitted to the Department.

(4) In addition to complying with the approved distribution and consumption management plan, the renter and the renter's agents, contractors, and any other type of representatives must strictly comply with all applicable laws and rules, specifically including without limitation all statutes, ordinances, and regulations pertaining to alcoholic beverage control.

(B) Smoking and tobacco products are prohibited in the Facility.

(C) Sponsorship and fee related regulations:

(1) The Director reserves the right to co-sponsor an event.

(2) A $100 security deposit must be paid at the time of reservation to secure an event date. The fee shall be submitted in the manner prescribed by the Department. Multiple dates will require multiple deposits.

(3) Violation of the rental agreement will result in the forfeiture of the security deposit to the City.

(4) If the user fees described in the Schedule of Deposits, Fees, and Charges Administered by the Cultural and Recreation Services Departments (the "Fee Schedule") are not paid at least 48 hours before the start of an event, the event will be cancelled.

(5) If advance tickets have been sold for a canceled event, the renter is responsible for either reimbursing ticket holders or honoring at a future event sponsored by the same renter the advance tickets that have already been sold. The renter is responsible for advertising the cancellation.

(6) Failure to pay the rental fee will result in the denial of access to the Facility.

(7) Unless otherwise noted in the Fee Schedule, the maximum daily rental period is one 8-hour period, including load-in and load-out. Unless specific provisions to the contrary are noted in the approved rental agreement, the latest closing time is Midnight. If an event exceeds the approved rental period, the security deposit shall be forfeited to the City.

(D) Insurance and liability waivers:

(1) When the Facility is rented for an event open to the public, or if a fee is charged for admission to the event, the renter shall pay for and maintain at all times during the individual or entity's use of the Facility comprehensive and general liability insurance coverage with primary limits of liability of no less than $1,000,000 per occurrence for bodily injury and property damage. In order to prove the required insurance coverage is in effect, the renter shall furnish to the City a certificate of insurance in a form satisfactory to the City. The certificate of insurance must be in the Department's possession no later than 48 hours prior to the scheduled event. Failure to provide the required proof of insurance will result in the cancellation of the event. Furthermore, the applicant must agree to forever hold harmless and to fully indemnify the City and its personnel, agents, officials, and city council, in both their official and individual capacities, from any and all judgments, liens, claims, assessments, demands, attorney fees, actions, and causes of action of any sort arising out of any damage or injury sustained by any person or entity by reason of any negligent or willful act or omission by the applicant or its officers, employees, agents, or contractors in connection with the applicant's use of the Facility.

(2) If the event is closed to the general public, and no admission fee is charged, a liability waiver shall be required in lieu of liability insurance coverage.

(E) The assignment of a rental agreement pertaining to the Facility, or the assignment of any right found within a Facility rental agreement, is strictly prohibited. Furthermore, the subletting of the Facility is strictly prohibited.

(F) Facility operational issues:

(1) The renter must designate with the Department a representative who will be responsible for all phases of the event and who will be on site the entire time the event is taking place.

(2) The maximum number of tickets sold for any one event shall be determined by the set-up of the Facility for the event and the total number of seats available under the chosen Facility set-up.

(3) By way of illustration and not limitation, the Department may deny to any potential renter the use of the Facility for the following reasons:

(a) The proposed event may result in damage to the Facility.

(b) The proposed event is inconsistent with the Department's policies and practices.

(c) The Director forms an articulable opinion that an event creates an environment conducive to the occurrence within the Facility of one or more identifiable unlawful activities.

(d) The proposed event has the articulable and realistic potential to be detrimental to the character of the theatre as a multi-purpose community facility.

(4) A City employee will be in attendance as the Department's representative to oversee and supervise all events held at the Facility. Such a staff member will be certified in first aid and cardio pulmonary resuscitation, will have the knowledge and ability to enforce the Facility's rules & regulations, and will have knowledge of the Facility's electrical, HVAC, and lighting systems. The Department's representative at the event has the authority to require anyone to leave the Facility at any time for violation of the Facility's rules and regulations and for engagement in any other form of unlawful or otherwise improper conduct.

(5) Prior to using the Facility, either the renter or an authorized representative of the renter must participate in a walk-through inspection of the Facility. Any damaged, broken, or malfunctioning equipment or furnishings present in the Facility shall be recorded at this time. A second walk-through shall be made at the completion of the event, and any variance in the condition of the Facility and its contents between the times of the respective walk-throughs shall be recorded. The renter will be billed for the recorded damages. Payment of this bill for damages is due within five business days of the date of the invoice.

(6) No rice or birdseed is to be thrown inside the Facility.

(7) If generally accepted best practices for a venue such as the Sunset Theatre indicate that on-site security should be deployed for a proposed event, the renter is responsible for procuring and paying for the services of properly trained security/off-duty law enforcement personnel.

(8) Department staff members, in addition to the Asheboro Police Department, shall have access to all areas of the Facility at all times before, during, and after the event.

(9) The renter is responsible for cleaning the Facility after the event concludes. Before vacating the Facility's premises, the renter must ensure that the Facility is restored, with the exception of ordinary wear and tear, to the condition in which the Facility was found at the time of the pre-event walkthrough previously referenced in these rules and regulations.

(10) If the renter fails to clean-up the facility as required by the rental agreement and these rules and regulations, the renter's security deposit will be forfeited to the City.

(11) Cleaning supplies and trash can liners are available for use. Trash shall be deposited in the designated locations.

(12) Items left in the Facility for disposition and/or disposal by the City will result in the forfeiture of the renter's security deposit to the City. Furthermore, any such items found in the Facility after the termination of the rental agreement will be deemed to be abandoned property that is subject to removal and disposition in the sole discretion of the City.

(13) In the absence of explicit approval from Department personnel, no decorations, posters, pictures, banners, or other such items shall be fastened to the Facility's walls, windows, woodwork, doors, or curtains.

(14) In the absence of explicit approval from Department personnel, no decorations, posters, pictures, banners, or other such items may be placed on stands in any area of the Facility.

(15) No nails, tacks, staples, or screws of any kind may be applied to any part of the interior or exterior of the Facility.

(16) Only approved tapes, such as blue painter's tape and gaff tape, may be applied to the stage floor. If an approved tape is applied to the stage floor, the tape must be completely removed by the renter prior to the termination of the rental agreement.

(17) No painting, wood cutting, or drilling shall be done on the stage or in the adjacent support areas.

(18) All scenery elements are to be flame retardant. The use of open flame (candles, matches, lighters, etc.) is expressly prohibited.

(19) No scenery, stage furniture, props, costumes, equipment, or other types of items may block any exits, loading doors, storage rooms, sidewalks, or parking areas at any time.

(20) Any stage props that have power must meet current electrical codes. Such props are subject to inspection and approval. Any props that do not pass inspection are subject to immediate removal from the Facility.

(21) The renter is encouraged to provide posters, banners, and promotional material for the "Coming Attractions" display board at the theatre's entrance. Any items to be displayed on the "Coming Attractions" board are subject to approval by the Department.

(22) The renter shall not change the location or use of the lobby displays, easels, or signs without prior approval.

(G) The renter shall ensure, and does warrant by executing the rental agreement, that all copyrighted material to be performed within the Facility has been duly licensed or consent has been obtained from the copyright owners or their representatives. Furthermore, the renter agrees to indemnify and hold the City harmless from any and all claims, losses, or expenses incurred as a result of intellectual property law compliance issues. By way of illustration and not limitation, the renter shall pay all of the City's costs and expenses, including reasonable attorney's fees, incurred in defense of or as a result of any claims respecting copyrights, trademarks, and related intellectual property matters.

(H) The renter shall be responsible for the payment of any and all taxes, permits, fees (including without limitation fees associated with intellectual property licensing rights), and other charges arising out of or connected with the renter's use of the Facility. Furthermore, the renter shall, and does agree by executing the rental agreement, to save and hold the City harmless from any and all obligations with respect to such taxes, permits, fees, and other charges.

(I) Concessions:

(1) The Department reserves the right to sell any and all concessions during events held at the Facility.

(2) If the renter desires to sell in the Facility or on its associated premises any concession items, including without limitation CDs, DVDs, clothing, periodicals, etc., the renter must obtain written permission from the Director

at least 48 hours prior to the event. The Director may refuse, with or without cause, to grant such permission.

(3) If permission is granted by the Department for the renter to sell concessions, the renter must pay to the City a 10% commission on any and all concession items sold. A joint inventory will be taken prior to and after the event.

(4) If permission is granted for the renter to sell its own concessions, the renter shall provide its own workers to sell merchandise, concessions, and supplies, including food, candy, drinks, cups, napkins, condiments, popcorn supplies, bags, ice, etc. Chewing gum is not allowed for sale.

(J) If permission is granted by the Department for the renter to hold a catered event (food beyond normal concession products), the food must be served and consumed in areas designated by the Department.

(K) The renter is responsible for providing the following at the renter's own expense:

(1) If the Facility's sound system is needed for an event, a responsible adult must be designated to operate the sound system.

(2) If the Facility's light system is needed for an event, a responsible adult must be designated to operate the light system.

(3) If needed, ushers for the event.

(4) If needed, ticket sellers /takers for the event.

(5) As needed, a money box and petty cash.

(L) Fire extinguishers and exits:

(1) All renters and any persons/groups acting for or on behalf of a renter are responsible for knowing the location of all fire extinguishers and exits. A location map will be provided by the Department.

(2) Prior to each event or each performance, the renter or an individual acting on behalf of the renter must make an announcement stating the location of restrooms and emergency exits.

(M) Only City employees may adjust the Facility's thermostats.

(N) The City reserves the right to cancel any event, at any time, on the basis of rental agreement violations.

(O) For an additional fee, the following items/services are available from the Department:

(1) Ticket Sellers/Takers (hourly charge)

(2) Ushers (hourly charge)

(3) Ticket Design Service ($75.00 for up to 390, tickets printed on one side)

(4) One Poster for Display Case ($25.00 per poster)

SECTION 14.3 RULES AND REGULATIONS – EVENTS WITH THE SALE OF UNFORTIFIED WINE AND/OR MALT BEVERAGES

(A) Unless authorization for the sale, possession, and consumption of unfortified wine and/or malt beverages is explicitly noted by the Director on the approved rental form, alcoholic beverages are prohibited in the Facility. When authorization for the sale, possession, and consumption of unfortified wine and/or malt beverages within the Facility is granted, such an authorization is subject to the following rules and regulations:

(1) Unfortified wines and/or malt beverages are the only types of alcoholic beverages that may be sold, possessed, and consumed in the Facility. All other types of alcoholic beverages are prohibited.

(2) The sale of wine and/or malt beverages within the Facility can occur under the following conditions:

(a) The renter responsible for the sale of wine and/or malt beverages must be a nonprofit organization that has obtained a Special One-Time permit from the North Carolina Alcoholic Beverage Control Commission. No other type of renter is eligible to hold an event that includes the sale of wine and/or malt beverages in the Facility.

(b) The approved Special One-Time permit from the North Carolina Alcoholic Beverage Control Commission shall also function as the sale plan referenced by Section 130.03(E)(3) in the Code of Asheboro.

(c) The renter must agree to rent the Facility as the sole and exclusive renter of the premises for the duration of the one-day or multi-day event listed on the Department-approved rental form for events involving the sale of wine and/or malt beverages. Subject to inspections by City staff and officers of the Asheboro Police Department to ensure compliance with the terms of the rental agreement and compliance with all applicable laws and regulations, the nonprofit organization as the approved renter will be exclusively in charge of and responsible for the event throughout the term of the approved rental agreement.

(d) Utilizing a diagram available from the City showing the Facility premises, specifically including all entrances and exits, the renter must identify where the sale and/or consumption of beverages will take place.

(e) The renter must assume full responsibility for all operational aspects of the event, specifically including without limitation staffing and supplies for any and all concession operations conducted during the event. City-owned concession equipment and personnel will be unavailable during the event.

(f) Strict compliance with all applicable laws and rules, specifically including without limitation all statutes, ordinances, and regulations pertaining to alcoholic beverage control, is required.

(B) Smoking and tobacco products are prohibited in the Facility.

(C) Fee related regulations:

(1) The security deposit listed in the Fee Schedule for this type of event must be paid at the time the rental agreement is submitted for approval. The fee shall be submitted in the manner prescribed by the Department.

(2) Violation of the rental agreement will result in the forfeiture of the security deposit to the City.

(3) If the rental fee listed in the Fee Schedule is not paid at least 48 hours before the start of an event, the event will be cancelled. If advance tickets have been sold for a canceled event, the renter is responsible for either reimbursing ticket holders or honoring at a future event sponsored by the same renter the advance tickets that have already been sold. The renter is responsible for advertising the cancellation.

(4) Failure to pay the rental fee will result in the denial of access to the Facility.

(5) Unless specific provisions to the contrary are noted in the approved rental agreement, the latest closing time is Midnight. If an event exceeds the approved rental period, the security deposit shall be forfeited to the City.

(D) Insurance and hold harmless provisions:

(1) The renter shall pay for and maintain, at all times during the nonprofit organization's use of the Facility, comprehensive and general liability insurance coverage with primary limits of liability of no less than $1,000,000 per occurrence for bodily injury and property damage. Furthermore, the renter shall furnish to the City a certificate of insurance in a form satisfactory to the City. The certificate of insurance must be in the Department's possession no later than 48 hours prior to the scheduled event. Failure to provide the required proof of insurance will result in the cancellation of the event.

(2) The renter must agree to forever hold harmless and to fully indemnify the City and its personnel, agents, officials, and city council, in both their official and individual capacities, from any and all judgments, liens, claims, assessments, demands, attorney fees, actions, and causes of action of any sort arising out of any damage or injury sustained by any person or entity by reason of any negligent or willful act or omission by the renter or its officers, employees, agents, or contractors in connection with the renter's use of the Facility.

(E) The assignment of a rental agreement pertaining to the Facility, or the assignment of any right found within a Facility rental agreement, is strictly prohibited. Furthermore, the subletting of the Facility is strictly prohibited.

(F) Facility operational issues:

(1) The renter must designate with the Department a representative who will be responsible for all phases of the event and who will be on site the entire time the event is taking place.

(2) The maximum number of tickets sold for any one event shall be determined by the set-up of the Facility for the event and the total number of seats available under the chosen Facility set-up.

(3) By way of illustration and not limitation, the Department may deny to any potential renter the use of the Facility for the following reasons:

(a) The proposed event may result in damage to the Facility.

(b) The proposed event is inconsistent with the Department's policies and practices.

(c) The Director forms an articulable opinion that an event creates an environment conducive to the occurrence within the Facility of one or more identifiable unlawful activities.

(d) The proposed event has the articulable and realistic potential to be detrimental to the character of the theatre as a multi-purpose community facility.

(4) At least 48 hours prior to the commencement of an event, the renter's designated representative must meet with a City employee who will provide to the renter's representative operational instruction pertaining to the Facility's electrical, HVAC, and lighting systems.

(5) Prior to using the Facility, an authorized representative of the renter must participate in a walk-through inspection of the Facility. Any damaged, broken, or malfunctioning equipment or furnishings present in the Facility shall be recorded at this time. A second walk-through shall be made at the completion of the event, and any variance in the condition of the Facility and its contents

between the times of the respective walk-throughs shall be recorded. The renter will be billed for the recorded damages. Payment of this bill for damages is due within five business days of the date of the invoice.

(6) If generally accepted best practices for a venue such as the Sunset Theatre indicate that on-site security should be deployed for a proposed event, the renter is responsible for procuring and paying for the services of properly trained security/off-duty law enforcement personnel.

(7) No rice or birdseed is to be thrown inside the Facility.

(8) No chewing gum is to be offered for sale.

(9) The renter is responsible for maintaining the cleanliness and sanitary conditions of the Facility during the event. Before vacating the Facility's premises, the renter must ensure that the Facility is restored, with the exception of ordinary wear and tear, to the condition in which the Facility was found at the time of the pre-event walkthrough previously referenced in these rules and regulations.

(10) If the renter fails to clean-up the facility as required by the rental agreement and these rules and regulations, the renter's security deposit will be forfeited to the City.

(11) Cleaning supplies and trash can liners are available for use. Trash shall be deposited in the designated locations.

(12) Items left in the Facility for disposition and/or disposal by the City will result in the forfeiture of the renter's security deposit to the City. Furthermore, any such items found in the Facility after the termination of the rental agreement shall be deemed to be abandoned property that is subject to removal and disposition in the sole discretion of the City.

(13) In the absence of explicit approval from Department personnel, no decorations, posters, pictures, banners, or other such items shall be fastened to the Facility's walls, windows, woodwork, doors, or curtains.

(14) In the absence of explicit approval from Department personnel, no decorations, posters, pictures, banners, or other such items may be placed on stands in any area of the Facility.

(15) No nails, tacks, staples, or screws of any kind may be applied to any part of the interior or exterior of the Facility.

(16) Only approved tapes, such as blue painter's tape and gaff tape, may be applied to the stage floor. If an approved tape is applied to the stage floor, the tape must be completely removed by the renter prior to the termination of the rental agreement.

(17) No painting, wood cutting, or drilling shall be done on the stage or in the adjacent support areas.

(18) All scenery elements are to be flame retardant. The use of open flame (candles, matches, lighters, etc.) is expressly prohibited.

(19) No scenery, stage furniture, props, costumes, equipment, or other types of items may block any exits, loading doors, storage rooms, sidewalks, or parking areas at any time.

(20) Any stage props that have power must meet current electrical codes. Such props are subject to inspection and approval. Any props that do not pass inspection are subject to immediate removal from the Facility.

(21) The renter is encouraged to provide posters, banners, and promotional material for the "Coming Attractions" display board at the theatre's entrance.

Any items to be displayed on the "Coming Attractions" board are subject to approval by the Department.

(22) The renter shall not change the location or use of the lobby displays, easels, or signs without prior approval.

(G) The renter shall ensure, and does warrant by executing the rental agreement, that all copyrighted material to be performed within the Facility has been duly licensed or consent has been obtained from the copyright owners or their representatives. Furthermore, the renter agrees to indemnify and hold the City of Asheboro harmless from any and all claims, losses, or expenses incurred as a result of intellectual property law compliance issues. By way of illustration and not limitation, the renter shall pay all of the City's costs and expenses, including reasonable attorney's fees, incurred in defense of or as a result of any claims respecting copyrights, trademarks, and related intellectual property matters.

(H) The renter shall be responsible for the payment of any and all taxes, permits, fees (including without limitation alcoholic beverage control permit fees and fees associated with intellectual property licensing rights), and other charges arising out of or connected with the renter's use of the Facility. Furthermore, the renter shall, and does agree by executing the rental agreement, to save and hold the City harmless from any and all obligations with respect to such taxes, permits, fees, and other charges.

(I) If permission is granted by the Department for the renter to hold a catered event (food beyond normal concession products), the food must be served and consumed in areas approved by the Department during the rental agreement review and approval process.

(J) The renter is responsible for providing the following at the renter's own expense:

(1) If the Facility's sound system is needed for an event, a responsible adult must be designated to operate the sound system.

(2) If the Facility's light system is needed for an event, a responsible adult must be designated to operate the light system.

(3) If needed, ushers for the event.

(4) If needed, ticket sellers /takers for the event.

(5) As needed, a money box and petty cash.

(K) Fire extinguishers and exits:

(1) All persons/groups acting for or on behalf of a renter are responsible for knowing the location of all fire extinguishers and exits. A location map will be provided by the Department.

(2) Prior to each event or each performance, an individual acting on behalf of the renter must make an announcement stating the location of restrooms and emergency exits.

(L) The City reserves the right to cancel any event, at any time, on the basis of rental agreement violations.

(M) For the listed fees, the following items/services are available:

(1) Ticket Design Service ($75.00 for up to 390, tickets printed on one side)

(2) One Poster for Display Case ($25.00 per poster)

Due to this proposal differing from previous discussions about the city obtaining an ABC permit in the city's name, discussions occurred about the best option(s) to pursue. After a substantive discussion of this issue, Council Member Bell moved, and Council Member Burks seconded the motion, to table the discussion of this specific issue indefinitely. Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted in favor of the motion.

16. Finance Items: [Listed as Agenda Item 15]

(a) Consideration of a resolution authorizing and agreeing to receive distributions from the Peggy Phillips Tufts Memorial Endowment created for the benefit of the City of Asheboro with the restriction that all distributions must be utilized for the upkeep, maintenance, and care of the Asheboro City Cemetery.

Ms. Reaves presented and recommended adoption, by reference, of a resolution authorizing and agreeing to receive distributions from the Peggy Phillips Tufts Memorial Endowment that was created for the benefit of the City of Asheboro.

Upon motion by Mr. Bell and seconded by Mr. Swiers, the council voted unanimously to adopt the following resolution by reference. Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted in favor of the motion.

RESOLUTION NUMBER 16 RES 4-19

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

BENEFICIARY RESOLUTION

BE IT RESOLVED by the City Council of the City of Asheboro that the City of Asheboro does hereby authorize and agree to receive distributions from the **Peggy Phillips Tufts Memorial Endowment** ("Endowment"), a designated endowment of the North Carolina Community Foundation, Inc. ("Foundation") created for the benefit of the City of Asheboro with the restriction that all distributions must be utilized for the "upkeep, maintenance and care of the Asheboro City Cemetery." The Endowment was established pursuant to the terms of the *Peggy June Phillips Tufts Revocable Trust, dated April 12, 2011, as amended*, *Heath Dedmond, Trustee*. Peggy Phillips Tufts who made this generous gift possible was residing in Lee County at the time of her passing on August 2, 2017. The Endowment is to be owned and managed by the Foundation and held by the Foundation as a component fund thereof; and

BE IT FURTHER RESOLVED by the City Council of the City of Asheboro that the City of Asheboro hereby authorizes the Foundation and its officers and agents to accept contributions to the Endowment on its behalf, and further authorizes its own officers and agents, including its Finance Director, to execute and deliver to the Foundation any instruments or documents necessary or useful to effect the authorization, establishment, use and continued maintenance of said Endowment and further agrees to use the distributions from the Endowment for the purpose set forth in the above paragraph.

ADOPTED on April 4, 2019, by the governing body of the City of Asheboro at a meeting duly called and held, at which a quorum was present and acting throughout.

Signed this the 4th day of April, 2019.

/s/David H. Smith
David H. Smith, Mayor

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

(b) Consideration of an ordinance to amend the General Fund.

Ms. Reaves presented and recommended adoption, by reference, of an ordinance to amend the General Fund.

Upon motion by Mr. Bell and seconded by Mr. Swiers, the council voted unanimously to adopt, subject to a modification of the ordinance to reflect the current fiscal year, the following ordinance by reference. Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted in favor of the motion.

11 ORD 4-19

ORDINANCE TO AMEND THE GENERAL FUND FY 2018-2019

WHEREAS, The City of Asheboro received an unexpected distribution from the Asheboro ABC board, and;

WHEREAS, the Airport needs new access gate controllers and keypad / proximity readers, a new 2.5 Ton Heat pump and to replace some hangar doors, and;

WHEREAS, The City Council of the City of Asheboro desires to amend the budget as required by law to adjust for changes in revenue and expenditures in comparison to the current fiscal year adopted budget, and;

WHEREAS, the City Council of the City of Asheboro wants to be in compliance with all generally accepted accounting principles, and;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA:

Section 1: That the following Revenue line item be increased:

Account #	Revenue Description	Increase
10-320-0000	ABC Board Distribution	25,000

Section 1: That the following Expense line item be increased:

Account #	Expense Description	Increase
10-650-1500	Maint. & Repair Buildings	25,000

Adopted this 4th day of April, 2019.

/s/David H. Smith
David H. Smith, Mayor

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

17. Presentation of a bid summary and a request for an award of contract to replace the HVAC system at the police department. [Listed as Agenda Item 16]

City Engineer Michael Leonard, PE reported that three (3) bids were received on April 1, 2019, at 2:00 p.m. for the replacement of the HVAC system at the Asheboro Police

Department. He recommended the award of contract for the project to Superior Mechanical with the lowest responsive, responsible bid of $104,240.0.

Based on staff recommendation, Mr. Moffitt moved, and Ms. Snuggs seconded the motion, to award the contract to Superior Mechanical. Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted in favor of the motion.

A copy of the bid summary is on file in the city clerk's office.

18. Upcoming events.

Mayor Smith led a discussion of upcoming events occurring within the city government and the community in general. No action was taken by the city council during this portion of the meeting.

There being no further business, the meeting was adjourned at 9:55 p.m.

Holly H. Doerr, CMC, NCCMC, City Clerk	David H. Smith, Mayor

NOTICE OF A SPECIAL MEETING OF THE
CITY COUNCIL OF THE CITY OF ASHEBORO

MEETING DATE:	**TUESDAY, APRIL 16, 2019**
MEETING TIME:	**7:00 PM**
LOCATION:	**RANDOLPH COUNTY EMERGENCY SERVICES BUILDING, 760 NEW CENTURY DRIVE, ASHEBORO, NORTH CAROLINA 27205**

At 7:00 p.m. on Tuesday, April 16, 2019, the City Council of the City of Asheboro will convene for a special meeting in the conference room of the Randolph County Emergency Services Building, 760 New Century Drive, Asheboro, North Carolina 27205. This special meeting will be held as a joint meeting with the Randolph County Board of Commissioners.

This special joint meeting has been called for the purpose of discussing competitive healthcare activities by or on behalf of Randolph Health. With the exception of convening, acting on a motion to go into closed session, and adjourning, the entire meeting will consist of a closed session. No final action is anticipated at this meeting.

This special meeting notice is issued on the 10th day of April, 2019.

/s/David H. Smith
David H. Smith, Mayor
City of Asheboro, North Carolina

# # # # # # # # #

SPECIAL JOINT MEETING
ASHEBORO CITY COUNCIL
RANDOLPH COUNTY BOARD OF COMMISSIONERS
TUESDAY, APRIL 16, 2019 7:00 p.m.
RANDOLPH COUNTY EMERGENCY SERVICES BUILDING
760 NEW CENTURY DRIVE, ASHEBORO, NORTH CAROLINA

This being the time and place for a special meeting of the Asheboro City Council with the Randolph County Board of Commissioners, a meeting was held with the following elected city officials and city management team members present:

David H. Smith) – Mayor Presiding

Edward J. Burks)
Linda H. Carter)
Walker B. Moffitt) – Council Members Present
Jane H. Redding)
Katie L. Snuggs)
Charles A. Swiers)

Clark R. Bell) – Council Member Absent

John N. Ogburn, III, City Manager
Holly H. Doerr, CMC, NCCMC, City Clerk/Paralegal
Deborah P. Reaves, Finance Director
Jeffrey C. Sugg, City Attorney

In addition to the above-referenced elected officials and staff members for the City of Asheboro, the following members of the Randolph County Board of Commissioners were present: Chairman Darrell Frye, Vice-Chairman David Allen, Commissioner Hope Haywood, Commissioner Kenny Kidd, and Commissioner Maxton McDowell. The following county staff members were also present: Hal Johnson, County Manager; Dana Crisco, Clerk to the Board; Will Massie, Assistant County Manager/Finance Officer; Ben Morgan, County Attorney; and Aimee Scotton, Associate County Attorney.

A quorum of the city council thus being present, Mayor Smith called the city council meeting to order at 7:07 p.m. for the transaction of business, and business was transacted as follows.

1. Motion to go into closed session.

Mayor Smith entertained a motion to go into closed session pursuant to Section 143-318.11(a)(1) of the North Carolina General Statutes for the purpose of discussing competitive healthcare activities by or on behalf of Randolph Health, which discussion is privileged and confidential pursuant to Section 131E-97.3 of the North Carolina General Statutes.

The requested motion was made by Mr. Moffitt and seconded by Mr. Burks. The council members then voted unanimously to approve the motion and went into closed session. Council Members Burks, Carter, Moffitt, Snuggs, and Swiers voted in favor of the motion.

[Council Member Redding arrived at approximately 7:54 p.m. and joined the council meeting while the closed session was in progress.]

[The minutes and general account of the closed session have been prepared and approved as a separate document.]

2. Return to open session.

After returning to open session, Ms. Carter moved to adjourn the meeting. Mr. Swiers seconded the motion, and the council members voted unanimously to adjourn the meeting. Council Members Burks, Carter, Moffitt, Redding, Snuggs, and Swiers voted in favor of the motion. The meeting was adjourned at 9:33 p.m.

Holly H. Doerr, CMC, NCCMC, City Clerk	David H. Smith, Mayor

RESOLUTION NUMBER __________________

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

Resolution Sealing the General Account of a Closed Session Conducted during a Special Joint Meeting with the Randolph County Board of Commissioners on April 16, 2019

WHEREAS, Section 143-318.10(e) of the North Carolina General Statutes provides, in pertinent part, that the "minutes or an account of a closed session conducted in compliance with G.S. 143-318.11 may be withheld from public inspection so long as public inspection would frustrate the purpose of a closed session;" and

WHEREAS, pursuant to Section 143-318.11(a)(1) and Section 131E-97.3 of the North Carolina General Statutes, the city council, upon unanimous adoption of a properly made and seconded motion, went into closed session on April 16, 2019, during a joint special meeting with the Randolph County Board of Commissioners, in order to discuss privileged and confidential information pertaining to competitive healthcare activities by or on behalf of Randolph Health; and

WHEREAS, the purpose for going into closed session on April 16, 2019, would be frustrated if the general account of the closed session were to be made available for public inspection at this time.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Asheboro that the general account of the closed session conducted on April 16, 2019, is hereby sealed and will remain sealed so long as public inspection of the records would frustrate the purpose of the closed session; and

BE IT FURTHER RESOLVED by the City Council of the City of Asheboro that the city manager is hereby authorized to act as the council's agent with the authority to unseal these records when the purpose of the closed session would no longer be frustrated by making the records available for public inspection or when the unsealing of this general account is otherwise required by law.

[The remainder of this page was intentionally left blank. The signature blocks for this Resolution are on the next page.]

This Resolution was adopted by the Asheboro City Council in open session during a regular meeting held on May 9, 2019.

David H. Smith, Mayor

ATTEST:

Holly H. Doerr, CMC, NCCMC, City Clerk

Minutes of the meeting of the Asheboro Alcoholic Beverage Control Board held on March 4, 2019

The Asheboro ABC Board met on Monday, March 4, 2019, at 5:30 PM, in the Board office, 700 South Fayetteville Street, Asheboro, NC.

Present were Chair Brooke Schmidly, Board Member Steve Knight, Board Member Bob Morrison, and General Manager Rodney Johnson (GM). A quorum being present, the Chair called the meeting to order for the transaction of business and business transacted as follows:

The Chair inquired as to any known conflict of interest, appearance of a conflict of interest, or objections concerning agenda items before the Board; after Board member(s) voiced having no conflict, and there being no objection, the agenda was adopted.

The Board reviewed and there being no objection, approved the minutes of the February 4, 2019, Board meeting.

Steve Knight and the GM reviewed Board finances and reported all finances remain consistent (sales and expenses).

House Bill 91 and Senate Bill 87 were reviewed and discussed by the Board. The identical bills entitled "ABC Laws Modernization/PED Study" call for the forced mergers of all ABC boards located in the same county, repeal of the purchase transportation permit, ABC Commission reporting for state warehouse services, a requirement that local boards special order certain requested products, allowing local boards to charge a delivery fee, allowing a local option for Sunday sales, and allowing product tastings on the premises of ABC stores if so approved by the local board. Although not yet introduced, it has been widely reported that a bill calling for the privatization of North Carolina's ABC system will be introduced this session. After discussion, the Chair moved to request the Asheboro City Council to consider taking a position against privatization and forced consolidation of all boards in each county. The motion was approved by the Board and the GM directed to contact the City of Asheboro and make the request.

The Board heard reports from the General Manager concerning the following issues:

1. QuickBooks has a bill pay system that will streamline the way the Board currently pays vendors. The GM is in the process of setting up a free trial of the system and if cost effective will implement the system in the coming months.

2. Asheboro ABC sales statistics comparing:

    - February 2019 sales with the previous month indicate:
        - An overall -1.3% change (all sales and tax collections)

- February 2019 sales with sales from the same month last year indicate:
    - Retail Sales +8.1% ($234,131.30)
    - Mixed Beverage Sales: +8.7% ($30,446.95)
    - Sales Tax Collections: +8.1% ($16,408.34)
    - Overall Collections: +8.17% ($280,986.59)

- February 2019 bottle sales with bottle sales from the same month last year indicate:
    - Retail Bottle Sales: +9.0%
    - Mixed Beverage Bottle Sales: +6.4%
    - Overall Bottle Sales: +8.8%

The next regular Asheboro ABC Board meeting will be held Monday, April 1, 2019, at 5:30 p.m.

There being no further business, the meeting was adjourned.

Prepared by Rodney Johnson, GM, and Approved by the Board 4-1-19 GM

J Michael Schmidt
Robert Morris
Stephen R Knight

CITY OF ASHEBORO
NORTH CAROLINA

RZ-19-06: Request to rezone from R7.5 (Medium-Density Residential) to OA6 (Office-Apartment)

North side of E. Salisbury St. between 853 and 933 E. Salisbury St. (Randolph County Parcel Identification Numbers 7761229556, 7761229618, and 7761229996).

Planning Board Recommendation and Staff Report

Planning Board Recommendation & Comments to City Council

NOTE: Have applicant Certify to Council mailings to all adjoining property owners.

Case # **RZ-19-06**

Date 4/1/2019 PB

Applicant Stephen "Bo" Davidson

Legal Description

The properties of Davidson Builders and Properties, Inc., located on the north side of E. Salisbury St. between 853 and 933 E. Salisbury St., totaling approximately 4.5 acres and more specifically identified by Randolph County Parcel Identification Numbers 7761229556, 7761229618, and 7761229996.

Requested Action Rezone from R7.5 (Medium-Density Residential) to OA6 (Office-Apartment)

Existing Zone R7.5

Land Development Plan See Rezoning staff report

Planning Board Recommendation

Approve.

Reason for Recommendation

The Planning Board concurred with staff reasoning.

Planning Board Comments

Rezoning Staff Report

RZ Case # **RZ-19-06** **Date** 5/9/2019 City Council

General Information

Applicant Stephen "Bo" Davidson

Address 333 W. Ward St.

City Asheboro NC 27203

Phone 336-382-1391

Location north side of E. Salisbury Street between 853 and 933 E. Salisbury Street

Requested Action Rezone from R7.5 (Medium-Density Residential) to OA6 (Office-Apartment)

Existing Zone R7.5 **Existing Land Use** Undeveloped

Size 4.5 acres +/- **Pin #** 7761229556, 7761229618, 7761229996

Applicant's Reasons as stated on application

Corridor has seen transition to commercial and office use. OA6 complies with urban residential and city services are available. Consistent with surrounding zoning and land uses.

Surrounding Land Use

North Single-family/Commercial (cultural facility) **East** Single-family residential/Commercial

South Place of worship/Single-family residential **West** Single-family residential/Public Use (electric substation)

Zoning History N/A

Legal Description

The properties of Davidson Builders and Properties, Inc., located on the north side of E. Salisbury St. between 853 and 933 E. Salisbury St., totaling approximately 4.5 acres and more specifically identified by Randolph County Parcel Identification Numbers 7761229556, 7761229618, and 7761229996.

Analysis

1. The property is inside the City limits.
2. The most recent 2014 Comprehensive Transportation Plan identifies this segment of East Salisbury Street/ NC Hwy. 42 (a state-maintained major throughfare) as over capacity based on 2012 volumes measuring average annual daily vehicles/day (11,600 capacity vs. 13,000 AADT 2012 volume).
3. In order to relieve the congestion that currently exists on NC Hwy. 42 North, the current NCDOT Transportation Improvement Program has committed funding to road improvements (Project No. U-5743) along NC Hwy. 42 extending between the E. Salisbury St. intersection and US Hwy. 64 (E. Dixie Drive). Proposed improvements include the addition of a center turn lane, sidewalks, curbing and guttering. Public right-of-way acquisition is currently scheduled to begin in 2019, with construction scheduled to begin in 2020.
4. The requested zoning district allows residential (single-family, two-family, multiple-family), office & institutional uses, and limited commercial uses. The OA6 zoning district is described by the zoning ordinance as"intended to produce moderate intensity office and residentialdevelopment to serve adjacent residential areas and to provide a transition from residential to commercial uses. Land designated OA6 shall normally be located with access to a minor thoroughfare or higher classification street with access to local residential streets discouraged." Heavier commercial uses (such as retail, eating establishments, motor vehicle sales and major/minor repair, etc.) are prohibited in the OA6 district.

Consistency with the 2020 LDP Growth Strategy designations

In reviewing this request, careful consideration is given to each Goal and Policy as outlined in the Land Development Plan. Some Goals and Policies will either support or will not support the request, while others will be neutral or will not apply. Only those Goals and Policies that support or do not support the request will be shown.

Proposed Land Use Map Designation	Urban Residential
Small Area Plan	Central
Growth Strategy Map Designation	Primary Growth

LDP Goals/Policies Which Support Request

Checklist Item 1: Complies with LDP proposed land use map

Checklist Item 3: The property on which the rezoning district is proposed fits the description of the Zoning Ordinance. *(Article 200, Section 210, Schedule of Statements of Intent)*

Checklist Item 5: The proposed rezoning is compliant with the objectives of the Growth Strategy Map.

Checklist Items 12, 13, and 14: 12.) Property is located outside of watershed 13.) The property is located outside of Special Hazard Flood Area.

Policy 2.1.5: The City will ensure development regulations provide appropriate transitional land uses, such as office & institutional, between high-intensity industrial/commercial and low-intensity residential uses.

LDP Goals/Policies Which Do Not Support Request

Checklist Item 6. Existing infrastructure is not adequate to support the desired zone. *(water, sewer, roads, schools, etc.)*

Checklist Item 14: Rezoning is located on steep slopes of greater than 20%.

Staff's Final Analysis Concerning Consistency with Adopted Comprehensive Plans, Reasonableness and Public Interest

Staff's analysis considers the appropriateness of both residential and non-residential uses permitted in the requested OA6 district.

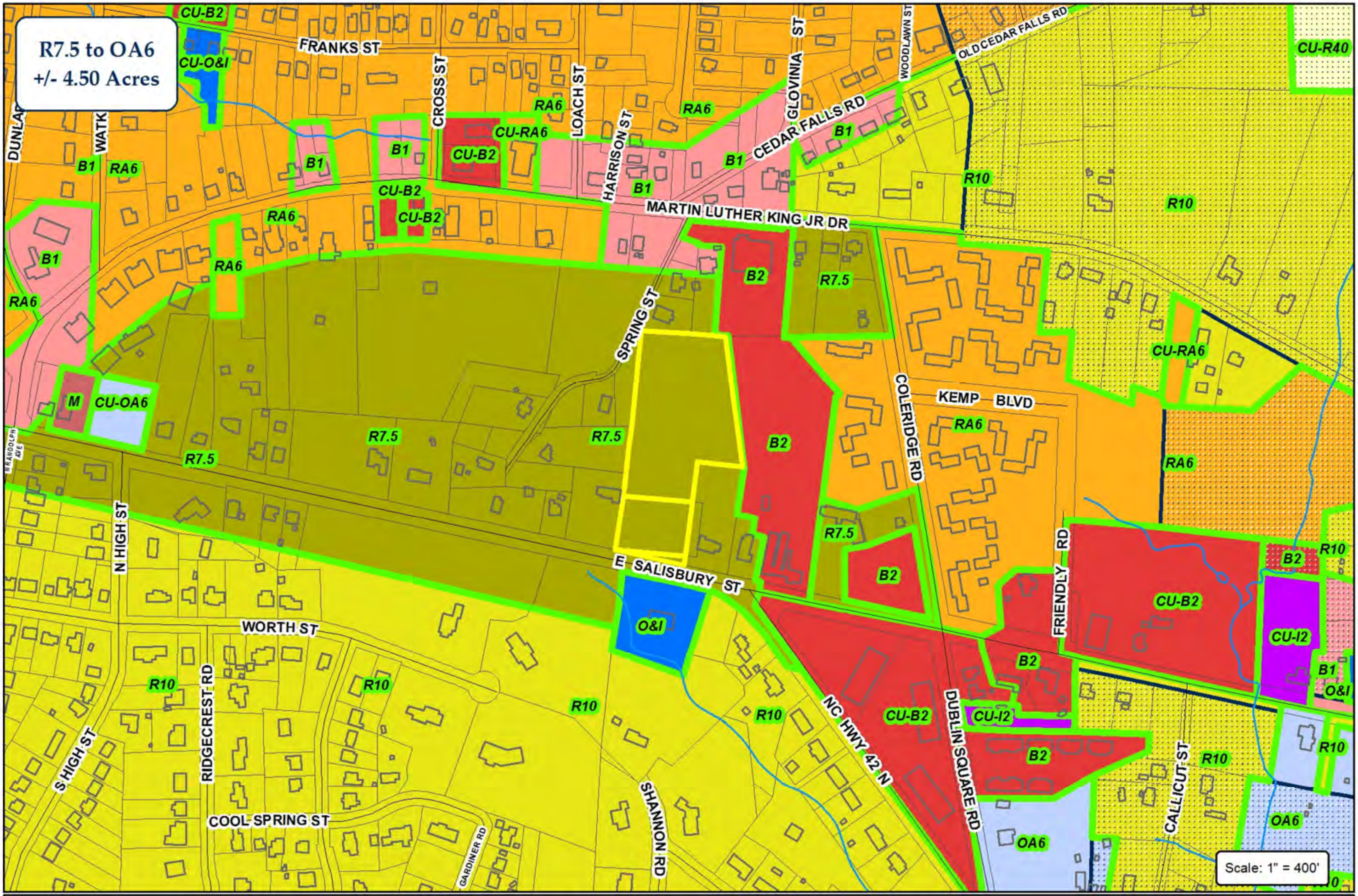
The residential component of the district is supported by the LDP's designation of the property for "urban residential" uses.

Zoning and uses of properties for commercial or institutional purposes to the north, east, and south help make the OA6 district an appropriate transitional district at this location. Limitations on the types of commercial uses and development standards for non-residential uses also help protect adjoining residential properties from adverse impacts.

Additionally, committed road improvements for both motorists and pedestrians help alleviate concern over the current capacity issues of East Salisbury Street.

Considering these factors, staff believes the requested OA6 district is consistent with the Land Development Plan and therefore reasonable and generally in the public interest.

Recommendation In light of the above analysis, staff's recommendation is to approve the OA6 district request.



City of Asheboro Planning & Zoning Department

Rezoning Case: RZ-19-06

Parcel: 7761229556, 7761229618 & 7761229996

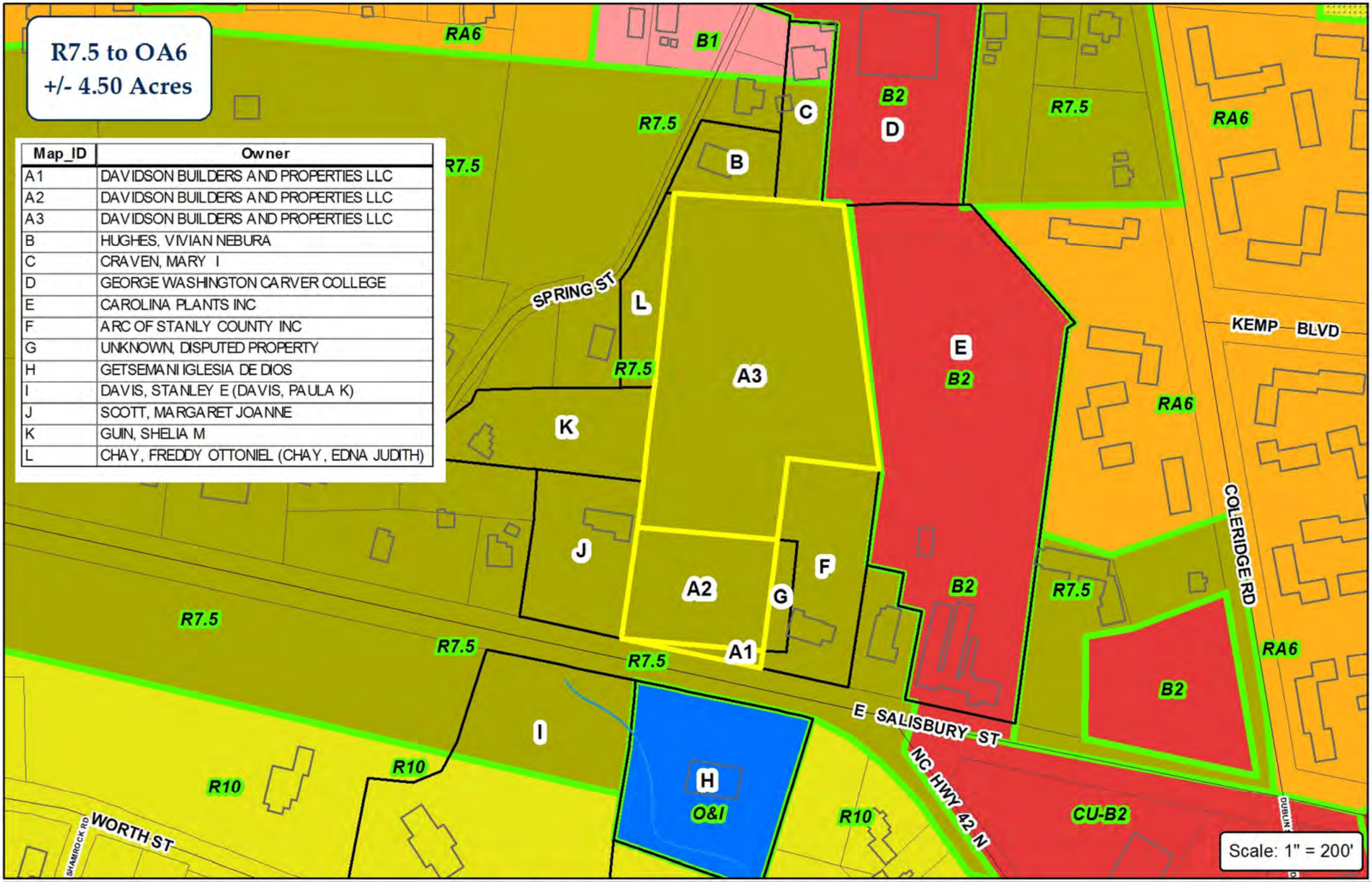
ETJ

Subject Property

Zoning

R7.5 to OA6
+/- 4.50 Acres

Map_ID	Owner
A1	DAVIDSON BUILDERS AND PROPERTIES LLC
A2	DAVIDSON BUILDERS AND PROPERTIES LLC
A3	DAVIDSON BUILDERS AND PROPERTIES LLC
B	HUGHES, VIVIAN NEBURA
C	CRAVEN, MARY I
D	GEORGE WASHINGTON CARVER COLLEGE
E	CAROLINA PLANTS INC
F	ARC OF STANLY COUNTY INC
G	UNKNOWN, DISPUTED PROPERTY
H	GETSEMANI IGLESIA DE DIOS
I	DAVIS, STANLEY E (DAVIS, PAULA K)
J	SCOTT, MARGARET JOANNE
K	GUIN, SHELIA M
L	CHAY, FREDDY OTTONIEL (CHAY, EDNA JUDITH)



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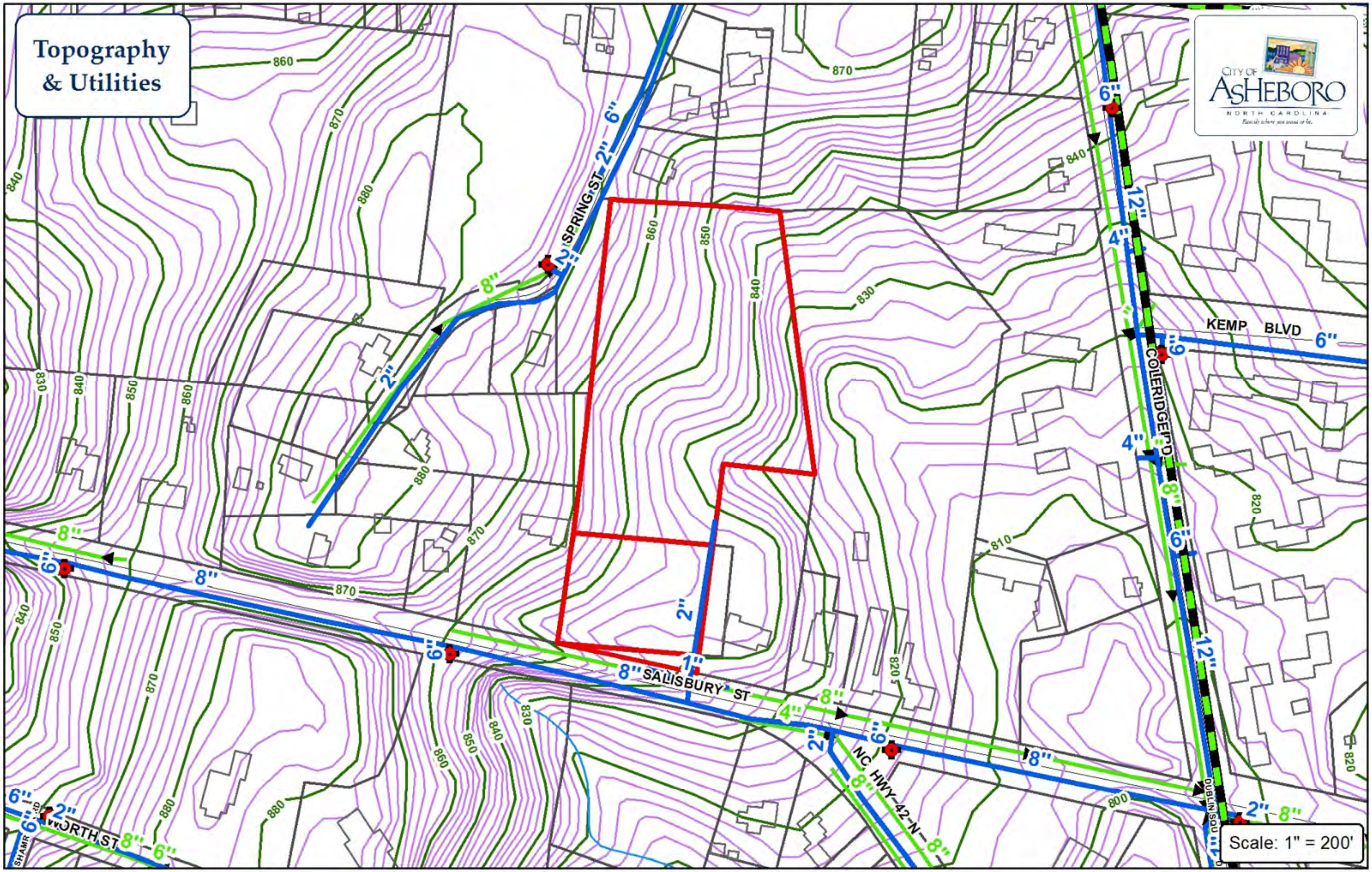
City of Asheboro Planning & Zoning Department

Rezoning Case: RZ-19-06

Parcel: 7761229556, 7761229618 & 7761229996

Subject Property
Adjoining Properties
Zoning



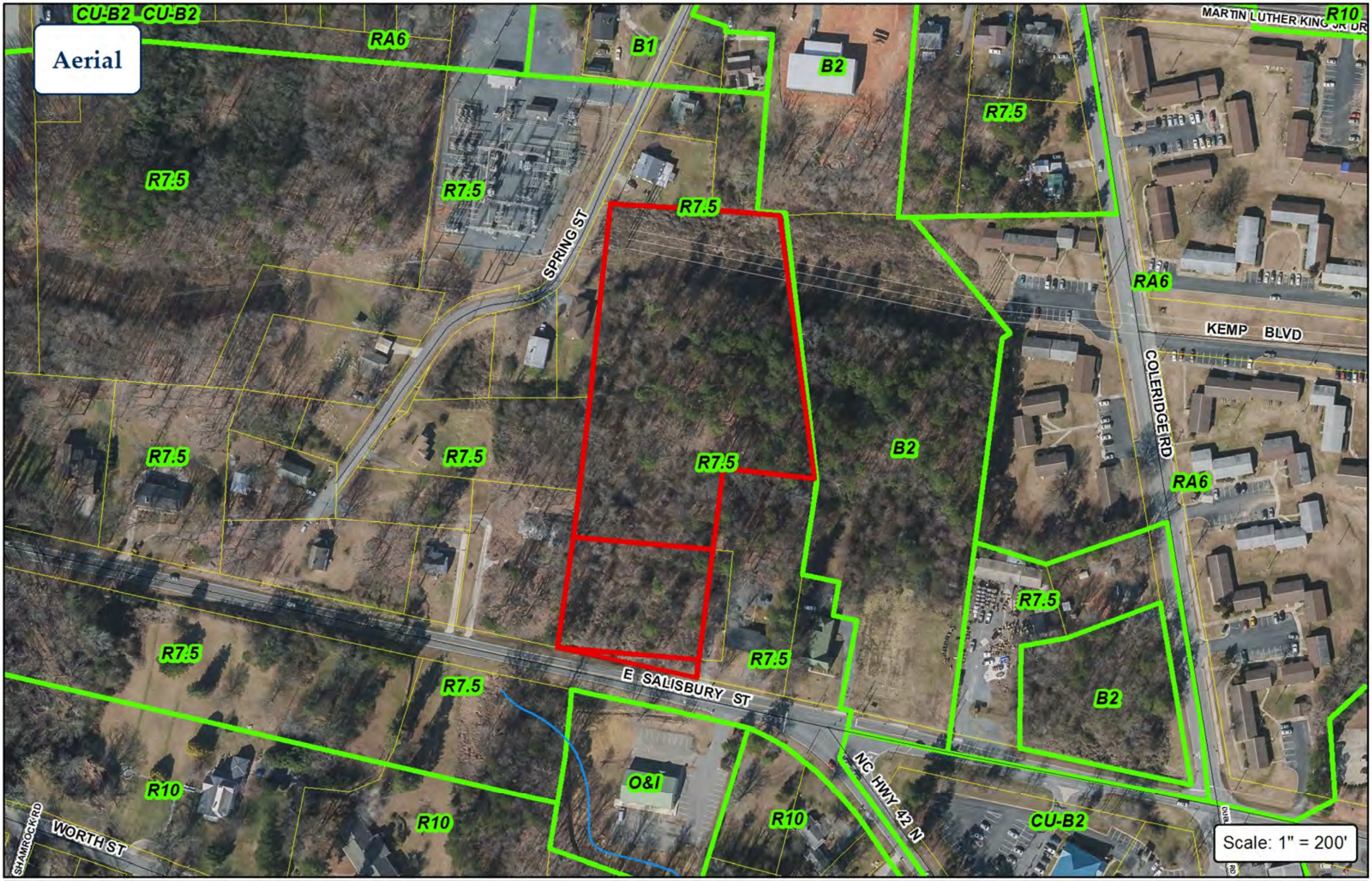
Water Main
Sewer Main
Force Main
Fire Hydrant
Pump Station

City of Asheboro
Planning & Zoning Department

Rezoning Case: RZ-19-06

Parcel: 7761229556, 7761229618 & 7761229996

Subject Property



City of Asheboro Planning & Zoning Department

Rezoning Case: RZ-19-06

Parcel: 7761229556, 7761229618 & 7761229996

Subject Property

Zoning

SUB-19-01: Sunny Day Townhomes

Sherwood Avenue and Whitley Street

(Preliminary Plat)

Staff Report

SUBDIVISION STAFF REPORT
Preliminary Plat

CASE #	SUB-19-01	**Date**	5/6/19 Planning Board

GENERAL INFORMATION

Subdivision Name	West Pointe Townhomes (formerly called "Sunny Day Townhomes")
Requested Action	Subdivision Preliminary Plat
Applicant	Larry McKenzie
Address	1021 Sunset Avenue
Phone	336-953-2913
Location	Sherwood Avenue/145 & 159 Whitley St.

PARCEL INFORMATION

PIN	7750249743		
Size	7.34 acres +/-	**Number of Lots**	29 + common area
Existing Zoning	R10	**Average Lot Size**	3,072 SF
Existing Land Use	Single-family dwelling/undeveloped		

Surrounding Land Use

North	Commercial	**East**	Single-family/Two-family
South	Single-family/two-family	**West**	Single-family/Commercial

LAND DEVELOPMENT PLAN

Growth Strategy Map	Primary Growth
Proposed Land Use Map	Neighborhood Residential/Commercial
Small Area Plan Map	Central
Identified Activity Center?	No

Development Issues

1. The applicant proposes a mix of detached patio style homes and attached duplex style units. Following Council's approval during a March, 2019 hearing, Council formally granted the Special Use Permit for this project during its April, 2019 meeting.
2. The applicant proposes a combination of city-maintained and privately maintained streets. Whitley Street, proposed as a city maintained street contains approximately 640 linear feet. The other privately maintained streets include 1,000 linear feet.
3. One recreation area on the northern side of the property is proposed.
4. The subdivision ordinance generally specifies that proposed streets provide future access to adjacent properties. All properties that are adjacent to the subject property are developed, making this requirement impractical.
5. The applicant is proposing a new name of the subdivision (West Pointe Townhomes), along with revised names of some streets within the development.

SUBDIVISION STAFF REPORT
Preliminary Plat

DEPARTMENT COMMENTS

Engineering

Plat corrections have been addressed.

Street names are subject to approval by Randolph County.

Public Works

Plat corrections have been addressed.

Planning

1.) As of 4-23-19, staff is reviewing plat information, including street lighting details, labeling of site distance triangle on the west side of Whitley Street at Sherwood Ave., and other plat items.
2.) Homeowners documents are required to be recorded with the final plat, which must include maintenance mechanisms for the common area, and restrictions concerning recreational vehicle (RV) parking.
3.) The applicant has received the required NCDEQ erosion control permit.
4.) The requested rezoning and Special Use Permit were granted by Council. The owner is required to execute a Memorandum of Land Use Restrictions to be recorded in the Randolph County Public registry.

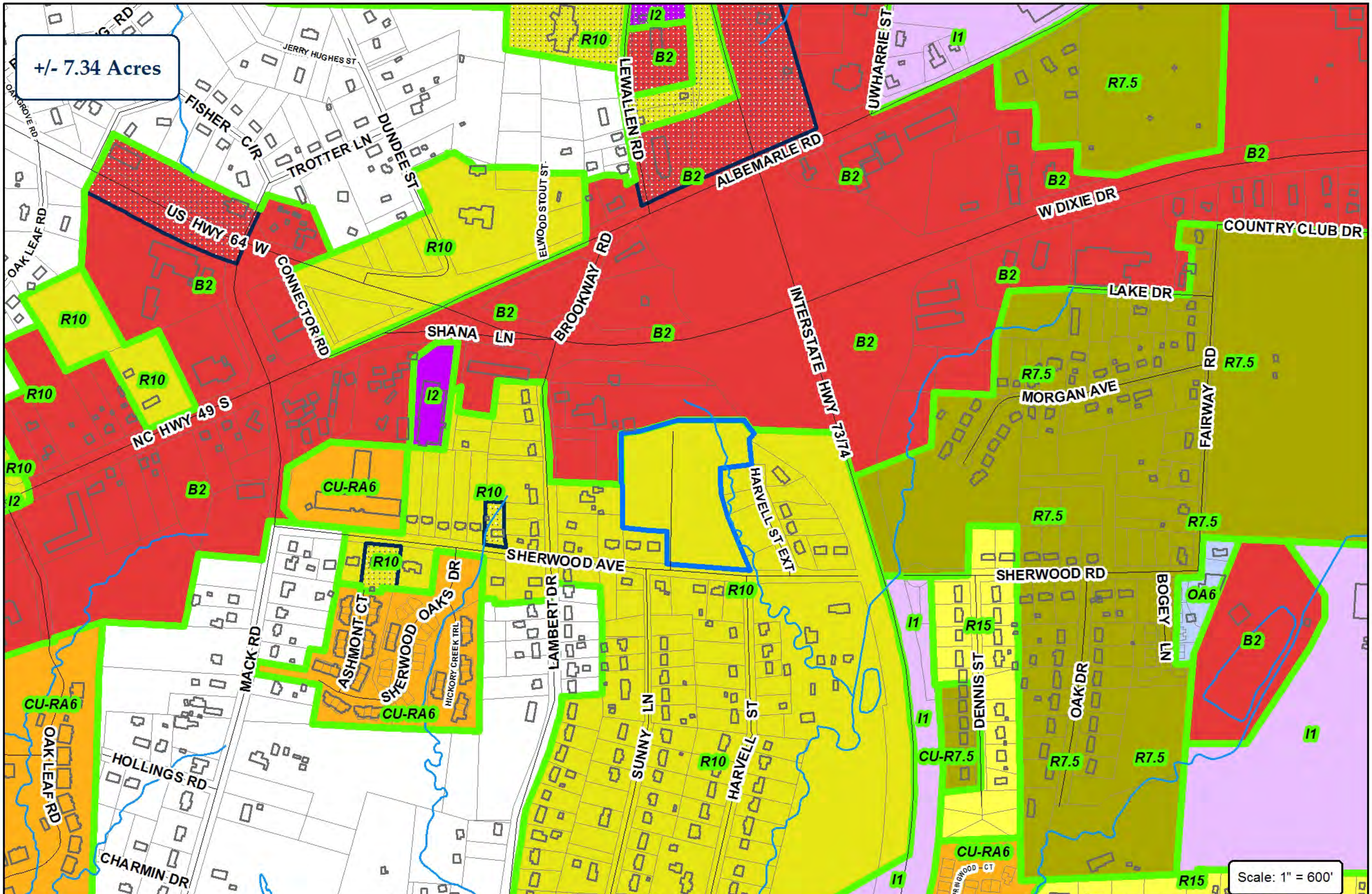
Other

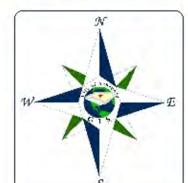
Staff Recommendation

As of 4-23-19, staff's recommendation is pending.

Planning Board Recommendation

A recommendation from the Planning Board will be available after its May 6, 2019 meeting.





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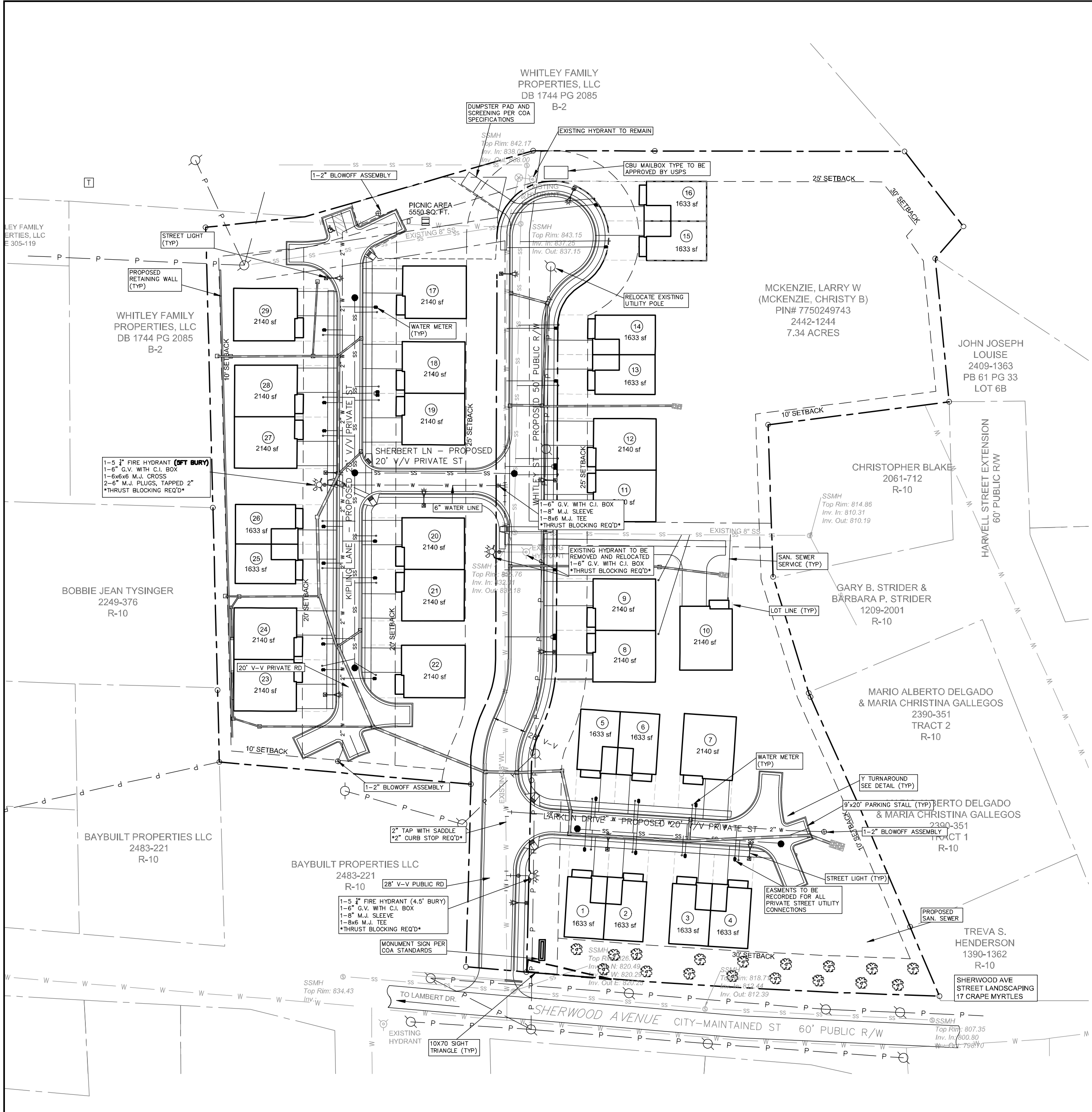
City of Asheboro Planning & Zoning Department

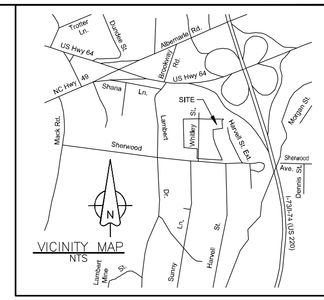
Subdivision Case: SUB-19-01

Parcel: 7750249743

Subject Property

Zoning





SITE NOTES:

SITE AREA FOR P.U.D.:7.34 ACRES (319,730 SF)

TOTAL # OF LOTS: 29 LOTS PLUS COMMON AREA

LOTS 1–6 = 2,455 SF EA	LOT 7 = 3,332 SF	
LOTS 8–9 = 3,455 SF EA	LOT 10 = 5,940 SF	LOTS 11–16 =2,610 SF EA
LOTS 17–24 = 3,245 SF EA	LOTS 25–26 = 2,450 SF EA	
LOTS 27–28 = 3,245 SF EA	LOT 29 = 2,450 SF	

TOTAL COMBINE LOT AREAS: 89,078 S.F. (2.04 AC)
TOWNHOMES COMMON AREA: 233,917 SF = (5.42 AC)
BUA IN COMMON AREA: 58,892 SF = (1.35 AC) =18%
TOTAL BUA: 133,771 SF = (3.0 AC)
AVERAGE LOT SIZE = (3,071.65 SF)

ALL COMMON AREA INCLUDING RECREATION/PICNIC AREA & LANDSCAPING TO BE HELD/MAINTAINED BY HOMEOWNERS ASSOCIATION.

OPEN SPACE AREA RATIO NON BUA (52% MIN): 58% (185,959 S.F.)

RECREATIONAL SPACE REQ'D (3.33% OF 52% OF TOTAL AREA): (5,536 SF)
(5,550 SF REC AREA SHOWN)

PICNIC AREA TO BE MAINTAINED BY HOA

PROPERTY USE: CURRENT ZONING = R10 WITH SUP FOR PUD
CURRENT USE: VACANT
PROPOSED UNITS = 29 TOWNHOUSES (1,200 S.F HEATED SF/UNIT MINIMUM)

LINEAR FEET OF STREETS: PUBLIC
28' V–V VALLEY C&G – 640 LF
PRIVATE
20' V–V VALLEY C&G – 1000 LF
ASPHALT PAVING MAT'L

LANDSCAPING: SEE PLANS

TRASH DISPOSAL PLAN: PRIVATELY PROVIDED TRASH CAN USE, WITH CITY OF ASHEBORO DUMPSTER PICKUP

RV STORAGE: NOT ALLOWED ON SITE

NOTES:
1. H.O.A. DOCUMENTS WILL BE REQUIRED PRIOR TO FINAL PLAT APPROVAL.
2. DETAILED GRADING PLAN WILL BE SUBMITTED WITH ENGINEERING PLANS.
3. ALL BUILDINGS RECIEVE CITY OF ASHEBORO WATER AND SEWER UTILITIES.
4. CLUSTER MAIL BOX SYSTEM TO BE USED, USPS TO APPROVE UNIT AND LOCATION

HANDICAP RAMP LOCATION REQUIRED
SEE PLANS

FIRE HYDRANT NOTE

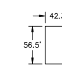
FIRE HYDRANT LOCATIONS ARE TENTATIVE SUBJECT TO APPROVAL BY FIRE CHIEF.

BUILDING SETBACK NOTE

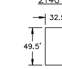
SINGLE-FAMILY HOMES WILL HAVE A MINIMUM SETBACK OF 25' FROM PUBLIC R/W UNLESS OTHERWISE SHOWN AND A MINIMUM OF 20' FROM BACK OF PRIVATE SIDEWALKS UNLESS OTHERWISE SHOWN

PERMIT NOTE

SPECIAL USE PERMIT AND REZONING FOR PLANNED UNIT DEVELOPMENT (P.U.D.) ONLY.



TYPICAL TOWNHOME SIZE
2140 SF



TYPICAL TOWNHOME SIZE
1633 SF

CITY OF ASHEBORO NOTES

1. 20' WIDE CITY OF ASHEBORO SANITARY SEWER EASEMENT WILL BE PROVIDED ALONG ALL 8" SANITARY SEWER LINES NOT IN PUBLIC R/W.
2. 20' WIDE CITY OF ASHEBORO WATER LINE EASEMENT WILL BE PROVIDED ALONG ALL WATER LINES CONNECTING TO THE CITY OF ASHEBORO WATER SYSTEM TO THE FIRE HYDRANTS AND METERS THAT ARE NOT IN PUBLIC R/W.
3. ALL STORM SEWERS NOT IN PUBLIC R/W WILL BE MAINTAINED BY HOMEOWNERS' ASSOCIATION.

MAINTENANCE RESPONSIBILITY

CITY OF ASHEBORO MAINTAINED

1. STREETS & SIDEWALKS WITHIN PUBLIC STREET RIGHT-OF-WAY.
2. SANITARY SEWER LINES WITHIN PUBLIC STREET RIGHT-OF-WAY.
3. WATER LINES SUPPLYING HYDRANTS & METERS AND STORM SEWER SYSTEM WITHIN PUBLIC STREET RIGHT-OF-WAY.

HOMEOWNERS ASSOCIATION TO MAINTAIN

1. SANITARY SEWER LINES BETWEEN PUBLIC STREET RIGHT-OF-WAY AND BUILDINGS.
2. COMMON AREAS NOT WITHIN PUBLIC STREET RIGHT-OF-WAY.
3. PONDS AND CREEKS
4. STORM SEWER NOT LOCATED IN PUBLIC STREET RIGHT-OF-WAY.
5. WATER LINES BETWEEN METERS AND BUILDINGS.
6. STREETS AND SIDEWALKS NOT WITHIN PUBLIC STREET RIGHT-OF-WAY.

DRAWING LEGEND

PROPERTY LINE
ADJOINING PROPERTY LINE
PROPOSED RIGHT OF WAY
PROPOSED LOT LINE
PROPOSED TREELINE
EXISTING SANITARY SEWER
PROPOSED SANITARY SEWER
EXISTING WATER LINE
PROPOSED WATER LINE
EXISTING OVERHEAD UTILITY
EXISTING SAN. SEWER MANHOLE
PROPOSED SAN. SEWER MANHOLE
EXISTING FIRE HYDRANT
PROPOSED FIRE HYDRANT
PROPOSED CREPE MYRTLE

NAD 83 GRID NORTH

GRAPHIC SCALE
(IN FEET)
1 inch = 40 ft.

OWNER – DEVELOPER
LARRY McKENZIE
126 LANIER AVE
ASHEBORO, NC 27203
PHONE (336) 953–2913

Summey Engineering Associates, PLLC
Engineering - Land Planning - Consulting
PO Box 968
Asheboro, NC 27204
Phone: 336-328-0902 Fax: 336-328-0922
E-mail - mack@summeyengineering.com
NC Professional Engineering Firm License No. P-0336

No.	Date:	Description:	By:
1	5-1-19	Revisions Per COA Comments 4-29-19	cv

SITE AND UTILITY PLAN
WEST POINTE TOWNHOMES
SHERWOOD AVE
RANDOLPH COUNTY - ASHEBORO - NORTH CAROLINA

Scale:	NOTED
Date:	APRIL 2019
Drawn By:	PBC
Checked By:	HMSJ
Job No.:	E-5153

Sheet No. C-3

SEQUENCE OF CONSTRUCTION PHASE 1

1. OBTAIN PLAN APPROVAL FROM NCDEQ AND ALL OTHER REQUIRED PERMITS.
2. INSTALL TEMPORARY CONSTRUCTION ENTRANCE WITH ASSOCIATED PIPE AND RIP RAP PROTECTION
3. CLEAR AREA AND INSTALL TEMPORARY SILT FENCE WITH ASSOCIATED TEMPORARY STONE OUTLETS AS SHOWN PER PLANS
4. INSTALL CLEAN WATER DITCH AS SHOWN PER PLANS
5. CLEAR AREA NECESSARY AND INSTALL SKIMMER BASIN #1 WITH ASSOCIATED DIVERSION DITCHES PER PLANS
6. STABILIZE ALL DISTURBED AREAS
7. CLEAR AND GRUB REMAINDER OF SITE

(CONT. ON PHASE 2 GDEC)

DRAWING LEGEND

- EXISTING MAJOR CONTOUR
- EXISTING MINOR CONTOUR
- 715 — PROPOSED MAJOR CONTOUR
- 713 — PROPOSED MINOR CONTOUR
- PROPERTY LINE
- TD — TEMPORARY DIVERSION DITCH
- CONSTRUCTION LIMITS
- EXISTING DRAINAGE PIPE
- PROPOSED DRAINAGE PIPE
- PROPOSED DRAINAGE STRUCTURE
- X — TEMPORARY SILT FENCE
- TEMPORARY SILT FENCE STONE OUTLET
- COIR FIBER BAFFLE
- TEMPORARY INLET PROTECTION
- GL — CLEAN WATER DITCH

GROUND STABILIZATION CRITERIA

SITE AREA DESCRIPTION	STABILIZATION TIMEFRAME	STABILIZATION TIMEFRAME EXCEPTIONS
PERIMETER DIKES, SWALES, DITCHES, & SLOPES	7 DAYS	NONE
SLOPES STEEPER THAN 3:1	7 DAYS	IF SLOPES ARE 10' OR LESS IN LENGTH & ARE NOT STEEPER THAN 2:1, 14 DAYS ALLOWED
SLOPES 3:1 OR FLATTER	14 DAYS	7 DAYS FOR SLOPES > 50 FEET IN LENGTH
ALL OTHER AREAS WITH SLOPES FLATTER THAN 4:1	14 DAYS	NONE

SEE EROSION CONTROL DETAILS FOR SEEDING SPECIFICATIONS

GENERAL EROSION CONTROL NOTES

THE CONTRACTOR SHALL TAKE ALL REASONABLE PRECAUTIONS TO AVOID THE SILTING OF STREAMS, LAKES OR OTHER WATER COURSES DUE TO THE CONSTRUCTION OF THIS PROJECT.

EFFECTIVE EROSION CONTROL MEASURES SHALL BE INITIATED PRIOR TO THE COMMENCEMENT OF CLEARING, GRADING, EXCAVATION, OR OTHER OPERATIONS THAT WILL DISTURB THE NATURAL PROTECTION. THE EROSION CONTROL DETAILS SHOWN HEREIN ARE FOR THE CONTRACTOR'S REFERENCE. THE DETERMINATION OF WHICH DETAIL IS APPLICABLE AS THE WORK PROGRESSES SHALL BE AS SHOWN ON THE PLANS OR MADE BY THE ENGINEER.

ALL DITCHES SHALL BE STABILIZED AS SOON AS IS PRACTICABLE TO MINIMIZE EROSION.

THE CONTRACTOR IS REFERRED TO THE DETAILED SPECIFICATIONS FOR A DESCRIPTION OF ADDITIONAL EROSION CONTROL REQUIREMENTS.

THE CONTRACTOR SHALL MAINTAIN ALL EROSION CONTROL DEVICES IN A GOOD, WORKING STATE OF REPAIR UNTIL THEIR USE IS NO LONGER WARRANTED. AT THAT TIME, THE EROSION CONTROL DEVICES SHALL BE REMOVED AND DISPOSED OF SO AS TO CAUSE NO STREAM SILTATION.

WHERE CULVERT PIPES ARE TO BE INSTALLED UNDER ROADWAYS, THE CONTRACTOR SHALL INSTALL THE CULVERTS AS RAPIDLY AS IS PRACTICAL, BACK FILL IMMEDIATELY AND RIP RAP THE UPSTREAM AND DOWNSTREAM SIDES OF THE STREAM CHANNEL.

ANY OFF-SITE BORROW AND WASTE REQUIRED FOR THIS PROJECT MUST COME FROM A SITE WITH AN APPROVED EROSION CONTROL PLAN, A SITE REGULATED UNDER THE MINING ACT OF 1971, OR A LANDFILL REGULATED BY THE DIVISION OF SOLID WASTE MANAGEMENT. TRASH/DEBRIS FROM DEMOLITION ACTIVITIES OR GENERATED BY ANY ACTIVITIES ON SITE MUST BE DISPOSED OF AT A FACILITY REGULATED BY THE DIVISION OF SOLID WASTE MANAGEMENT OR PER DIVISION OF SOLID WASTE MANAGEMENT OR DIVISION OF WATER RESOURCES RULES AND REGULATIONS.

GRAPHIC SCALE

0 20 40 80 160

(IN FEET)
1 inch = 40 ft.

811 Know what's below. Call before you dig.

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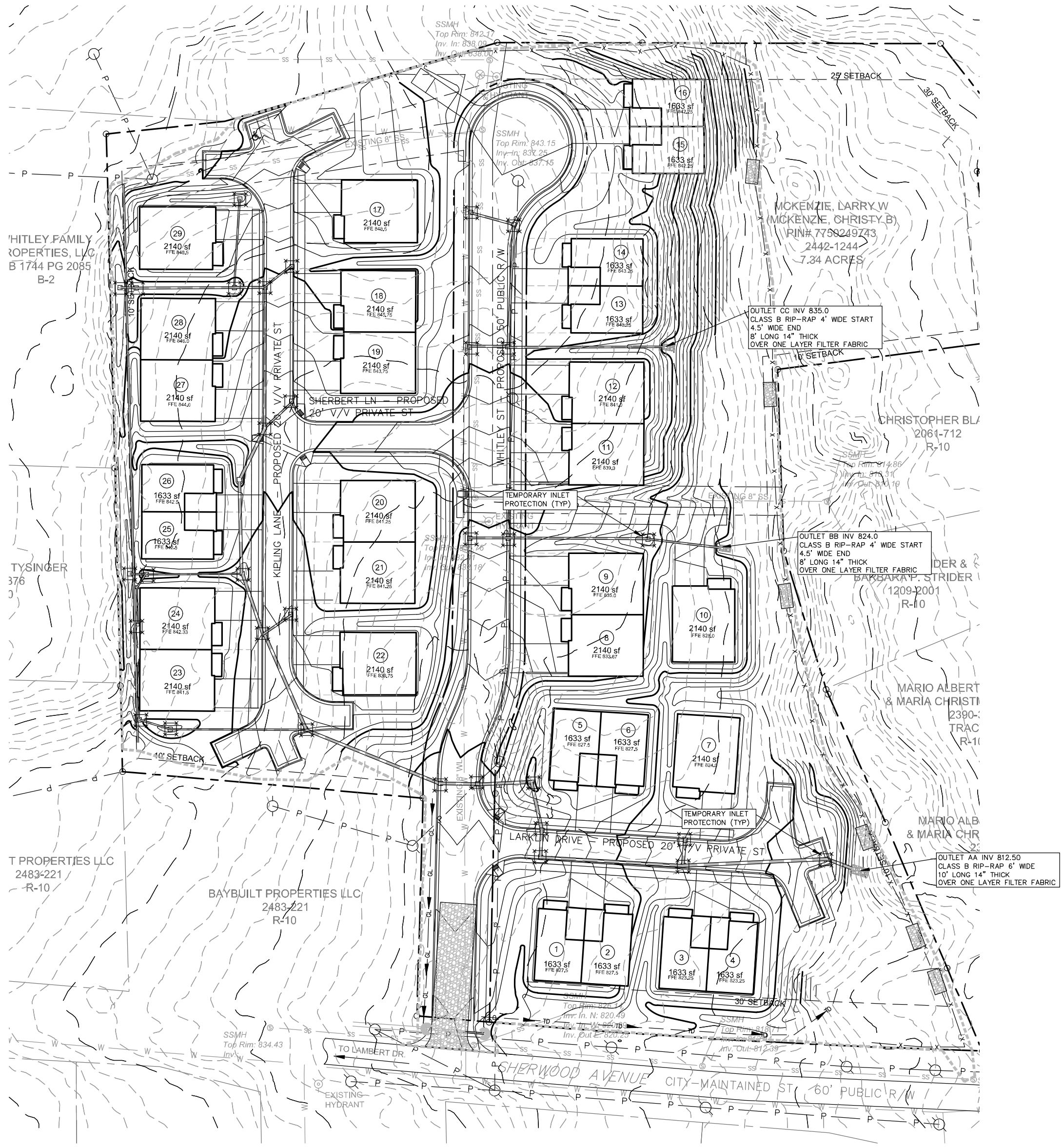
E-mail - mack@summeyengineering.com
NC Professional Engineering Firm License No. P-0336

No.	Date:	Description:	By:

EROSION CONTROL - PHASE I
WEST POINTE TOWNHOMES
SHERWOOD AVE
RANDOLPH COUNTY - ASHEBORO - NORTH CAROLINA

Scale:	NOTED
Date:	APRIL 2019
Drawn By:	PBC
Checked By:	HMSJ
Job No.:	E-5153

Sheet No. C-4



SEQUENCE OF CONSTRUCTION PHASE 2

MAINTAIN ALL PHASE 1 EROSION CONTROL MEASURES THROUGHOUT THE PROJECT

8. BEGIN SITE GRADING AND INSTALL UNDERGROUND UTILITIES THAT DO NOT INTERFERE WITH EROSION CONTROL MEASURES
9. INSTALL PROPOSED STORM DRAINAGE SYSTEM AS SHOWN PER SHEET C-6
10. INSTALL TEMPORARY GRAVEL INLET PROTECTION STRUCTURES AT EACH PROPOSED INLET IMMEDIATELY
11. INSTALL RIP RAP OUTLET PADS AS SHOWN ON PLANS
12. BRING SITE TO SUB GRADE AND INSTALL REMAINDER OF UNDERGROUND UTILITIES OTHER THAN THE SEWER LINE IN SKIMMER BASIN #1 AREA
13. INSTALL STONE BASE ON ALL ROADS, DRIVES, PARKING, AND BUILDING AREAS
14. STABILIZE ALL DISTURBED AREAS

(CONT. ON PHASE 3 GDEC)

DRAWING LEGEND

- EXISTING MAJOR CONTOUR
- EXISTING MINOR CONTOUR
- PROPOSED MAJOR CONTOUR
- PROPOSED MINOR CONTOUR
- PROPERTY LINE
- TEMPORARY DIVERSION DITCH
- CONSTRUCTION LIMITS
- EXISTING DRAINAGE PIPE
- PROPOSED DRAINAGE PIPE
- PROPOSED DRAINAGE STRUCTURE
- TEMPORARY SILT FENCE
- TEMPORARY SILT FENCE STONE OUTLET
- COIR FIBER BAFFLE
- TEMPORARY INLET PROTECTION
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GRAPHIC SCALE

(IN FEET)
1 inch = 40 ft.

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No.	Date:	Description:	By:

EROSION CONTROL - PHASE 2

WEST POINTE TOWNHOMES

SHERWOOD AVE
RANDOLPH COUNTY - ASHEBORO - NORTH CAROLINA

Scale:	NOTED
Date:	APRIL 2019
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Job No.:	E-5153
Sheet No.	C-5

CITY OF ASHEBORO
NORTH CAROLINA

Annual Report concerning Planning Board activities, expenditures, and budget estimates

CITY OF ASHEBORO
NORTH CAROLINA
Exactly where you want to be.

To: Asheboro City Council

From: Van Rich, Planning Board Chairman

Date: May 6, 2019

RE: Annual Report- Asheboro Planning Board

This memorandum provides a summary of the Planning Board's activities since July 1, 2018, an analysis of the expenditures to date for the current fiscal year and the anticipated funds needed for operation during the ensuing fiscal year. The Planning Board is comprised of seven (7) members, five (5) of whom reside in the corporate limits and two (2) who reside within the city's extraterritorial planning jurisdiction. A current Board roster is attached to this memo for your reference.

Summary of Activities

Through May 6, 2019, the Planning Board has reviewed a total of 26 cases. The 26 cases consisted of fifteen (15) zoning map amendments (rezoning cases), three (3) zoning ordinance and subdivision ordinance text amendments, five (5) subdivision, and three (3) variances in which the Planning Board served as the Board of Adjustment.

Expenditures and Budget

The Board's only expenditure this fiscal year has been related to members' stipends. $8,400 was budgeted for board stipends in FY 18-19 and the same amount is requested for FY 19-20. To date, current year expenditures are below the budgeted amount.

On behalf of the Planning Board, I thank you for your support. It is an honor to serve the Asheboro community.

City of Asheboro
Planning Board (also serves as Board of Adjustment)

Name/City or ETJ	Appointed/Expires
Ritchie Buffkin/ City	2-7-13 / 1-1-20
Lynette S. Garner PB, BOA V. Chair / City	6-25-12 / 1-1-22
David Henderson/ ETJ	2-4-13 / 1-1-23
Michael O'Kelley /City	2-8-18 / 1-1-23
Van Rich PB, BOA Chair /City	2-6-86 / 1-1-21
Thomas Rush /ETJ	2-3-14 / 2-1-24
Pamela Vuncannon	08-9-18 / 1-1-24

Bid Summary
City of Asheboro Recreation Center Flooring

Bid Opened at 2:00 PM, April 29, 2019

Company Name	Company Address & Phone	Meets Spec.	Responsive	Project Completion Date	Total Bid
Gate City Flooring	1205 W. Bessemer Ave. Suite 1205 Greensboro, NC 27408 336-509-0504	No	No	5/30/2019	$ 38,112.89
Elkes Carpets Hub	481 Robin Lane Archdale, NC 27263	No	No	5/30/2019	$ 39,210.00
Sav-a-lot Flooring by Flinchums	1839 US Hwy 64 Asheboro, NC 27205 336-672-1521	Yes	Yes	6/30/2019	$44,888.74
ESRA Facility Management & Consulting, Inc.	101 Blue Bell Road Greensboro, NC 27406 336-210-0201	Yes	Yes	6/7/2019	$50,417.00
Perfect View Painting, Roofing, and Landscaping, LLC	3336 Spring Street Greensboro, NC 27405 336-392-6810	Yes	Yes	5/27/2019	$60,750.89
Aurora Renovations and Developments, LLC	2416 Husbands Street Greensboro, NC 27407 336-708-4486	Yes	Yes	6/1/2019	$76,577.11

Lowest Responsive Bidder - Sav-a-lot Flooring by Flinchums $44,888.74

Certified as a true tabulation of all bids received on the referenced project.

By: Michael L. Leonard

Michael L. Leonard, P.E.
City Engineer

Bid Summary
City of Asheboro Pools Deck Resurfacing

Bid Opened at 2:00 PM, April 30, 2019

Company Name	Meets Spec.	Responsive	Memorial Pool	North Asheboro Pool	Total Bid
Carolina Surfacing	Yes	Yes	110,556.68	91,167.21	$ 201,723.89

Invitations to bid for the pool deck surface were sent to a total of 19 contractors in North Carolina, of these only Carolina Surfacing responded to the request.

Lowest Responsible/Responsive Bidder - Carolina Surfacing - $201,723.89

Certified as a true tabulation of all bids received on the referenced project.

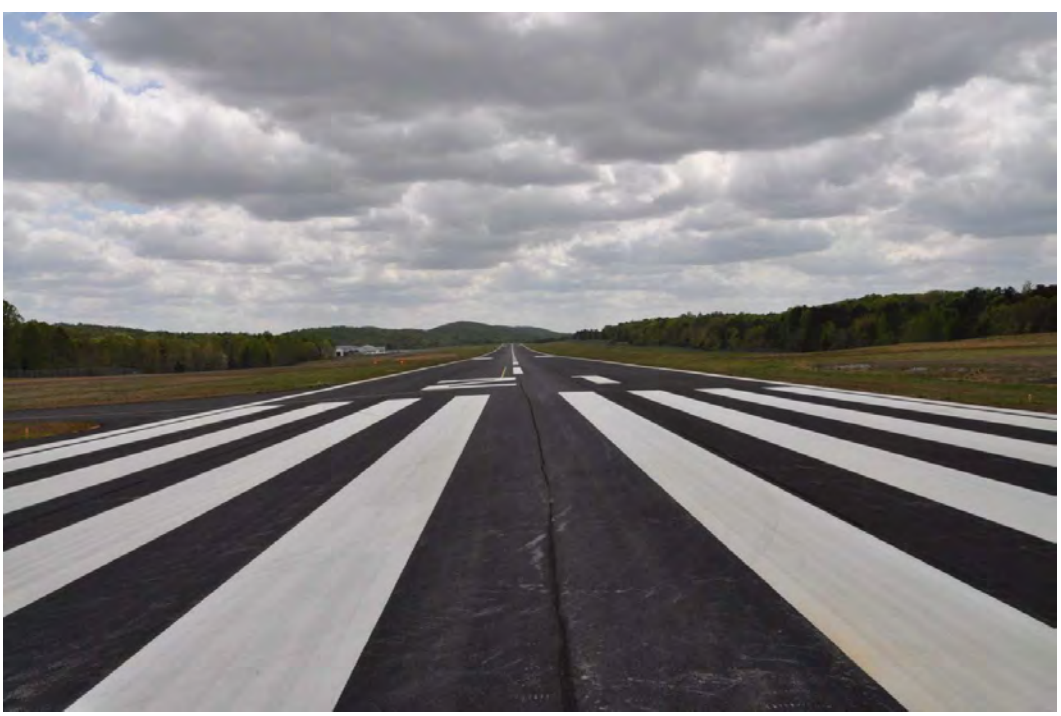
By: ______________________

Michael L. Leonard, P.E.
City Engineer

Asheboro Airport Authority

Annual Report 2018-2019

Table of Contents



Meet the Members of the Asheboro Airport Authority

Members of the Asheboro Airport Authority meet on a quarterly basis to discuss future planning, marketing and special events for the Asheboro Regional Airport and the North Carolina Aviation Museum. Each serves a three-year term and is appointed to the committee by the Asheboro City Council.

Bob Crumley

Steve Knight, *Chair*

Vacant

Bradley Lanier

Mark Vuncannon

Information about the Asheboro Regional Airport

The City of Asheboro owns the Asheboro Regional Airport and contracts with Cardinal Air for its operation. The facility is a valuable tool for economic development, serving a variety of local businesses and corporations. Travelers visiting Asheboro receive superior service and experience true southern hospitality from airport staff. The full-service facility features:

–A newly renovated terminal building
–5,501ft. long and 100 ft. wide runway
–Full-length taxiways
–Instrument approaches
–Rotating beacon
–Runway and taxiway lighting
–Fueling - Jet-A and Avgas
–30,000 lb. single wheel weight limit
–60,000 lb. double wheel weight limit
–Charter service
–Travel assistance (rental cars, hotel reservations, etc.)
–Maintenance and avionics repair
–Flight instruction –Rental hangars
–24-hour call-out

For weather conditions at the airport, call the Automated Weather Observation System at (336) 626-7933. For more information on the Asheboro Regional Airport, visit www.airnav.com/airport/KHBI or www.cardinal-air.com.

- In 2018, the Airport sold 25,223 gallons of Avgas and 24,453 gallons of Jet-A.
–100 percent of the airport's 43 T-hangar spaces are currently leased.
–Estimated economic output for 2019 is $17,350,000.

2018-2019 Annual Report Data

Over the course of the year, the Asheboro Airport Authority completed the following:

-Held regular quarterly meetings on July 24, 2018, October 16, 2018, January 15, 2019 and April 16, 2019.
-Reviewed and discussed quarterly safety committee reports.
-Reviewed and discussed status of FBO operations, aircraft maintenance and hangar rentals.
-Reviewed and discussed status of the museum operation and activities.
-Reviewed and discussed possible marketing strategies for Asheboro Regional Airport.
-Reviewed and discussed status of the new terminal building funding.
-Monitored and discussed the evaluation and purchase of 3 parcels adjacent to the Airport
-Reviewed and discussed the New ALP Update and the future vision at Asheboro Regional Airport

Specific Actions/Recommendations (May 2018 - April 2019)

-On April 16, 2019, the Authority approved the annual report to the City Council.

Cardinal Air

Karen McCraw

Karen McCraw, FBO for Asheboro Regional Airport, is the member manager of Cardinal Air, LLC. The airport contracts with Cardinal Air to provide fuel, airplane maintenance and flight instructions.

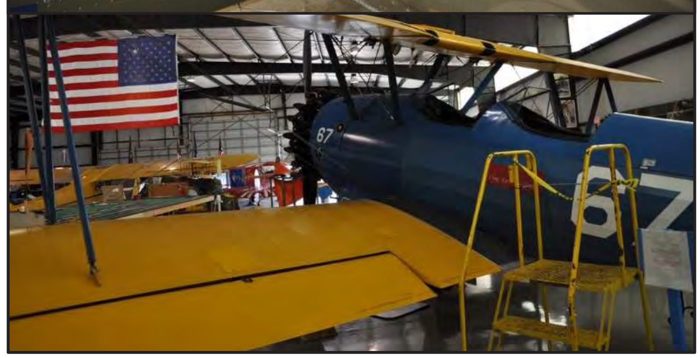
The Asheboro Regional Airport uses Phillips 66 fuels. Jet-A and Avgas are the two fuels offered.

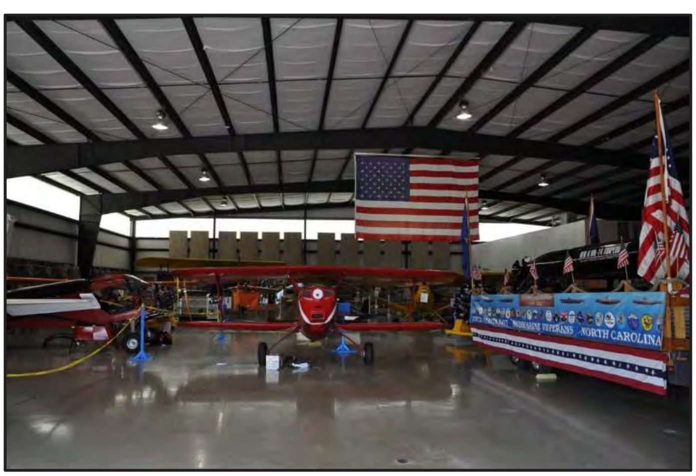
Noteworthy Projects

-Completion of purchase of adjacent properties

North Carolina Aviation Museum & Hall of Fame

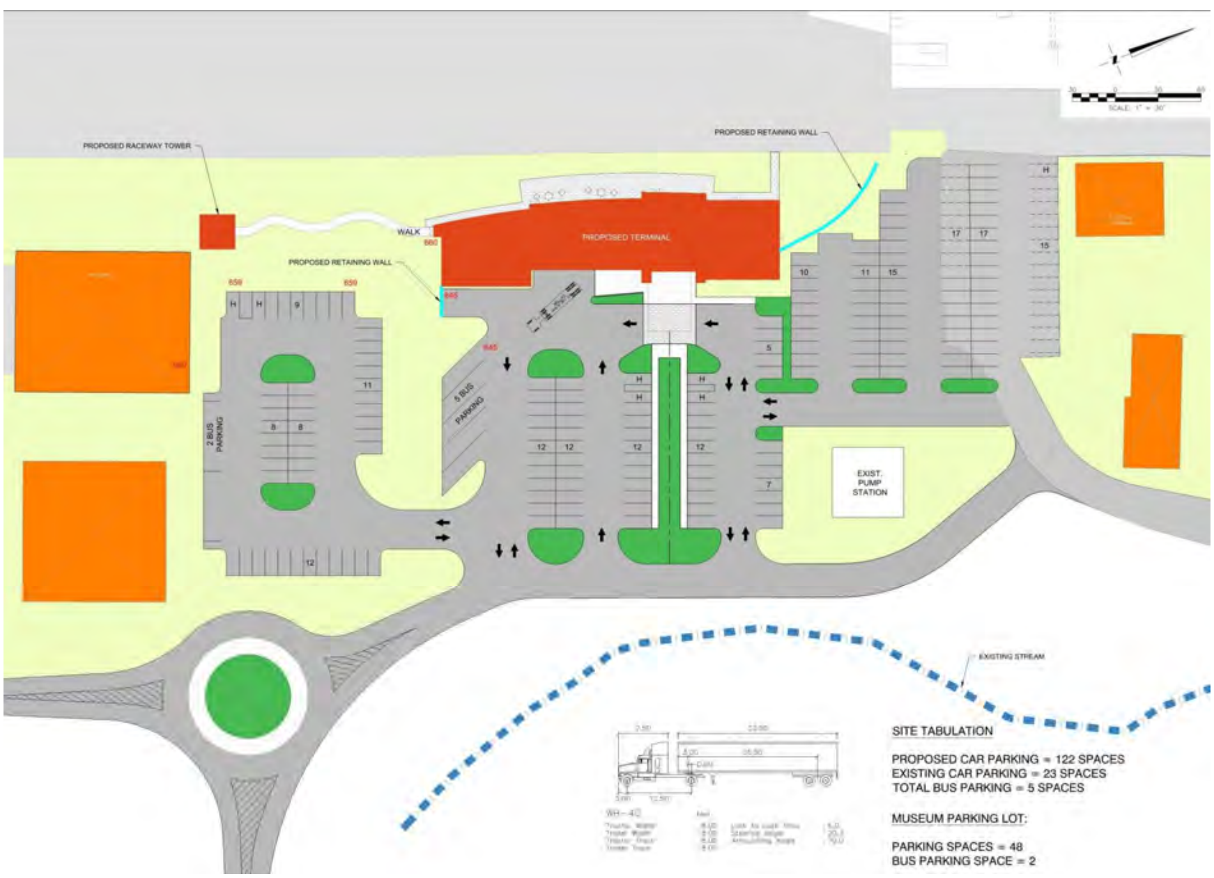
Immerse yourself in aviation history at the North Carolina Aviation Museum and Hall of Fame! See stunning military and civilian memorabilia from WWI to the present, including an impressive collection of military vehicles, weapons, equipment, uniforms a flight simulator and more! The Museum is located at 2222-G Pilots View Road in Asheboro and is open Thursday - Sunday, 11 a.m. - 5 p.m.





Future Projects

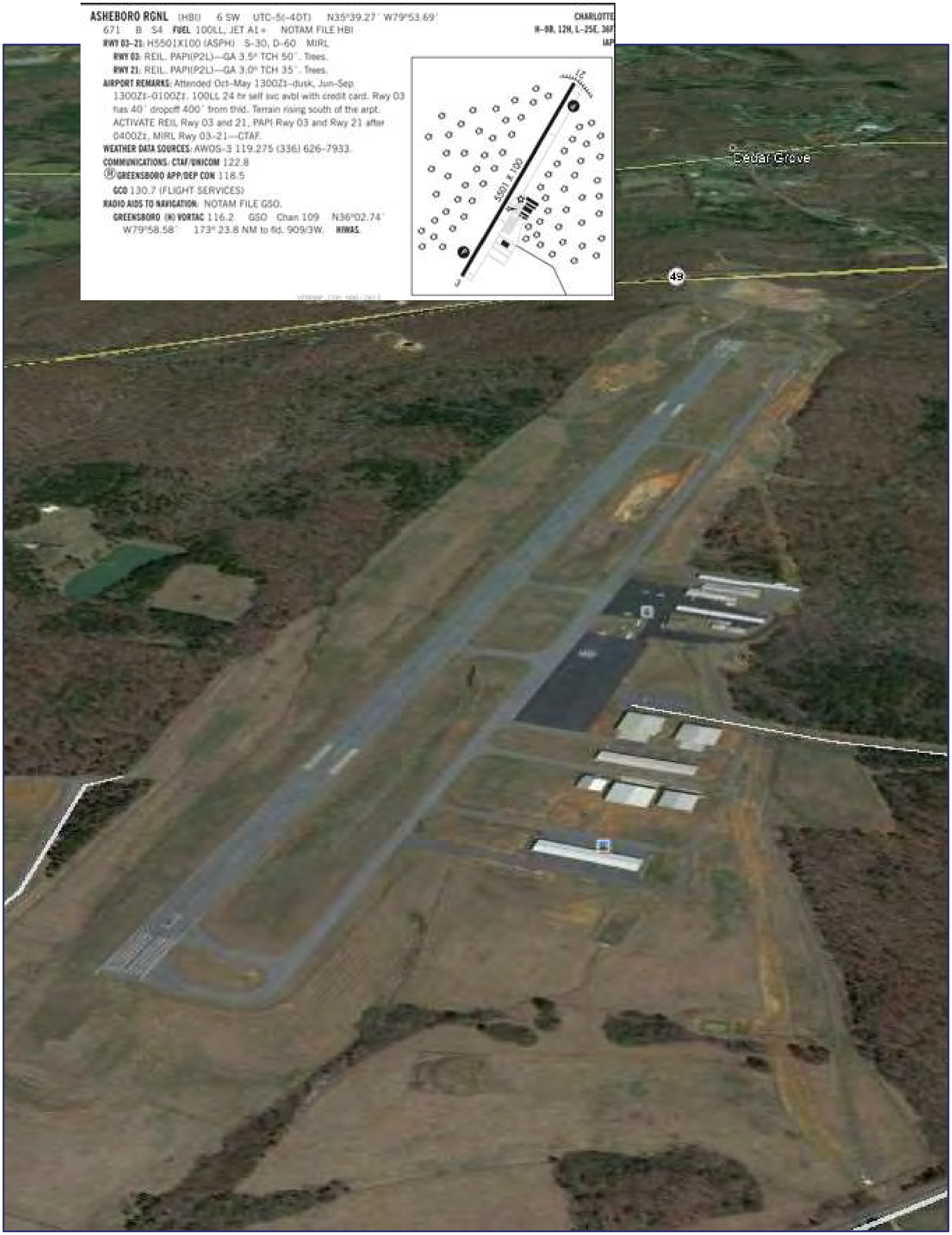
-Proposed New Terminal Building Rendering



-Site Plan for Proposed New Terminal Building

NORTH CAROLINA:
GENERAL AVIATION AIRPORT IMPACTS

AIRPORT ID AND NAME		CITY/TOWN	JOBS	PERSONAL INCOME	STATE AND LOCAL TAXES	ECONOMIC OUTPUT
AFP	Anson County	Wadesboro	65	$3,300,000	$396,000	$20,550,000
GEV	Ashe County	Jefferson	225	$13,100,000	$1,374,000	$55,070,000
HBI	Asheboro Regional	Asheboro	[illegible]	$4,700,000	[illegible]	$17,350,000
7A8	Avery County/Morrison Field	Spruce Pine	125	$5,900,000	$1,544,000	$20,770,000
HSE	Billy Mitchell	Hatteras	20	$1,100,000	$125,000	$2,410,000
BUY	Burlington-Alamance Regional	Burlington	1,025	$45,700,000	[illegible]	$186,850,000
SUT	Cape Fear Regional Jetport	Oak Island	1,355	$95,500,000	$10,207,000	$237,590,000
EQY	Charlotte-Monroe Executive	Monroe	305	$12,300,000	$1,456,000	$24,310,000
CPC	Columbus County Municipal	Whiteville	475	$70,200,000	$20,411,000	$164,640,000
ONX	Currituck County Regional	Currituck	55	$2,800,000	$338,000	$8,870,000
EYF	Curtis L. Brown, Jr. Field	Elizabethtown	40	$2,000,000	[illegible]	$11,580,000
MQI	Dare County Regional	Manteo	90	$4,700,000	$614,000	$14,640,000
EXX	Davidson County	Lexington	490	$22,200,000	$2,780,000	$65,510,000
DPL	Duplin County	Kenansville	250	$15,700,000	$1,728,000	$109,470,000
ECG	Elizabeth City Regional	Elizabeth City	2,725	$171,600,000	$18,385,000	$466,850,000
ZEF	Elkin Municipal	Elkin	50	$3,400,000	$363,000	$10,470,000
FFA	First Flight	Kill Devil Hills	30	$4,700,000	$605,000	$9,100,000
MRN	Foothills Regional	Morganton	80	$7,600,000	$459,000	$8,680,000
AKH	Gastonia Municipal	Gastonia	50	$2,200,000	$260,000	$8,380,000
IXA	Halifax-Northampton Regional	Roanoke Rapids	[illegible]	$5,400,000	$551,000	[illegible]
HRJ	Harnett Regional Jetport	Erwin	710	$43,700,000	$5,116,000	$178,240,000
ACZ	Henderson Field	Wallace	70	$1,700,000	$220,000	$5,070,000
HNZ	Henderson-Oxford	Oxford	60	$2,400,000	$320,000	$14,990,000
HKY	Hickory Regional	Hickory	255	$11,800,000	$1,415,000	$36,350,000
7W6	Hyde County	Engelhard	5	$1,100,000	$60,200	$1,675,000
24A	Jackson County	Sylva	[illegible]	$500,000	$57,000	[illegible]
JNX	Johnston County	Smithfield	820	$30,800,000	$4,738,000	$115,660,000
ISO	Kinston Regional Jetport	Kinston	1,515	$66,500,000	$9,540,000	$431,770,000
MEB	Laurinburg-Maxton	Maxton	590	$30,000,000	$351,000	$102,485,000
IPJ	Lincolnton-Lincoln County Regional	Lincolnton	25	$5,400,000	$626,000	$1,120,000
LBT	Lumberton Regional	Lumberton	75	$4,500,000	$534,000	$14,780,000
1A5	Macon County	Franklin	75	$3,400,000	$382,000	$8,520,000
MCZ	Martin County	Williamston	100	$2,600,000	$366,000	$7,600,000
RUQ	Mid-Carolina Regional	Salisbury	895	$43,300,000	$4,385,000	$142,800,000
MRH	Michael J. Smith Field	Beaufort	265	$10,000,000	$1,529,000	$34,820,000
43A	Montgomery County	Star	[illegible]	$500,000	$75,000	$1,700,000
SOP	Moore County	Pinehurst/Southern Pines	[illegible]	$14,500,000	$1,793,000	$71,160,000
MWK	Mount Airy/Surry County	Mount Airy	2,510	$120,300,000	$23,594,000	$410,960,000
W40	Mount Olive Municipal	Mount Olive	160	$8,000,000	$687,000	[illegible]
EDE	Northeastern Regional	Edenton	55	$3,000,000	$390,000	$10,860,000
W95	Ocracoke Island	Ocracoke	15	$600,000	$87,000	$5,780,000
60J	Odell Williamson Municipal	Ocean Isle Beach	[illegible]	$2,000,000	$304,000	[illegible]
TDF	Person County	Roxboro	245	$13,000,000	$1,412,000	$69,590,000
PMZ	Plymouth Municipal	Plymouth	55	$2,100,000	$222,000	$5,590,000
TTA	Raleigh Exec Jetport	Sanford	630	$35,300,000	$5,575,000	[illegible]
RCZ	Richmond County	Rockingham	25	$1,300,000	$170,000	[illegible]
SIF	Rockingham County NC Shiloh	Reidsville	425	$11,100,000	$1,605,000	$58,600,000
RWI	Rocky Mount-Wilson Regional	Rocky Mount	410	$25,800,000	$2,855,000	[illegible]
FQD	Rutherford County	Rutherfordton	70	$3,800,000	[illegible]	$14,420,000
CTZ	Sampson County	Clinton	25	[illegible]	[illegible]	$4,520,000
EHO	Shelby-Cleveland County Regional	Shelby	135	$10,800,000	$1,444,000	$51,130,000
5W8	Siler City Municipal	Siler City	40	$1,600,000	[illegible]	$10,040,000
INT	Smith Reynolds	Winston-Salem	3,555	$226,200,000	$25,445,000	$601,720,000
VUJ	Stanly County	Albemarle	150	$28,000,000	$7,202,000	$154,910,000
SVH	Statesville Regional	Statesville	705	$36,500,000	$6,417,000	$154,980,000
ETC	Tarboro-Edgecombe	Tarboro	60	[illegible]	$363,000	$17,600,000
LHZ	Triangle North Executive	Louisburg	135	$8,100,000	$1,222,000	$24,260,000
ASJ	Tri-County	Ahoskie	35	$1,600,000	$210,000	$4,350,000
OCW	Warren Field	Washington	180	$9,100,000	$509,000	$22,750,000
GWW	Wayne Executive Jetport	Goldsboro	[illegible]	[illegible]	$1,748,000	[illegible]
RHP	Western Carolina Regional	Andrews	370	$21,600,000	$1,667,000	$71,590,000
UKF	Wilkes County	North Wilkesboro	80	[illegible]	$505,000	[illegible]
GENERAL AVIATION AIRPORTS TOTAL			26,040	$1,358,000,000	$176,758,000	$4,956,030,000



ASHEBORO RGNL (HBI) 6 SW UTC–5(–4DT) N35°39.27´ W79°53.69´ **CHARLOTTE**
671 B S4 **FUEL** 100LL, JET A1+ NOTAM FILE HBI **H–8B, 12H, L–25E, 36F**
RWY 03–21: H5501X100 (ASPH) S–30, D–60 MIRL **IAP**
RWY 03: REIL. PAPI(P2L)—GA 3.5° TCH 50´. Trees.
RWY 21: REIL. PAPI(P2L)—GA 3.0° TCH 35´. Trees.
AIRPORT REMARKS: Attended Oct–May 1300Z‡–dusk, Jun–Sep 1300Z‡–0100Z‡. 100LL 24 hr self svc avbl with credit card. Rwy 03 has 40´ dropoff 400´ from thld. Terrain rising south of the arpt. ACTIVATE REIL Rwy 03 and 21, PAPI Rwy 03 and Rwy 21 after 0400Z‡, MIRL Rwy 03–21—CTAF.
WEATHER DATA SOURCES: AWOS–3 119.275 (336) 626–7933.
COMMUNICATIONS: CTAF/UNICOM 122.8
Ⓡ **GREENSBORO APP/DEP CON** 118.5
GCO 130.7 (FLIGHT SERVICES)
RADIO AIDS TO NAVIGATION: NOTAM FILE GSO.
GREENSBORO (H) VORTAC 116.2 GSO Chan 109 N36°02.74´ W79°58.58´ 173° 23.8 NM to fld. 909/3W. **HIWAS.**

(extracted from Google Earth)

www.asheboronc.gov

ORDINANCE NUMBER ________________

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

An Ordinance Concurring with a Change in the Rules and Regulations at the Asheboro Regional Airport

WHEREAS, the North Carolina Aviation Museum and Hall of Fame, Incorporated, a North Carolina nonprofit corporation, (the "Aviation Museum") is a tenant at the Asheboro Regional Airport; and

WHEREAS, in order to support its operations, the Aviation Museum conducts special fund raising events on the nonprofit corporation's leased premises at the Asheboro Regional Airport; and

WHEREAS, the Aviation Museum would like to have the option to include, in compliance with the applicable laws and administrative regulations, the sale of malt beverages and wine as part of these special events; and

WHEREAS, Section 130.03 of the Code of Asheboro (the Code of Asheboro will be hereinafter referred to as the "Code") regulates the consumption and possession of alcoholic beverages in certain locations, specifically including the city-owned real property at the Asheboro Regional Airport; and

WHEREAS, on April 4, 2019, the Asheboro City Council amended Section 130.03 of the Code to provide the Aviation Museum with an opportunity to host special events that include the serving of malt beverages and wine at the nonprofit corporation's facilities; and

WHEREAS, Section 38.01 of the Code provides as follows:

> **§ 38.01 ADOPTION BY REFERENCE.**
>
> The rules and regulations adopted by the Asheboro Airport Authority on April 16, 1991, and as amended, and entitled "Asheboro Regional Airport Rules and Regulations" are hereby adopted by reference and incorporated as part of this code as fully as if set out at length herein. Copies of the "Asheboro Regional Airport Rules and Regulations" are on file in the Office of the City Clerk.

WHEREAS, prior to the Asheboro Airport Authority meeting on April 16, 2019, Subsection b of Section 11 in the Asheboro Regional Airport Rules and

Regulations (the Asheboro Regional Airport Rules and Regulations will be hereinafter referred to as the "Rules") prohibited, without exception, the open display and use of alcoholic beverages on the airport premises; and

WHEREAS, during its meeting on April 16, 2019, the Asheboro Airport Authority voted to modify the Rules to conform with the city council's amendment of Section 130.03 of the Code; and

WHEREAS, the Asheboro City Council concurs with the action taken by the Asheboro Airport Authority and deems it advisable to explicitly adopt by ordinance the amendment found in Section 11 of the Rules.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Asheboro as follows:

<u>Section 1.</u> The Rules, which have been incorporated by reference into the Code, are hereby amended by rewriting Subsection b in Section 11 of the Rules to provide as follows:

ALCOHOLIC BEVERAGES. <u>With the exception of events held on the premises (Hangar G and Hangar L) leased to the North Carolina Aviation Museum and Hall of Fame, Incorporated and for which a special one-time permit for the sale or service of alcoholic beverages has been obtained from the North Carolina Alcoholic Beverage Control Commission,</u> the open display and use of alcoholic beverages on the airport premises is prohibited.

<u>Section 2.</u> All ordinances and clauses of ordinances in conflict with this Ordinance are hereby repealed.

<u>Section 3.</u> This Ordinance shall be in full force and effect on and after May 9, 2019.

This Ordinance was adopted by the Asheboro City Council in open session during a regular meeting held on the 9th day of May, 2019.

____
David H. Smith, Mayor

ATTEST:

____
Holly H. Doerr, CMC, NCCMC, City Clerk

ORDINANCE TO AMEND
THE GENERAL FUND
FY 2018-2019

WHEREAS, In August 2018, the City of Asheboro applied for a $250,000 Building Reuse Grant with the NC Department of Commerce Rural Economic Development Division on behalf of the Pemmco Manufacturing Inc. for its 15,000 square feet expansion to its existing building and was awarded the grant November 2018, and;

WHEREAS, this grant has a 5% match to be shared by Randolph County Government and the City of Asheboro, and;

WHEREAS, the City of Asheboro anticipates that the State will be distributing the “pass thru” grant funds of $250,000 prior to the end of the 2018-2019 fiscal year, and ;

WHEREAS, the City of Asheboro anticipates it will be distributing the City match of $6,250 prior to the end of the 2018-2019 fiscal year, and

WHEREAS, The City Council of the City of Asheboro desires to amend the budget as required by law to adjust for these changes in revenues and expenditures in comparison to the current fiscal year adopted budget, and;

WHEREAS, the City Council of the City of Asheboro wants to be in compliance with all generally accepted accounting principles, and;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA:

Section 1: That the following Revenue line item be increased:

Account #	Revenue Description	Increase
10-349-0000	State Grants	250,000
10-399-0000	Fund Balance Appropriation	6,250
		256,250

Section 2: That the following Expense line item be increased:

Account #	Expense Description	Increase
10-490-3200	Grants- Pemmco	256,250

Adopted this 9th day of May, 2019

David H. Smith, Mayor

ATTEST:

Holly H. Doerr, CMC, NCCMC, City Clerk

ORDINANCE TO AMEND
THE GENERAL FUND
FY 2018-2019

WHEREAS, The City Council of the City of Asheboro desires to amend the budget as required by law to adjust for changes in expenditures in comparison to the current fiscal year adopted budget, and;

WHEREAS, the City Council of the City of Asheboro wants to be in compliance with all generally accepted accounting principles, and;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA:

Section 1: That the following revenue line item be increased / decreased:

Account #	Expense Description	Increase/ Decrease
10-399-0000	Fund Balance Appropriation	200,000

Section 2: That the following expense line item be increased / decreased:

Account #	Expense Description	Increase/ Decrease
10-555-3200	Gas Oil Tires- Inventory	200,000

Adopted this 9th day of May, 2019

____
David H. Smith, Mayor

ATTEST:

____
Holly H. Doerr, CMC, NCCMC, City Clerk

ORDINANCE TO AMEND
THE WATER AND SEWER FUND
FY 2018-2019

WHEREAS, The City Council of the City of Asheboro desires to amend the budget as required by law to adjust for changes in expenditures in comparison to the current fiscal year adopted budget, and;

WHEREAS, the City Council of the City of Asheboro wants to be in compliance with all generally accepted accounting principles, and;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA:

Section 1: That the following revenue line item be increased / decreased:

Account #	Expense Description	Increase/ Decrease
30-399-0000	Fund Balance Appropriation	600,000

Section 2: That the following expense line item be increased / decreased:

Account #	Expense Description	Increase/ Decrease
30-810-3401	Meter Replacement	74,000
30-810-4500	Contracted Maintenance	26,000
30-830-3500	Chemicals	200,000
30-820-3500	Chemicals	300,000
		600,000

Adopted this 9th day of May, 2019

____
David H. Smith, Mayor

ATTEST:

____
Holly H. Doerr, CMC, NCCMC, City Clerk

WRH WILLIAM R. HUNEYCUTT
CERTIFIED PUBLIC ACCOUNTANT PLLC

216 West North Street
Albemarle, NC 28001
Phone: (704) 983-5012
Fax: (704) 983-5109

379 South Cox Street
Asheboro, NC 27203
Phone: (336) 626-9970
Fax: (336) 626-5981

April 24, 2019

Mr. David Smith, Mayor and
City Council of the City of Asheboro
146 N. Church Street
Asheboro, NC 27203

I am pleased to confirm our understanding of the services I am to provide for the City of Asheboro for the year ended June 30, 2019. I will audit the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Asheboro as of and for the year ended June 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Asheboro's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, I will apply certain limited procedures to the City of Asheboro's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I will not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Law Enforcement Officers' Special Separation Allowance Schedules
3. Other Postemployment Benefits Schedules
4. Local Government Employees' Retirement System Schedules

I have also been engaged to report on supplementary information other than RSI that accompanies the City of Asheboro's financial statements. I will subject the following supplementary information to the auditing procedures applied in my audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and I will provide an opinion on it in relation to the financial statements taken as a whole, in a report combined with my auditor's report on the financial statements:

1. Budgetary Comparison Schedule
2. Combining and Individual Fund Financial Statements and Schedules
3. Schedule of Expenditures of Federal and State Awards

The following other information accompanying the financial statements, which is required for a Comprehensive Annual Financial Report, will not be subjected to the auditing procedures applied in my audit of the financial statements, and for which my auditor's report will not provide an opinion or any assurance on that other information:

1. Introductory Information
2. Statistical Tables

Audit Objectives

The objective of my audit is the expression of opinions as to whether the City of Asheboro's financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements taken as a whole. The objective also includes reporting on the City of Asheboro's:

- Internal control over financial reporting and compliance with the provisions of applicable laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards.*

- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal and state statutes, regulations, and the terms and conditions of federal and state awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

My audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Single Audit Act Amendments of 1996; the provision of the Uniform Guidance; and the State Single Audit Implementation Act, and will include tests of the accounting records, a determination of major programs in accordance with the Uniform Guidance and the State Single Audit Implementation Act, and other procedures I consider necessary to enable me to express such opinions. I will issue written reports upon completion of my Single Audit. My reports will be addressed to the mayor and City Council of the City of Asheboro. I will make reference to the Asheboro ABC Board's auditor's audit in my report on your financial statements. I cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for me to modify my opinions or add emphasis-of-matter or other-matter paragraphs. If my opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, I will fully discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or am unahle to form or have not formed opinions, I may decline to express opinions or to issue a report as a result of this engagement, or may withdraw from this engagement.

Management Responsibilities

Management is responsible for making all financial records and related information available to me and for the accuracy and completeness of that information. Management is also responsible for providing me with (1) access to all information of which it is aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that I may request for the purpose of the audit, (3) unrestricted access to persons within the government from whom I determine it necessary to obtain audit evidence and (4) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under Uniform Guidance. Management is also responsible for identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to me in the management representation letter that the effects of any uncorrected misstatements aggregated by me during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for designing, implementing, establishing and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal and state awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and, ensuring that management is reliable and the financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. Management is responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and state awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations (including federal and state statutes) and the provisions of contracts and grant agreements (including award agreements).

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing me about all known or suspected fraud affecting the government involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud or illegal acts could have a material effect on the financial statements. You are also responsible for informing me of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the City of Asheboro complies with applicable laws, regulations, contracts, agreements and grants; and for taking timely and appropriate steps to remedy any fraud, and noncompliance with the provisions of laws, regulations, contracts and grant agreements, or abuse that I may report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for my review on September 1, 2019.

Management is responsible for the financial statements, schedule of expenditures of federal and state awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements, and for the preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received) in accordance with the requirements of the Uniform Guidance.

You are responsible for making all management decisions and performing all management functions relating to the financial statements, schedule of expenditures of federal and state awards, and related notes, and any other nonaudit services I provide and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter my assistance with the preparation of the financial statements and the schedule of expenditures of federal and state awards, and related notes and that you have reviewed and approved them prior to their issuance and have full responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

You are responsible for the preparation of the other supplementary information, which I have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include my report on the supplementary information in any document that contains and indicates that I have reported on the supplementary information. You also agree to present the supplementary information with the audited financial statements OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with my report thereon. Your responsibilities include acknowledging to me in the written representation letter that (1) you are responsible for the presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You are responsible for the preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include my report on the schedule of expenditures of federal and state awards in any document that contains and indicates that I have reported on the schedule of expenditures of federal and state awards. You also agree to present the schedule of expenditures of federal and state awards with the audited financial statements OR make the audited financial statements readily available to users of the schedule of expenditures of federal and state awards no later than the date the schedule of expenditures of federal and state awards is issued with my report thereon. Your responsibilities include acknowledging to me in the written representation letter that (1) you are responsible for the presentation of the schedule of expenditures of federal and state awards in accordance with the Uniform Guidance; (2) that you believe the schedule of expenditures of federal and state awards, including its form and content, is fairly presented in accordance with the Uniform Guidance; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and state awards.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing to me previous financial audits, attestation engagements, performance audits, or other engagements or studies related to the objectives discussed in the Audit Objective section of this letter. This responsibility includes relaying to me corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management's views on my current findings, conclusions, and recommendations, as well as your planned corrective actions, and the timing and format related thereto.

Other Services

As part of the audit, I will assist with the preparation of your financial statements, schedule of expenditures of federal and state awards, and related notes in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you.

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards.* I will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal and state awards, and related notes services previously defined. I, in my sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, my audit will involve judgement about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because I will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by me, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards.* In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, I will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that comes to my attention. I will also inform you of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential. I will include such matters in the reports required for a Single Audit. My responsibility as auditor is limited to the period covered by my audit and does not extend to matters that might arise during any latter periods for which I am not engaged as auditor.

My procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, funding sources, and financial institutions. I will request written representations form your attorneys as part of this engagement, and they may bill you for responding to this inquiry. At the conclusion of my audit, I will also require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal and state awards; federal and state awards programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures – Interual Controls

My audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to the design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that I consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. My tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in my report on internal control issued pursuant to *Government Auditing Standard.*

As required by the Uniform Guidance, I will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that I consider relevant to preventing or detecting material noncompliance with compliance requirements, applicable to each of the City of Asheboro's major federal and state award programs. However, my tests will be less in scope than would be necessary to render and opinion on those controls, and accordingly, no opinion will be expressed in my report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, I will express no such opinion. However, during the audit, I will communicate to management and those charged with governance internal control related matters that are required to be communicated under professional standards, *Government Auditing Standards* and the Uniform Guidance.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I will perform tests of the City of Asheboro's compliance with applicable laws, regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and I will not express such an opinion in my report on compliance issued pursuant to *Government Auditing Standards.*

The Uniform Guidance requires that I also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal laws, regulations and the terms and conditions of federal awards applicable to major programs. My procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, for the types of compliance requirements that could have a direct and material effect on each of the City of Asheboro's major programs. The purpose of those procedures will be to express an opinion on the City of Asheboro's compliance with requirements applicable to major programs in my report on compliance issued pursuant to the Uniform Guidance.

Audit Administration, Fees and Other

I understand that your employees will prepare all cash, accounts receivable, or other confirmations I request and will locate any invoices selected by me for testing.

At the conclusion of the engagement, I will complete the appropriate sections of the Data Collection Form that summarizes my audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal and state awards, summary schedule of prior audit findings, auditor's reports, and a corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. I will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after the receipt of the auditor's report or nine months after the end of the audit period. I will provide copies of my reports to the City of Asheboro; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of my reports are to be made available for public inspection.

The audit documentation for this engagement is the property of William R. Huneycutt, CPA, PLLC and constitutes confidential information. However, pursuant to authority given by law or regulation, I may be requested to make certain audit documentation or individuals available to a grantor agency or its designee, a federal or state agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. I will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of William R. Huneycutt, CPA, PLLC personnel. Furthermore, upon request, I may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the grantor agency. If I am aware that a federal and state awarding agency, pass-through entity, or auditee is contesting an audit finding, I will contact the parties contesting the audit finding for guidance prior to destroying the audit documentation.

I expect to issue my reports no later than October 31, 2019. My fees for these services will be at standard hourly rates plus out-of –pocket costs (such as report production, typing, postage, travel copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed $35,000. Standard hourly rates vary according to degree of responsibility involved and the experience level of the personnel assigned to your audit. My invoice for these fees will be rendered periodically as work progresses and are payable upon presentation. In accordance with firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If services are terminated due to nonpayment, you will be obligated to compensate for all time expended and to reimburse for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary; I will discuss it with you and arrive at a new fee estimate before additional cost is incurred.

I appreciate the opportunity to be of service to the City of Asheboro and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let me know.

If you agree with the terms of this engagement as described in this letter, please sign and return the original and the enclosed copies.

Sincerely,

William R. Huneycutt, CPA, PLLC

William R. Huneycutt, CPA, PLLC

RESPONSE:
This letter correctly sets forth the understanding of the City of Asheboro.

By: ______________________________

Title: Mayor______________________________

Date:______________________________

CONTRACT TO AUDIT ACCOUNTS

The	Governing Board City Council
of	Primary Government Unit City of Asheboro
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name William R. Hunetcutt, CPA, PLLC
	Auditor Address 379 South Cox Street, Asheboro,N.C. 27203

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/19	Audit Report Due Date 10/31/19

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).

2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit performed under the requirements found in Subpart F of the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

County and Multi-County Health Departments: The Office of State Auditor will require Auditors of these Governmental Units to perform agreed upon procedures (AUPs) on eligibility determination on certain programs. Both Auditor and Governmental Unit agree that Auditor shall complete and report on these AUPs on eligibility determination as required by OSA and in accordance with the instructions and timeline provided by OSA.

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC staff within four months of fiscal year end. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit- related work in the State of North Carolina. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved 'with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.

9. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 12).

10. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

12. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

13. The Auditor shall submit the report of audit in PDF format to LGC Staff when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit Report Reissued Form (available on the Department of State Treasurer website). These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC staff.

If the OSA designates certain programs to be audited as major programs, as discussed in Item 2, a turnaround document and a representation letter addressed to the OSA shall be submitted to LGC Staff.

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

15. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to charter schools). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

16. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 26 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

17. Special provisions should be limited. Please list any special provisions in an attachment.

18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the parent government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

19. The contract shall be executed, pre-audited (pre-audit requirement does not apply to charter schools), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

20. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

21. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

22. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

23. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

24. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

25. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

26. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 16 for clarification).

27. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx.

28. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

FEES FOR AUDIT SERVICES

For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Governmental Auditing Standards* (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter, but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8, 9, and 12 for details on other allowable and excluded fees.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees below. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee. Should the 75% cap provided below conflict with the cap calculated by LGC staff based on the prior year audit fee on file with the LGC, the LGC calculation prevails.

20 NCAC 03 .0505: All invoices for services rendered in an audit engagement as defined in 20 NCAC 3 .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law.

PRIMARY GOVERNMENT FEES

Primary Government Unit	City of Asheboro
Audit	$ 32,000
Writing Financial Statements	$ 3,000
All Other Non-Attest Services	$ N/A
75% Cap for Interim Invoice Approval	$ 26,250.00

DPCU FEES (if applicable)

Discretely Presented Component Unit	N/A
Audit	$
Writing Financial Statements	$
All Other Non-Attest Services	$
75% Cap for Interim Invoice Approval	$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm William R. Hunetcutt, CPA, PLLC	
Authorized Firm Representative (typed or printed) William R. Huneycutt	Signature
Date 4/29/19	Email Address steve@wrhuneycuttcpa.com

GOVERNMENTAL UNIT

Governmental Unit City of Asheboro	
Date Primary Government Unit Governing Board Approved Audit Contract (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
Mayor/Chairperson (typed or printed) David Smith, Mayor	Signature
Date	Email Address dreaves@ci.asheboro.nc.us

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

(Pre-audit certificate not required for charter schools)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Primary Governmental Unit Finance Officer (typed or printed) Deborah Reaves	Signature
Date of Pre-Audit Certificate	Email Address dreaves@ci.asheboro.nc.us

WRH WILLIAM R. HUNEYCUTT
CERTIFIED PUBLIC ACCOUNTANT PLLC

216 West North Street
Albemarle, NC 28001
Phone: (704) 983-5012
Fax: (704) 983-5109

379 South Cox Street
Asheboro, NC 27203
Phone: (336) 626-9970
Fax: (336) 626-5981

May 1, 2019

Mr. David Smith, Mayor and
City Council of the City of Asheboro
146 N. Church Street
Asheboro, NC 27203

I am pleased to confirm our understanding of the services I am to provide for the City of Asheboro. I will examine the employee census data and underlying payroll records of the City of Asheboro for the period of January 1, 2018 through December 31, 2018. The objectives of my examination are to (1) obtain reasonable assurance about whether the employee census data and underlying employee payroll records are free from material misstatement based on the criteria set by the Local Governmental Employees' Retirement System Handbook revised January 2018, and (2) to express an opinion as to whether the employee census data and underlying payroll records are presented, in all material respects, in accordance with the Local Governmental Employees' Retirement System Handbook revised January 2018.

My examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Accordingly, it will include examining, on a test basis, the City of Asheboro's records and other procedures to obtain evidence necessary to enable us to express my opinion. I will issue a written report upon completion of my examination. My report will be addressed to the mayor and City Council of the City of Asheboro. I cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for me to modify my opinion. If my opinion is other than unmodified, I will fully discuss the reasons with you in advance. If, for any reason, I am unable to complete the examination or am unable to form or have not formed opinions, I may decline to express an opinion or may withdraw from this engagement.

Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, an unavoidable risk exist that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with the attestation standards.

You understand that the report is intended solely for the information and use of management of the City of Asheboro and others within the organization, the North Carolina Department of State Treasurer, and the North Carolina Office of the State Auditor, and is not intended to be and should not be used by anyone other than those specified parties.

I will plan and perform the examination to obtain reasonable assurance about whether the employee census data and underlying payroll records of the City of Asheboro are free from material misstatement, based on criteria set by the Local Governmental Employees' Retirement System Handbook revised January 2018. My engagement will not include a detailed inspection of every transaction and cannot be relied upon to disclose all material errors, or known and suspected fraud or noncompliance with laws and regulations, or internal control deficiencies that may exist. However, if I become aware of known and suspected fraud and noncompliance with laws or regulations, internal control deficiencies identified in the engagement, and uncorrected misstatements that are not clearly trivial and that may affect one or more user entities, I will inform management of such instances.

I understand that you will provide me with the information required for my examination and that you are responsible for the accuracy and completeness of that information. I will advise you about the appropriate criteria, but the responsibility for the subject matter remains with you.

You are responsible for the presentation of the employee census data and underlying payroll records in accordance with the Local Governmental Employees' Retirement System Handbook revised January 2018, and for determining that the criteria is appropriate for your purposes. You are responsible for, and agree to provide me with, a written assertion about whether the employee census data and underlying payroll records is presented in accordance with the Local Governmental Employees' Retirement System Handbook revised January 2018. Failure to provide such an assertion will result in my withdrawal from the engagement. You are responsible for providing me with (1) access to all information of which you are aware that is relevant to the measurement, evaluation, or disclosure of the subject matter, (2) additional information that I may request for the purpose of the examination, (3) unrestricted access to persons within the organization from whom I determine it necessary to obtain evidence.

At the conclusion of the engagement, you agree to provide me with certain written representations in the form of a representation letter.

The engagement documentation for this engagement is the property of William R. Huneycutt, CPA, PLLC and constitutes confidential information. However, pursuant to authority given by law or regulation, I may be requested to make certain engagement documentation available to a federal or state agency. If requested, access to such engagement documentation will be provided under the supervision of William R. Huneycutt, CPA, PLLC personnel. Furthermore, upon request, I may provide copies of selected engagement documentation to the aforementioned parties. These parties may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

I expect to issue my report no later than October 1, 2019. My fees for these services will be at standard hourly rates plus out-of –pocket costs (such as report production, typing, postage, travel copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed $7,000. Standard hourly rates vary according to degree of responsibility involved and the experience level of the personnel assigned to the engagement. My invoice for these fees will be rendered periodically as work progresses and are payable upon presentation. In accordance with firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If services are terminated due to nonpayment, you will be obligated to compensate for all time expended and to reimburse for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary; I will discuss it with you and arrive at a new fee estimate before additional cost is incurred.

I appreciate the opportunity to be of service to the City of Asheboro and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let me know.

If you agree with the terms of this engagement as described in this letter, please sign and return the original and the enclosed copies.

Sincerely,

William R. Huneycutt, CPA, PLLC

RESPONSE:
This letter correctly sets forth the understanding of the City of Asheboro.

By: ____

Title: Mayor ____

Date: ____

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

____
Governmental Unit Finance Officer - Signature

Deborah Reaves____________________________
Governmental Unit Finance Officer

____
Date of Pre-audit Certificate

RESOLUTION NUMBER ______________________

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

A Resolution Approving Installment Financing Terms with Branch Banking and Trust Company

WHEREAS, the City of Asheboro (the "City") decided at the beginning of the current fiscal year to undertake a project for the financing of vehicles and equipment (the "Project"); and

WHEREAS, Section 160A-20 of the North Carolina General Statutes authorizes the City to finance the purchase of personal property by means of an installment financing contract that creates a security interest in the purchased property in favor of the entity supplying financing for the purchase transactions; and

WHEREAS, by means of adopting Resolution Number 21 RES 9-18 on September 6, 2018, the Asheboro City Council stated its intent, prior to the execution of any installment financing agreement and consistent with the city's budget ordinance for fiscal year 2018-2019, to expend a maximum of $907,224 from the General Fund during the current fiscal year for certain vehicles and equipment referenced in the adopted Resolution of Intent; and

WHEREAS, with the adoption of Resolution Number 21 RES 9-18, the Asheboro City Council formally and explicitly declared the official intent of the City of Asheboro to fully reimburse, with loan proceeds from an installment financing agreement to be executed prior to the end of the 2018-2019 fiscal year, any and all expenditures from the General Fund for the purchase during the current fiscal year of the vehicles and equipment identified in the Resolution of Intent as necessary to the provision of essential municipal services; and

WHEREAS, after searching for favorable financing rates and terms, the city manager and the finance officer have presented a proposal for the financing of the above-referenced Project.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Asheboro as follows:

Section 1. The determination is hereby made that the City will finance the Project through Branch Banking and Trust Company ("BB&T") in accordance with the proposal dated April 10, 2019. The amount financed shall not exceed $611,738, the annual interest rate (in the absence of a default or a change in tax status) shall not exceed 2.76%, and the financing term shall not exceed 59 months from closing.

Section 2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents and to take all such further action as they may consider necessary or desirable to carry out the financing of the Project as contemplated by the proposal and this Resolution.

Section 3. The finance officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. To the extent authorized by law, the finance officer is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the finance officer shall approve, with the finance officer's release of any Financing Documents for delivery constituting conclusive evidence of such officer's final approval of the documents' final form.

Section 4. The City shall not take or omit to take any action the taking or omission of which will cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

Section 5. In addition to the above-referenced Resolution of Intent (Resolution Number 21 RES 9-18), the City intends that the adoption of this Resolution will be a continuing declaration of the City's official intent to reimburse expenditures for the Project that is to be financed from the proceeds of the BB&T financing described above. The City intends that funds that have been advanced, or that may be advanced, from the City's General Fund, or any other fund related to the Project, for Project costs may be reimbursed from the financing proceeds.

Section 6. All prior actions of City officers in furtherance of the purposes of this Resolution are hereby ratified, approved, and confirmed. All other resolutions (or parts thereof) in conflict with this Resolution are hereby repealed to the extent of any such conflict. This Resolution shall take effect immediately.

This Resolution was adopted by the Asheboro City Council in open session during a regular meeting held on the 9th day of May, 2019.

____

David H. Smith, Mayor

ATTEST:

____

Holly H. Doerr, CMC, NCCMC, City Clerk

FINANCING AGREEMENT

THIS FINANCING AGREEMENT (this "Agreement") is dated as of May __, 2019, and is between the **CITY OF ASHEBORO, NORTH CAROLINA**, a public body of the State of North Carolina (the "City"), and **BRANCH BANKING AND TRUST COMPANY** ("BB&T").

R E C I T A L S:

The City has the power, pursuant to Section 160A-20 of the North Carolina General Statutes, to enter into installment contracts to finance the purchase or improvement of personal property and to secure its obligations under such contracts by security interests in all or a portion of the property purchased or improved. This Agreement provides for BB&T to advance $611,738.00 to the City to enable the City to acquire and install the Equipment (as defined below), and provides for securing the City's obligations under this Agreement by creating certain security interests in favor of BB&T.

NOW THEREFORE, for and in consideration of the mutual promises in this Agreement, and other good and valuable consideration, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS; INTERPRETATION

Unless the context clearly requires otherwise, capitalized terms used in this Agreement and not otherwise defined shall have the following meanings:

"Additional Payments" means any of BB&T's reasonable and customary fees and expenses related to the transactions contemplated by this Agreement, any of BB&T's expenses (including attorneys' fees) in prosecuting or defending any action or proceeding in connection with this Agreement, any required license or permit fees, state and local sales and use or ownership taxes or property taxes which BB&T is required to pay as a result of this Agreement, inspection and re-inspection fees, and any other amounts payable by the City (or paid by BB&T on the City's behalf) as a result of its covenants under this Agreement (together with interest that may accrue on any of the above if the City shall fail to pay the same, as set forth in this Agreement).

"Amount Advanced" has the meaning assigned in Section 2.02.

"Bond Counsel Opinion" means a written opinion (in form and substance acceptable to BB&T) of an attorney or firm of attorneys acceptable to BB&T.

"Budget Officer" means the City officer from time to time charged with preparing the City's draft budget as initially submitted to the Governing Board for its consideration.

"Business Day" means any day on which banks in the State are not by law authorized or required to remain closed.

“City” means the City of Asheboro, North Carolina.

“City Representative” means the City’s Finance Director or such other person or persons at the time designated, by a written certificate furnished to BB&T and signed on the City's behalf by the presiding officer of the City's Governing Board, to act on the City's behalf for any purpose (or any specified purpose) under this Agreement.

"Closing Date" means the date on which this Agreement is first executed and delivered by the parties.

"Code" means the Internal Revenue Code of 1986, as amended, including regulations, rulings and revenue procedures promulgated thereunder or under the Internal Revenue Code of 1954, as amended, as applicable to the City's obligations under this Agreement and all proposed (including temporary) regulations which, if adopted in the form proposed, would apply to such obligations. Reference to any specific Code provision shall be deemed to include any successor provisions thereto.

“Equipment” has the meaning assigned in Section 2.03, and is generally expected to include the personal property described in Exhibit A.

"Event of Default" means one or more events of default as defined in Section 6.01.

"Event of Nonappropriation" means any failure by the Governing Board to adopt, by the first day of any Fiscal Year, a budget for the City that includes an appropriation for Required Payments as contemplated by Section 3.05.

"Fiscal Year" means the City's fiscal year beginning July 1, or such other fiscal year as the City may later lawfully establish.

"Governing Board" means the City's governing board as from time to time constituted.

"Installment Payments" means the payments payable by the City pursuant to Section 3.01.

"LGC" means the North Carolina Local Government Commission.

"Net Proceeds," when used with respect to any amounts derived from claims made on account of insurance coverage’s required under this Agreement, any condemnation award arising out of the condemnation of all or any portion of the Equipment, or any amounts received in lieu or in settlement of any of the foregoing, means the amount remaining after deducting from the gross proceeds thereof all expenses (including attorneys' fees and costs) incurred in the collection of such proceeds, and after reimbursement to the City or BB&T for amounts previously expended to remedy the event giving rise to such payment or proceeds.

"Payment Dates" means the dates indicated in Exhibit B.

"Project Costs" means all costs of the design, planning, acquiring and installing the Equipment as determined in accordance with generally accepted accounting principles and that will not adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Base Payments payable by the City under this Agreement, including (a) sums required to reimburse the City or its agents for advances for any such costs, (b) interest during the period of the acquisition and installation of the Equipment and for up to six months thereafter, and (c) all costs related to the financing of the Equipment through this Agreement and all related transactions.

"Project Fund" has the meaning assigned in Section 2.02.

“Project Fund Agreement” has the meaning assigned in Section 2.02.

"Prime Rate" means the interest rate so denominated and set by Branch Banking & Trust Company of North Carolina (whether or not such Bank, or any affiliate thereof, is at any time the counterparty to this Agreement) as its "Prime Rate," as in effect from time to time.

"Required Payments" means Installment Payments and Additional Payments.

“Section 160A-20” means Section 160A-20 of the North Carolina General Statutes, as amended, or any successor provision of law.

“State” means the State of North Carolina.

“UCC” means the Uniform Commercial Code or any successor law as in effect from time to time in the State, currently Chapter 25 of the North Carolina General Statutes.

All references in this Agreement to designated "Sections" and other subdivisions are to the designated sections and other subdivisions of this Agreement. The words "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision unless the context indicates otherwise. Words importing the singular number shall include the plural number and vice versa.

ARTICLE II

SECURITY PROVIDED BY THIS AGREEMENT; ADVANCE

2.01. **Security for Payment and Performance.** This Agreement secures the City's payment, as and when the same shall become due and payable, of all Required Payments and the City's timely compliance with all terms, covenants and conditions of this Agreement.

2.02. **Advance.** BB&T advances $611,738. 00 (the "Amount Advanced") to the Borrower on the Closing Date, and the Borrower hereby accepts the Amount Advanced from BB&T. BB&T is advancing the Amount Advanced by disbursing a portion of the loan proceeds by wire and depositing the remaining loan proceeds into a Project Fund (the “Project Fund”) as provided in the

Project Fund agreement of even date (the "Project Fund Agreement") between the borrower and BB&T. All amounts on deposit from time to time in the Project Fund, including the Amount Advanced and all investment earnings, shall be used only for Project Costs until the Project Fund is terminated as provided under the Project Fund Agreement.

2.03. UCC Security Agreement.

(a) This Agreement is intended as and constitutes a security agreement pursuant to the UCC with respect all property acquired by the City with funds advanced by BB&T pursuant to this Agreement, all personal property obtained in substitution or replacement therefor and all personal property obtained in substitution or replacement for any portion of the Equipment, and all proceeds of the foregoing (collectively, the "Equipment"). The City hereby grants to BB&T a security interest in the Equipment to secure the Required Payments.

(b) The City shall allow BB&T to deliver and file, or cause to be filed, in such place or places as may be required by law, financing statements (including any continuation statements required by the UCC or determined by BB&T) in such form as BB&T may reasonably require to perfect and continue the security interest in the Equipment.

2.04. City's Limited Obligation.

(a) THE PARTIES INTEND THAT THIS TRANSACTION COMPLY WITH SECTION 160A-20. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE CITY'S FAITH AND CREDIT WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS A DELEGATION OF GOVERNMENTAL POWERS OR AS AN IMPROPER DONATION OR A LENDING OF THE CITY'S CREDIT WITHIN THE MEANING OF THE STATE CONSTITUTION. THIS AGREEMENT SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO MAKE ANY PAYMENTS BEYOND THOSE APPROPRIATED IN THE SOLE DISCRETION OF THE CITY'S GOVERNING BOARD FOR ANY FISCAL YEAR IN WHICH THIS AGREEMENT IS IN EFFECT; PROVIDED, HOWEVER, ANY FAILURE OR REFUSAL BY THE CITY'S GOVERNING BOARD TO APPROPRIATE FUNDS, WHICH RESULTS IN THE FAILURE BY THE CITY TO MAKE ANY PAYMENT COMING DUE HEREUNDER, WILL IN NO WAY OBVIATE THE OCCURRENCE OF THE EVENT OF DEFAULT RESULTING FROM SUCH NONPAYMENT. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS RESTRICTING THE RIGHT OF THE CITY TO CONTINUE TO PROVIDE A SERVICE OR ACTIVITY OR TO REPLACE OR PROVIDE A SUBSTITUTE FOR ANY EQUIPMENT FINANCED PURSUANT TO THIS AGREEMENT. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE CITY IN VIOLATION OF SECTION 160A-20. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of the City's moneys (other than the funds held under this Agreement), nor shall any provision of this Agreement restrict the future issuance of any of the City's bonds or obligations payable from any class or source of the City's moneys (except to the extent this Agreement restricts the incurrence of additional obligations secured by the Equipment). To the extent of any conflict between this Section and any other provision of this Agreement, this Section shall take priority.

(b) Nothing in this Section is intended to impair or prohibit execution on the Equipment if the Required Payments are not paid when due or otherwise upon the occurrence of an Event of Default under this Agreement.

2.05. City's Continuing Obligations. The City shall remain liable for full performance of all its covenants under this Agreement (subject to the limitations described in Section 2.04), including payment of all Required Payments, notwithstanding the occurrence of any event or circumstances whatsoever, including any of the following:

(a) BB&T's waiver of any right granted or remedy available to it;

(b) The forbearance or extension of time for payment or performance of any obligation under this Agreement, whether granted to the City, a subsequent owner of the Equipment or any other person;

(c) The release of all or part of the Equipment or the release of any party who assumes all or any part of such performance;

(d) Any act or omission by BB&T (but this provision does not relieve BB&T of any of its obligations under this Agreement);

(e) The sale of all or any part of the Equipment; or

(f) Another party's assumption of the City's obligations under this Agreement.

2.06 Iran Divestment Act Certification. BB&T hereby certifies that BB&T, and all subcontractors, are not on the Iran Final Divestment List ("List") created by the North Carolina State Treasurer pursuant to Section 147-86.58 of the North Carolina General Statutes. BB&T shall not utilize any subcontractor that is identified on the List.

ARTICLE III

CITY'S PAYMENT OBLIGATION AND RELATED MATTERS

3.01. Installment Payments. The City shall repay the Amount Advanced by making Installment Payments to BB&T in lawful money of the United States at the times and in the amounts set forth in Exhibit B, except as otherwise provided in this Agreement. As indicated in Exhibit B, the Installment Payments reflect the repayment of the Amount Advanced and include designated interest components.

3.02. Additional Payments. The City shall pay all Additional Payments on a timely basis directly to the person or entity to which such Additional Payments are owed in lawful money of the United States.

3.03. Prepayment. The City may prepay the outstanding principal component of the Amount Advanced, at its option on any date, in whole but not in part, by paying (a) all Additional Payments then due and payable, (b) all interest accrued and unpaid to the prepayment date, and (c)

100% of the outstanding principal amount.

3.04. Late Payments. If the City fails to pay any Installment Payment when due, the City shall pay additional interest on the principal component of the late Installment Payment at an annual rate equal to the Prime Rate from the original due date.

3.05. Appropriations.

(a) The Budget Officer shall include in the initial proposal for each of the City's annual budgets the amount of all Installment Payments and estimated Additional Payments coming due during the Fiscal Year to which such budget applies. Notwithstanding that the Budget Officer includes such an appropriation for Required Payments in a proposed budget, the Governing Board may determine not to include such an appropriation in the City's final budget for such Fiscal Year.

(b) The Budget Officer shall deliver to BB&T, within 15 days after the beginning of each Fiscal Year, a certificate stating whether an amount equal to the Installment Payments and estimated Additional Payments coming due during the next Fiscal Year has been appropriated by the City in such budget for such purposes. If such amount has not been so appropriated, the Budget Officer shall send a copy of such certificate to the LGC, to the attention of its Secretary, at 3200 Atlantic Avenue, Raleigh NC 27604.

(c) The actions required of the City and its officers pursuant to this Section shall be deemed to be and shall be construed to be in fulfillment of ministerial duties, and it shall be the duty of each and every City official to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the actions required pursuant to this Section and the remainder of this Agreement to be carried out and performed by the City.

(d) The City reasonably believes that it can obtain funds sufficient to pay all Required Payments when due.

3.06. No Abatement. There shall be no abatement or reduction of the Required Payments for any reason, including, but not limited to, any defense, recoupment, setoff, counterclaim, or any claim (real or imaginary) arising out of or related to the Equipment, except as expressly provided in this Agreement. The City assumes and shall bear the entire risk of loss and damage to the Equipment from any cause whatsoever. The Installment Payments shall be made in all events unless the City's obligation to make Installment Payments is terminated as otherwise provided in this Agreement.

3.07. Interest Rate and Payment Adjustment.

(a) "Rate Adjustment Event" means any action by the Internal Revenue Service (including the delivery of a deficiency notice) or any other federal court or administrative body determining (i) that the interest component of Installment Payments, or any portion thereof, is includable in any counterparty's gross income for federal income tax purposes or (ii) that the City's obligations under this Agreement are not "qualified tax-exempt obligations" within the meaning of Code Section 265 (a "265 Event"), in any case as a result of any misrepresentation by the City or as a result of any action the City takes or fails to take.

(b) Upon any Rate Adjustment Event, (i) the unpaid principal portion of the Amount Advanced shall continue to be payable on dates and in amounts as set forth in Exhibit B, but (ii) the interest components of the Installment Payments shall be recalculated, at an interest rate equal to an annualized interest rate equal to the Prime Rate plus 2% (200 basis points), to the date (retroactively, if need be) determined pursuant to the Rate Adjustment Event to be the date interest became includable in any counterparty's gross income for federal income tax purposes (in the case of a 265 Event, retroactively to the Closing Date).

(c) The City shall pay interest at such adjusted rate (subject to credit for interest previously paid) to each affected counterparty, notwithstanding the fact that any particular counterparty may not be a counterparty to this Agreement on the date of a Rate Adjustment Event. The City shall additionally pay to all affected counterparties any interest, penalties or other charges assessed against or payable by such counterparty and attributable to a Rate Adjustment Event notwithstanding the prior repayment of the entire Amount Advanced or any transfer to another counterparty.

ARTICLE IV

CITY'S COVENANTS, REPRESENTATIONS AND WARRANTIES

4.01. Indemnification. To the extent permitted by law, the City shall indemnify, protect and save BB&T and its officers and directors, and the LGC's members and employees, harmless from all liability, obligations, losses, claims, damages, actions, suits, proceedings, costs and expenses, including attorneys' fees, arising out of, connected with, or resulting directly or indirectly from the Equipment or the transactions contemplated by this Agreement, including without limitation the possession, condition or use of the Equipment. The indemnification arising under this Section shall survive the Agreement's termination.

4.02. Covenant as to Tax Exemption.

(a) The City shall not take or permit, or omit to take or cause to be taken, any action that would cause its obligations under this Agreement to be "arbitrage bonds" or "private activity bonds" within the meaning of the Code, or otherwise adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Installment Payments to which such components would otherwise be entitled. If the City should take or permit, or omit to take or cause to be taken, any such action, the City shall take or cause to be taken all lawful actions within its power necessary to rescind or correct such actions or omissions promptly upon having knowledge thereof.

(b) In particular, the City covenants that it shall not permit the Amount Advanced, plus the investment earnings thereon (the "Proceeds"), to be used in any manner that would result in 5% or more of the Installment Payments being directly or indirectly secured by an interest in property, or derived from payments in respect of property or borrowed money, being in either case used in a trade or business carried on by any person other than a governmental unit, as provided in Code Section 141(b), or result in 5% or more of the Proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Code Section 141(c); provided, however, that if the City receives a Bond Counsel Opinion that compliance with any such covenant is not required to prevent the interest components of Installment Payments from being includable in the counterparty's gross income for federal income tax purposes under existing law, the City need not comply with such covenant.

(c) Unless the City qualifies for one or more exceptions to the arbitrage rebate requirement with respect to this financing, the City shall provide for the rebate to the United States of (i) at least 90% of the required rebate amount (A) on or before 60 days after the date that is five years from the Closing Date, and (B) at least once during each five years thereafter while the Obligations remain outstanding, and (ii) the entire required rebate amount on or before 60 days after the date of final payment of the Obligations. Payments shall be made in the manner prescribed by the Internal Revenue Service. The City shall cause the required rebate amount to be recomputed as of each fifth anniversary of the Closing Date, and again as of the date of final payment of the Obligations. The City shall provide BB&T with a copy of the results of such computation within 20 days after the end of each computation period or final payment of the Obligations. Each computation shall be prepared or approved, at the City's expense, by a person with experience in matters of accounting for federal income tax purposes, a bona fide arbitrage rebate calculating and reporting service, or nationally-recognized bond counsel, in any case reasonably acceptable to BB&T. The City shall engage such rebate consultant to perform the necessary calculations not less than 60 days prior to the date of the required payment.

(d) The City acknowledges that its personnel must be familiar with the arbitrage rebate rules, because the tax-exempt status of the interest on the Obligations depends upon continuing compliance with such rules. The City therefore covenants to take all reasonable action to assure that City personnel responsible for the investment of and accounting for financing proceeds comply with such rules.

4.03. Validity of Organization and Acts. The City is validly organized and existing under State law, has full power to enter into this Agreement and has duly authorized and has obtained all required approvals and all other necessary acts required prior to the execution and delivery of this Agreement. This Agreement is a valid, legal and binding obligation of the City.

4.04. Maintenance of Existence. The City shall maintain its existence, shall continue to be a local governmental unit of the State, validly organized and existing under State law, and shall not consolidate with or merge into another local governmental unit of the State, or permit one or more other local governmental units of the State to consolidate with or merge into it, unless the local governmental unit thereby resulting assumes the City's obligations under this Agreement.

4.05. Acquisition of Permits and Approvals. All permits, consents, approvals or authorizations of all governmental entities and regulatory bodies, and all filings and notices required on the City's part to have been obtained or completed as of today in connection with the authorization, execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the acquisition and installation of the Equipment have been obtained and are in full force and effect, and there is no reason why any future required permits, consents, approvals, authorizations or orders cannot be obtained as needed.

4.06. **No Breach of Law or Contract.** Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated by this Agreement, nor the fulfillment of or compliance with the terms and conditions of this Agreement, (a) to the best of the City's knowledge, constitutes a violation of any provision of law governing the City or (b) results in a breach of the terms, conditions or provisions of any contract, agreement or instrument or order, rule or regulation to which the City is a party or by which the City is bound.

4.07. **No Litigation.** There is no litigation or any governmental administrative proceeding to which the City (or any official thereof in an official capacity) is a party that is pending or, to the best of the City's knowledge after reasonable investigation, threatened with respect to (a) the City's organization or existence, (b) its authority to execute and deliver this Agreement or to comply with the terms of this Agreement, (c) the validity or enforceability of this Agreement or the transactions contemplated by this Agreement, (d) the title to office of any Governing Board member or any other City officer, (e) any authority or proceedings relating to the City's execution or delivery of this Agreement, or (f) the undertaking of the transactions contemplated by this Agreement.

4.08. **No Current Default or Violation.** (a) The City is not in violation of any existing law, rule or regulation applicable to it, (b) the City is not in default under any contract, other agreement, order, judgment, decree or other instrument or restriction of any kind to which the City is a party or by which it is bound or to which any of its assets are subject, including this Agreement, and (c) no event or condition has happened or existed, or is happening or existing, under the provisions of any such instrument, including this Agreement, which constitutes or which, with notice or lapse of time, or both, would constitute an event of default hereunder or thereunder.

4.09. **No Misrepresentation.** No representation, covenant or warranty by the City in this Agreement is false or misleading in any material respect.

4.10. **Environmental Warranties and Indemnification.**

(a) The City warrants and represents to BB&T that, to the best of the City's knowledge after thorough investigation, the Equipment is not now and has not ever been used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials.

(b) The City covenants that the Equipment shall be kept free of Hazardous Materials and shall not be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, except in connection with the normal maintenance and operation of the Equipment, and the City shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of the City or any lessee, the release of Hazardous Materials onto the Equipment or suffer the presence of Hazardous Materials on the Equipment, except in connection with the normal maintenance and operation of the Equipment.

(c) The City shall comply with, and ensure compliance by all users and lessees with, all applicable federal, State and local laws, ordinances, rules and regulations with respect to Hazardous Materials and shall keep the Equipment free and clear of any liens imposed pursuant to such laws, ordinances, rules and regulations. If the City receives any notices from any governmental agency or any lessee with regard to Hazardous Materials on, from or affecting the

Equipment, the City shall immediately notify BB&T. The City shall conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials on, from or affecting the Equipment in accordance with all applicable federal, State and local laws, ordinances, rules, regulations and policies and to BB&T's satisfaction.

(d) "Hazardous Materials" means any explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials, asbestos or any materials containing asbestos, or any other substance or material as defined by any federal, State or local environmental law, ordinance, rule or regulation including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. sections 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. sections 1801 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. sections 9601 et seq.), and the regulations adopted and publications promulgated pursuant thereto.

(e) To the extent permitted by law, the City shall indemnify and hold BB&T harmless from and against (i) any and all damages, penalties, fines, claims, liens, suits, liabilities, costs (including clean-up costs), judgments and expenses (including attorneys', consultants' or experts' fees and expenses) of every kind and nature suffered by or asserted against BB&T as a direct or indirect result of any warranty or representation made by the City in subsections (a) through (c) above being false or untrue in any material respect, or (ii) any requirement under any law, regulation or ordinance, local, State or federal, which requires the elimination or removal of any hazardous materials, substances, wastes or other environmentally regulated substances by BB&T or the City or any transferee or assignee BB&T or the City.

(f) The City's obligations under this Section shall continue in full force and effect notwithstanding full payment of the Required Payments or execution on the security interests created under this Agreement.

4.11. Further Instruments. Upon BB&T's request, the City shall execute, acknowledge and deliver such further instruments reasonably necessary or desired by BB&T to carry out more effectively the purposes of this Agreement or any other document related to the transactions contemplated by this Agreement, and to subject to the liens and security interests hereof and thereof all or any part of the Equipment intended to be given or conveyed hereunder or thereunder, whether now given or conveyed or acquired and conveyed subsequent to the date of this Agreement.

4.12. BB&T's Advances for Performance of City's Obligations. If the City fails to perform any of its obligations under this Agreement, BB&T is hereby authorized, but not obligated, to perform such obligation or cause it to be performed. All expenditures incurred by BB&T (including any advancement of funds for payment of taxes, insurance premiums or other costs of maintaining the Equipment, and any associated legal or other expenses), together with interest thereon at the Prime Rate, shall be secured as Additional Payments under this Agreement. The City promises to pay all such amounts to BB&T immediately upon demand.

4.13. Equipment Will Be Used and Useful. The acquisition and installation of the Equipment is necessary and expedient for the City, and will perform essential functions of the City appropriate for units of local government. The City has an immediate need for, and expects to make immediate use of, all of the Equipment, and does not expect such need or use to diminish in any material respect during the term of the Agreement. The Equipment will not be used in any private business or put to any private business use.

4.14. Financial Information.

(a) The City shall send to BB&T a copy of the City's audited financial statements for each Fiscal Year within 30 days of the City's acceptance of such statements, but in any event within 270 days of the completion of such Fiscal Year.

(b) The City shall furnish BB&T, at such reasonable times as BB&T shall request, all other financial information (including, without limitation, the City's annual budget as submitted or approved) as BB&T may reasonably request. The City shall permit BB&T or its agents and representatives to inspect the City's books and records and make extracts therefrom.

4.15. Taxes and Other Governmental Charges. The City shall pay, as Additional Payments, the full amount of all taxes, assessments and other governmental charges lawfully made by any governmental body during the term of this Agreement. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the City shall be obligated to provide for Additional Payments only for such installments as are required to be paid during the Agreement term. The City shall not allow any liens for taxes, assessments or governmental charges with respect to the Equipment or any portion thereof to become delinquent (including, without limitation, any taxes levied upon the Equipment or any portion thereof which, if not paid, will become a charge on any interest in the Equipment, including BB&T's interest, or the rentals and revenues derived therefrom or hereunder).

4.16. City's Insurance.

(a) The City shall, at its own expense, acquire, carry and maintain broad-form extended coverage property damage insurance with respect to all Equipment in an amount equal to the actual cash value of the Equipment. Such property damage insurance shall include BB&T as loss payee. The City shall provide evidence of such coverage to BB&T promptly upon installation of the Equipment. Any Net Proceeds of the insurance required by this subsection (a) shall be payable as provided in Section 5.15.

(b) The City shall, at its own expense, acquire, carry and maintain comprehensive general liability insurance and automobile liability insurance, as applicable, in an amount not less than $1,000,000 for personal injury or death and $1,000,000 for property damage.

(c) The City shall also maintain workers' compensation insurance issued by a responsible carrier authorized under State law to insure the City against liability for compensation under applicable State law as in effect from time to time. By way of clarification and not limitation, the City's obligation under this Agreement to maintain workers' compensation insurance is satisfied by the City's procurement of workers' compensation coverage through the North Carolina Interlocal Risk Management Agency.

(d) All insurance shall be maintained with generally recognized responsible insurers and may carry reasonable deductible or risk-retention amounts. All such policies shall be deposited with BB&T, provided that in lieu of such policies there may be deposited with BB&T a certificate or certificates of the respective insurers attesting the fact that the insurance required by this Section is in full force and effect. Prior to the expiration of any such policy, the City shall furnish BB&T evidence satisfactory to BB&T that the policy has been renewed or replaced or is no longer required by this Agreement.

(e) No City agent or employee shall have the power to adjust or settle any property damage loss greater than $50,000 with respect to the Equipment, whether or not covered by insurance, without BB&T's prior written consent.

(f) BB&T shall not be responsible for the sufficiency or adequacy of any required insurance and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by BB&T.

(g) The City shall deliver to BB&T annually by June 30 of each year a certificate stating that the risk coverages required by this Agreement are in effect, and stating the carriers, policy numbers, coverage limits and deductible or risk-retention amounts for all such coverage's.

ARTICLE V

THE EQUIPMENT

5.01. Acquisition and Installation. The City shall comply with the provisions of Article 8 of Chapter 143 of the North Carolina General Statutes, accept all portions of the Equipment when properly delivered, provide for the proper installation thereof and thereafter promptly place each such portion in service.

5.02. Changes in Location. The City shall promptly inform BB&T if any component of the Equipment shall be moved from the location designated for such Equipment at the time of its acquisition.

5.03. Acquisition and Installation within Funds Available. The City represents that, based upon its examination of the plans and specifications for the Equipment, estimated installation costs and the Equipment's anticipated configuration, the Equipment can be acquired and installed for a total price within the total amount of funds to be available therefor from the Amount Advanced, income anticipated to be derived from the investment thereof (if any) and other funds previously identified and designated for such purposes. If the total amount available for such purposes shall be insufficient to pay the entire cost of acquiring and installing the Equipment, the City promises to pay any such excess costs, with no resulting reduction or offset in the amounts otherwise payable by the City under this Agreement.

5.04. Disclaimer of Warranties. The City agrees that BB&T has not designed the Equipment, that BB&T has not supplied any plans or specifications with respect thereto and that

BB&T (a) is not a manufacturer of, nor a dealer in, any of the component parts of the Equipment or similar Equipment, (b) has not made any recommendation, given any advice nor taken any other action with respect to (i) the choice of any supplier, vendor or designer of, or any other contractor with respect to, the Equipment or any component part thereof or any property or rights relating thereto, or (ii) any action taken or to be taken with respect to the Equipment or any component part thereof or any property or rights relating thereto at any stage of the acquisition, installation and equipping thereof, (c) has not at any time had physical possession of the Equipment or any component part thereof or made any inspection thereof or of any property or rights relating thereto, and (d) has not made any warranty or other representation, express or implied, that the Equipment or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly designed, or will accomplish the results which the City intends therefor, or (iii) is safe in any manner or respect.

BB&T MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT OR ANY COMPONENT PART THEREOF, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE, and further including the design or condition thereof; the safety, quality or capacity thereof; compliance thereof with the requirements of any law, rule, specification or contract pertaining thereto; any latent defect; the Equipment's ability to perform any function; that the Amount Advanced will be sufficient to pay all costs of the acquisition and installation of the Equipment; or any other characteristic of the Equipment; it being agreed that the City is to bear all risks relating to the Equipment, the installation thereof and the transactions contemplated by this Agreement, and the City hereby waives the benefits of any and all implied warranties and representations of BB&T.

The provisions of this Section shall survive the Agreement's termination.

5.05. <u>Right of Entry and Inspection</u>. BB&T and its representatives and agents shall have the right to enter upon the City's property and inspect the Equipment from time to time during installation and after the completion of installation, and the City shall cause any vendor, contractor or sub-contractor to cooperate with BB&T and its representatives and agents during such inspections.

No right of inspection or approval granted in this Section shall be deemed to impose upon BB&T any duty or obligation whatsoever to undertake any inspection or to make any approval. No inspection made or approval given by BB&T shall be deemed to impose upon BB&T any duty or obligation whatsoever to identify or correct any defects in the Equipment or to notify any person with respect thereto, and no liability shall be imposed upon BB&T, and no warranties (either express or implied) are made by BB&T as to the quality or fitness of any improvement, any such inspection and approval being made solely for BB&T's benefit.

5.06. <u>Compliance with Requirements</u>.

(a) The City shall cause the Equipment to be installed in a careful manner and in compliance with all applicable legal requirements.

(b) The City shall observe and comply promptly with all current and future requirements relating to the Equipment's use or condition imposed by (i) any judicial, governmental or regulatory body having jurisdiction over the Equipment or any portion thereof or (ii) any insurance company writing a policy covering the Equipment or any portion thereof, whether or not any such requirement shall necessitate structural changes or improvements or interfere with the use or enjoyment of the Equipment.

(c) The City shall obtain and maintain in effect all licenses and permits required for the Equipment’s operation.

(d) The City shall in no event use the Equipment or any part thereof, nor allow the same to be used, for any unlawful purpose, or suffer any act to be done or any condition to exist with respect to the Equipment or any part thereof, nor any article to be brought thereon, which may be dangerous, unless safeguarded as required by law, or which may, in law, constitute a nuisance, public or private, or which may make void or voidable any insurance then in force with respect thereto.

5.07. Use and Operation. The City shall use and operate the Equipment and related property as set forth in Exhibit A hereto, and for no other purpose unless required by law. The City shall be solely responsible for the Equipment’s operation, and shall not contract with any other person or entity for the Equipment’s operation.

5.08. Maintenance and Repairs; Additions.

(a) The City shall keep the Equipment in good order and repair (reasonable wear and tear excepted) and in good operating condition, shall not commit or permit any waste or any other thing to occur whereby the value or usefulness of the Equipment might be impaired, and shall make from time to time all necessary or appropriate repairs, replacements and renewals.

(b) The City may, also at its own expense, make from time to time any additions, modifications or improvements to the Equipment that it may deem desirable for its governmental or proprietary purposes and that do not materially impair the effective use, nor materially decrease the value or substantially alter the intended use, of the Equipment. The City shall do, or cause to be done, all such things as may be required by law in order fully to protect the security of and all BB&T's rights under this Agreement.

(c) Any and all additions to or replacements of the Equipment and all parts thereof shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the "Equipment" for the purposes of this Agreement.

(d) Notwithstanding the provisions of subsection (c) above, however, the City may, from time to time in its sole discretion and at its own expense, install machinery, equipment and other tangible property in or on the Equipment. All such property shall remain the City's sole property in which BB&T shall have no interest; provided, however, that any such property which becomes permanently affixed to the Equipment shall be subject to the lien and security interest arising under this Agreement if BB&T shall reasonably determine that the Equipment would be damaged or impaired by the removal of such machinery, equipment or other tangible property.

5.09. Security. The City shall take all reasonable steps necessary to safeguard the

Equipment against theft. The security afforded the Equipment shall at all times be equal to or better than the security afforded the City's personal property that is not subject to this Agreement.

5.10. Utilities. The City shall pay all charges for utility services furnished to or used on or in connection with the Equipment.

5.11. Risk of Loss. The City shall bear all risk of loss to and condemnation of the Equipment.

5.12. Condemnation. The City shall immediately notify BB&T if any governmental authority shall institute, or shall notify the City of any intent to institute, any action or proceeding for the taking of, or damages to, all or any part of the Equipment or any interest therein under the power of eminent domain, or if there shall be any damage to the Equipment due to governmental action, but not resulting in a taking of any portion of the Equipment. The City shall file and prosecute its claims for any such awards or payments in good faith and with due diligence and cause the same to be collected and paid over to BB&T, and to the extent permitted by law hereby irrevocably authorizes and empowers BB&T, in the City's name or otherwise, to collect and receipt for any such award or payment and to file and prosecute such claims. If the City receives any Net Proceeds arising from any such action, the City shall apply such Net Proceeds as provided in Section 5.15.

5.13. Title. Title to the Equipment and any and all additions, repairs, replacements or modifications thereto shall at all times be in the City, subject to the lien of this Agreement. Upon the City's payment in full of all Required Payments, BB&T, at the City's expense and request, shall cancel this Agreement.

5.14. No Encumbrance, Mortgage or Pledge of Equipment.
(a) The City shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics' and materialmen's liens), charge, encumbrance or other claim in the nature of a lien on or with respect to the Equipment. The City shall promptly, at its own expense, take such action as may be duly necessary to discharge any such mortgage, pledge, lien, charge, encumbrance or claim not excepted above which it shall have created, incurred or suffered to exist.

(b) The City shall reimburse BB&T for any expense incurred by BB&T to discharge or remove any such mortgage, pledge, lien, security interest, encumbrance or claim, with interest thereon at the Prime Rate.

5.15. Damage and Destruction; Use of Net Proceeds.
(a) The City shall promptly notify BB&T if (i) the Equipment or any portion thereof is stolen or is destroyed or damaged by fire or other casualty, (ii) a material defect in the installation of the Equipment shall become apparent, or (iii) title to or the use of all or any portion of the Equipment shall be lost by reason of a defect in title. Each notice shall describe generally the nature and extent of such damage, destruction or taking.

(b) If the Net Proceeds arising from any single event, or any single substantially related sequence of events, is not more than $50,000, the City shall retain such Net Proceeds and apply the same to the prompt completion, repair or restoration of the Equipment, and shall promptly thereafter report to BB&T regarding the use of such Net Proceeds.

(c) If the Net Proceeds arising from any single event, or any single substantially related sequence of events, is more than $50,000, then the City shall cause such Net Proceeds to be paid to an escrow agent (which shall be a bank, trust company or similar entity exercising fiduciary responsibilities) designated by BB&T for deposit in a special escrow fund to be held by such escrow agent. The City shall thereafter provide for the application of all Net Proceeds to the prompt completion, repair or restoration of the Equipment, as the case may be. The escrow agent shall disburse Net Proceeds for the payment of such costs upon receipt of requisitions in such form as BB&T, with the consent of the City and such escrow agent (which consent shall not be unreasonably withheld), shall establish. If the Net Proceeds shall be insufficient to pay in full the cost of completion, repair or restoration, the City shall either (i) complete the work and pay any cost in excess of the Net Proceeds, or (ii) not carry out such completion, repair or restoration, and instead apply the Net Proceeds, together with other available funds as may be necessary, to the prepayment of all outstanding Required Payments pursuant to Section 3.03.

(d) Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of Net Proceeds shall be the City's property and shall be part of the Equipment.

ARTICLE VI

DEFAULTS AND REMEDIES; EXECUTION

6.01. <u>Events of Default</u>. An "Event of Default" is any of the following:

(a) The City's failing to make any Installment Payment when due.

(b) The occurrence of an Event of Nonappropriation.

(c) The City's breaching or failing to perform or observe any term, condition or covenant of this Agreement on its part to be observed or performed, other than as provided in subsections (a) or (b) above, including payment of any Additional Payment, for a period of 15 days after written notice specifying such failure and requesting that it be remedied shall have been given to the City by BB&T, unless BB&T shall agree in writing to an extension of such time prior to its expiration.

(d) The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law by or against the City as a debtor, or the appointment of a receiver, custodian or similar officer for the City or any of its property, and the failure of such proceedings or appointments to be vacated or fully stayed within 30 days after the institution or occurrence thereof.

(e) Any warranty, representation or statement made by the City in this Agreement is found to be incorrect or misleading in any material respect on the Closing Date (or, if later, on the date made).

(f) Any lien, charge or encumbrance prior to the security interest created under Section 2.03, or affecting the validity of this Agreement, is found to exist, or proceedings are instituted against the City to enforce any lien, charge or encumbrance against the Equipment and such lien, charge or encumbrance would be prior to the lien of this Agreement.

(g) The City's failing to pay when due any principal of or interest on any of its general obligation debt.

6.02. Remedies on Default. Upon the continuation of any Event of Default, BB&T may, without any further demand or notice, exercise any one or more of the following remedies:

(a) Declare the unpaid principal components of the Installment Payments immediately due and payable;

(b) Proceed by appropriate court action to enforce the City's performance of the applicable covenants of this Agreement or to recover for the breach thereof; and

(c) Avail itself of all available remedies under this Agreement, including execution as provided in Section 6.03, and recovery of attorneys' fees and other expenses.

Notwithstanding any other provision of this Agreement, the City and BB&T intend to comply with Section 160A-20. No deficiency judgment may be entered against the City in violation of Section 160A-20.

6.03. Execution on Personal Property. Upon the continuation of any Event of Default and in addition to all other remedies granted in this Agreement, BB&T shall have all the rights and remedies of a secured party under the UCC and may proceed to execute upon the Equipment.

6.04. Possession of Equipment. After appropriate court action, the City shall immediately lose the right to possess, use and enjoy the Equipment (but may remain in possession of the Equipment as a lessee at will of BB&T), and thereupon the City (a) shall pay monthly in advance to BB&T a fair and reasonable rental value for the use and possession of the Equipment (in an amount BB&T shall determine in its reasonable judgment), and (b) upon BB&T's demand, shall deliver possession of the Equipment to BB&T or, at BB&T's direction, to any purchaser of the Equipment after an execution sale.

In addition, upon the continuation of any Event of Default, BB&T, to the extent permitted by law, is hereby authorized to (i) take possession of the Equipment, with or without legal action, (ii) lease the Equipment, (iii) collect all rents and profits therefrom, with or without taking possession of the Equipment, and (iv) after deducting all costs of collection and administration expenses, apply the net rents and profits first to the payment of necessary maintenance and insurance costs, and then to the City's account and in reduction of the City's corresponding Required Payments in such fashion as BB&T shall reasonably deem appropriate. BB&T shall be liable to account only for rents and profits it actually receives.

6.05. No Remedy Exclusive; Delay Not Waiver. All remedies under this Agreement are cumulative and may be exercised concurrently or separately. The exercise of any one remedy shall not be deemed an election of such remedy or preclude the exercise of any other remedy. If any Event of Default shall occur and thereafter be waived by BB&T, such waiver shall be limited to the particular breach so waived and shall not be deemed a waiver of any other breach under this Agreement.

6.06. Payment of Costs and Attorney's Fees. If BB&T employs an attorney to assist in the enforcement or collection of Required Payments, or if BB&T voluntarily or otherwise shall become a party to any suit or legal proceeding (including a proceeding conducted under any state or federal bankruptcy or insolvency statute) to protect the Equipment, to protect the lien of this Agreement, to enforce collection of the Required Payments or to enforce compliance by the City with any of the provisions of this Agreement, the City agrees to pay reasonable attorneys' fees and all of the costs that may reasonably be incurred (whether or not any suit or proceeding is commenced), and such fees and costs (together with interest at the Prime Rate) shall be secured as Required Payments.

Notwithstanding the preceding provisions of Section 6.06 of the Agreement, the City shall have no obligation to pay any attorneys' fees and costs incurred by BB&T that are attributable to legal actions or claims that are successfully defended by the City.

ARTICLE VII

WIRE TRANSFER REQUIREMENTS

In order to prevent unauthorized or fraudulent wire transfers through cyber fraud and other means, BB&T and the Borrower hereby agree to the provisions of this Article VII.

7.01. Wire Transfer Requirements. In the event a wire transfer is made by BB&T to disburse funds as contemplated by this Agreement or the Project Fund Agreement (a "Disbursement"), said wire transfer shall be delivered as directed in a written "Disbursement Authorization" provided to BB&T by a representative of the Borrower, subject to the terms and conditions set forth in this Article VII. For the purposes of this Article, a representative of the Borrower shall include employees and elected and/or appointed officials of the Borrower, bond counsel, the Borrower's legal counsel, the Borrower's financial advisor or the LGC.

7.02. Verification Procedures. Prior to making any Disbursement pursuant to a Disbursement Authorization not delivered to BB&T in person by a representative of the Borrower, BB&T shall verify such Disbursement Authorization verbally via telephone communication with a representative of the Borrower. The Borrower shall ensure that a representative of the Borrower will provide such verification to BB&T. The Borrower shall not disclose, or allow to be disclosed, such BB&T verification procedures to any third party unless there is a legitimate business need to make such disclosure or such disclosure is required by law, and the Borrower accepts the risk of such third party knowledge of the security procedures. If the Borrower has reason to believe that a security procedure has been obtained by or disclosed to an unauthorized person or learns of any unauthorized transfer or of any discrepancy in a transfer request, then the Borrower shall notify BB&T immediately.

7.03 Payee Identification. The Borrower is solely responsible for accurately identifying the wire transfer information contained in the Disbursement Authorization delivered to BB&T by a representative of the Borrower, including but not limited to the bank name and its ABA number, beneficiary's account name and account number and beneficiary's physical address, together with other information requested by BB&T (collectively, "Remittance Instructions"). If the Remittance Instructions describe a beneficiary inconsistently by name and account number, the Borrower acknowledges that BB&T may make payment on the basis of the account number alone, that BB&T is not obligated to detect such errors, and that the Borrower assumes the risk of any loss resulting therefrom.

7.04 Duty to Reconcile Written Confirmation. Upon request from a representative of the Borrower, BB&T shall use its best efforts to send a representative of the Borrower written confirmation of the Disbursement in the form of a reference number, beneficiary name and wire amount. A representative of the Borrower shall promptly review and reconcile the written confirmation of the Disbursement sent by BB&T, and shall report to BB&T in writing, promptly, but in no event later than ten (10) Business Days after the date of such written confirmation, any unauthorized, erroneous, unreceived or improperly executed payment. BB&T and the Borrower agree that ten (10) Business Days is a reasonable time for the detection and reporting to BB&T of such information. After that time, all items on the written confirmation will be considered correct and the Borrower will be precluded from recovering from BB&T if such wire transfer identified in the written confirmation was actually made by BB&T. For the avoidance of doubt, any such writings can be provided electronically.

7.05 Unauthorized Payments. Notwithstanding any other provision herein, if a Disbursement has been verified by a representative of the Borrower pursuant to Section 7.02, it shall be binding on the Borrower if BB&T acted in good faith in making such Disbursement.

7.06 Recordation. BB&T may record any telephone conversation between BB&T and a representative of the Borrower in order to reduce the risk of unauthorized or erroneous transfers. BB&T may retain such recordings for as long as BB&T may deem necessary.

7.07 Indemnification and Hold Harmless. If BB&T complies with the provisions of this Article VII, the Borrower agrees that BB&T shall not be responsible for any communication or miscommunication by a representative of the Borrower, and the Borrower further agrees to indemnify, to the extent allowed by law, BB&T and hold BB&T harmless from and against any and all losses, claims, expenses, suits, costs or damages, demands or liabilities of whatever kind or nature, whether now existing or hereafter relating in any way to a wire transfer made pursuant to the Agreement or the Project Fund Agreement.

7.08 Applicable Law. All wire transfer orders are governed by Article 4A of the Uniform Commercial Code, except as any provisions thereof that may be and are modified by the terms hereof. If any part of the applicable wire transfer order involves the use of the Fedwire, the rights and obligations of BB&T and the Borrower regarding that wire transfer order are governed by Regulation J of the Federal Reserve Board.

ARTICLE VIII

MISCELLANEOUS

8.01. <u>Notices</u>.
(a) Any communication required or permitted by this Agreement must be in writing.

(b) Any communication under this Agreement shall be sufficiently given and deemed given when delivered by hand or five days after being mailed by first-class mail, postage prepaid, addressed as follows:

> (i) If to the City, to P. O. Box 1106, Asheboro, North Carolina 27204, Attention: Finance Director; or
>
> (ii) If to BB&T, to 5130 Parkway Plaza Boulevard, Charlotte, North Carolina 28217, Attention: Governmental Finance.

(c) Any addressee may designate additional or different addresses for communications by notice given under this Section to each of the others.

8.02. <u>No Assignments by City</u>. The City shall not sell or assign any interest in this Agreement.

8.03. <u>Assignments by BB&T.</u> BB&T may, at any time and from time to time, assign all or any part of its interest in the Equipment or this Agreement, including, without limitation, BB&T's rights to receive Required Payments. Any assignment made by BB&T or any subsequent assignee shall not purport to convey any greater interest or rights than those held by BB&T pursuant to this Agreement.

The City agrees that this Agreement may become part of a pool of obligations at BB&T's or its assignee's option. BB&T or its assignees may assign or reassign all or any part of this Agreement, including the assignment or reassignment of any partial interest through the use of certificates evidencing participation interests in this Agreement. Any assignment by BB&T may be only to a bank, insurance company, or similar financial institution or any other entity approved by the LGC. Notwithstanding the foregoing, no assignment or reassignment of BB&T's interest in the Equipment or this Agreement shall be effective unless and until the City shall receive a duplicate original counterpart of the document by which such assignment or reassignment is made disclosing the name and address of each such assignee.

The City further agrees that BB&T's interest in this Agreement may be assigned in whole or in part upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for any holders of certificates of participation in this Agreement, provided the City receives a copy of such agency contract and such collection and paying agent covenants and agrees to maintain for the full remaining term of this Agreement a written record of each assignment and reassignment of such certificates of participation.

The City agrees to execute any document reasonably required in connection with any assignment. Any assignor must provide notice of any assignment to the City, and the City shall keep a complete and accurate record of all assignments as required by the Code. After the giving of any such notice, the City shall thereafter make all payments in accordance with the notice to the assignee named therein and shall, if so requested, acknowledge such assignment in writing, but such acknowledgment shall in no way be deemed necessary to make the assignment effective.

8.04. Amendments. No term or provision of this Agreement may be amended, modified or waived without the prior written consent of the City and BB&T.

8.05. Governing Law. The City and BB&T intend that State law shall govern this Agreement.

8.06. Liability of Officers and Agents. No officer, agent or employee of the City shall be subject to any personal liability or accountability by reason of the execution of this Agreement or any other documents related to the transactions contemplated by this Agreement. Such officers or agents shall be deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section shall not relieve an officer, agent or employee of the City from the performance of any official duty provided by law.

8.07. Severability. If any provision of this Agreement shall be determined to be unenforceable, that shall not affect any other provision of this Agreement.

8.08. Non-Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right shall not be a Business Day, such payment shall be made or act performed or right exercised on or before the next preceding Business Day.

8.09. Entire Agreement. This Agreement constitutes the City's entire agreement with respect to the general subject matter covered by this Agreement.

8.10. Binding Effect. Subject to the specific provisions of this Agreement, and in particular Section 8.03, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

8.11 E-Verify. In order to establish the city's compliance with section 143-133.3(a) of the North Carolina General Statutes, BB&T shall comply with the requirements of Article 2 of chapter 64 of the General Statutes. Furthermore, if BB&T utilizes a subcontractor, BB&T shall require the subcontractor to comply with the requirements of Article 2 of chapter 64 of the General Statutes.

IN WITNESS WHEREOF, the parties have duly signed, sealed and delivered this Agreement by duly authorized officers, all as of the date first above written.

(SEAL)

ATTEST:

By: ______________________________

Printed Name: ______________________

Title: ______________________________

CITY OF ASHEBORO,
NORTH CAROLINA

By: ______________________________

Printed Name: ______________________

Title: ______________________________

BRANCH BANKING AND
TRUST COMPANY

By: ______________________________

Printed Name: ______________________

Title: ______________________________

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act.

____
Finance Director
City of Asheboro, North Carolina

EXHIBIT A -- PROJECT AND EQUIPMENT DESCRIPTION

2019 Chevrolet Tahoe	VIN #1GNSKFEC4KR219428
2019 Chevrolet Tahoe	VIN #1GNSKFEC3KR219355
2019 Chevrolet Tahoe	VIN #1GNSKFEC0KR135056
2019 Chevrolet Tahoe	VIN #1GNSKFEC1KR132229
2019 Ford F350	VIN #1FD8X3D69KEE25023
2019 Ford F350	VIN #1FT8W3BT9KED54759
2019 Dodge Charger	VIN #2C3CDXKT6KH579497
2019 Dodge Charger	VIN #2C3CDXKT4KH581944
2019 Dodge Charger	VIN #2C3CDXKT6KH581945
2019 Dodge Charger	VIN #2C3CDXKT7KH577127
2019 Dodge Charger	VIN #2C3CDXKT3KH577125
2019 Dodge Charger	VIN #2C3CDXKT5KH577126

2018 Lee Boy Model 8515E 8515 Asphalt Paver
Serial #8515-204219

Dump Truck, all as may be more particularly described in documentation submitted with requisitions pursuant to the Project Fund Agreement.

EXHIBIT B PAYMENT SCHEDULE

DRAFT AMORTIZATION SCHEDULE TO BE UPDATED AT CLOSING

City of Asheboro, NC
Compound Period: Monthly
Nominal Annual Rate: 2.760 %

CASH FLOW DATA

	Event	Date	Amount	Number	Period	End Date
1	Loan	05/07/2019	611,738.00	1		
2	Payment	06/26/2019	11,115.91	59	Monthly	04/26/2024

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	05/07/2019				611,738.00
1	06/26/2019	11,115.91	2,300.15	8,815.76	602,922.24
2019 Totals		11,115.91	2,300.15	8,815.76	
2	07/26/2019	11,115.91	1,386.72	9,729.19	593,193.05
3	08/26/2019	11,115.91	1,364.34	9,751.57	583,441.48
4	09/26/2019	11,115.91	1,341.92	9,773.99	573,667.49
5	10/26/2019	11,115.91	1,319.44	9,796.47	563,871.02
6	11/26/2019	11,115.91	1,296.90	9,819.01	554,052.01

7	12/26/2019	11,115.91	1,274.32	9,841.59	544,210.42
8	01/26/2020	11,115.91	1,251.68	9,864.23	534,346.19
9	02/26/2020	11,115.91	1,229.00	9,886.91	524,459.28
10	03/26/2020	11,115.91	1,206.26	9,909.65	514,549.63
11	04/26/2020	11,115.91	1,183.46	9,932.45	504,617.18
12	05/26/2020	11,115.91	1,160.62	9,955.29	494,661.89
13	06/26/2020	11,115.91	1,137.72	9,978.19	484,683.70
2020 Totals		133,390.92	15,152.38	118,238.54	
14	07/26/2020	11,115.91	1,114.77	10,001.14	474,682.56
15	08/26/2020	11,115.91	1,091.77	10,024.14	464,658.42
16	09/26/2020	11,115.91	1,068.71	10,047.20	454,611.22
17	10/26/2020	11,115.91	1,045.61	10,070.30	444,540.92
18	11/26/2020	11,115.91	1,022.44	10,093.47	434,447.45
19	12/26/2020	11,115.91	999.23	10,116.68	424,330.77
20	01/26/2021	11,115.91	975.96	10,139.95	414,190.82
21	02/26/2021	11,115.91	952.64	10,163.27	404,027.55
22	03/26/2021	11,115.91	929.26	10,186.65	393,840.90
23	04/26/2021	11,115.91	905.83	10,210.08	383,630.82
24	05/26/2021	11,115.91	882.35	10,233.56	373,397.26
25	06/26/2021	11,115.91	858.81	10,257.10	363,140.16
2021 Totals		133,390.92	11,847.38	121,543.54	
26	07/26/2021	11,115.91	835.22	10,280.69	352,859.47
27	08/26/2021	11,115.91	811.58	10,304.33	342,555.14
28	09/26/2021	11,115.91	787.88	10,328.03	332,227.11

29	10/26/2021	11,115.91	764.12	10,351.79	321,875.32
30	11/26/2021	11,115.91	740.31	10,375.60	311,499.72
31	12/26/2021	11,115.91	716.45	10,399.46	301,100.26
32	01/26/2022	11,115.91	692.53	10,423.38	290,676.88
33	02/26/2022	11,115.91	668.56	10,447.35	280,229.53
34	03/26/2022	11,115.91	644.53	10,471.38	269,758.15
35	04/26/2022	11,115.91	620.44	10,495.47	259,262.68
36	05/26/2022	11,115.91	596.30	10,519.61	248,743.07
37	06/26/2022	11,115.91	572.11	10,543.80	238,199.27
2022 Totals		133,390.92	8,450.03	124,940.89	
38	07/26/2022	11,115.91	547.86	10,568.05	227,631.22
39	08/26/2022	11,115.91	523.55	10,592.36	217,038.86
40	09/26/2022	11,115.91	499.19	10,616.72	206,422.14
41	10/26/2022	11,115.91	474.77	10,641.14	195,781.00
42	11/26/2022	11,115.91	450.30	10,665.61	185,115.39
43	12/26/2022	11,115.91	425.77	10,690.14	174,425.25
44	01/26/2023	11,115.91	401.18	10,714.73	163,710.52
45	02/26/2023	11,115.91	376.53	10,739.38	152,971.14
46	03/26/2023	11,115.91	351.83	10,764.08	142,207.06
47	04/26/2023	11,115.91	327.08	10,788.83	131,418.23
48	05/26/2023	11,115.91	302.26	10,813.65	120,604.58
49	06/26/2023	11,115.91	277.39	10,838.52	109,766.06
2023 Totals		133,390.92	4,957.71	128,433.21	
50	07/26/2023	11,115.91	252.46	10,863.45	98,902.61

51	08/26/2023	11,115.91	227.48	10,888.43	88,014.18
52	09/26/2023	11,115.91	202.43	10,913.48	77,100.70
53	10/26/2023	11,115.91	177.33	10,938.58	66,162.12
54	11/26/2023	11,115.91	152.17	10,963.74	55,198.38
55	12/26/2023	11,115.91	126.96	10,988.95	44,209.43
56	01/26/2024	11,115.91	101.68	11,014.23	33,195.20
57	02/26/2024	11,115.91	76.35	11,039.56	22,155.64
58	03/26/2024	11,115.91	50.96	11,064.95	11,090.69
59	04/26/2024	11,115.91	25.22	11,090.69	0.00
2024 Totals		111,159.10	1,393.04	109,766.06	
Grand Totals		655,838.69	44,100.69	611,738.00	