

Minutes for the Regular City Council Meeting

101 W. First Street, Lowell, North Carolina 28098

June 11, 2024, 5:59 PM - June 11, 2024, 08:34 PM

Roll Call: *(The following members were in attendance)*

- **Larry Simonds**, Mayor
- **Scott Bates**, Mayor Pro Temp
- **Phil Bonham**, Councilmember
- **DeWayne Chitwood**, Councilmember
- **Shane Robinson**, Councilmember
- **Travis Smith**, Councilmember

1. General

1A. Call To Order- 5:59 PM

Mayor Simonds called the meeting to order at 6:00pm. City staff present were City Manager Scott Attaway, City Attorney John Russell, Police Chief Carl Moore, Police Captain Ross Hoffman, Planning Director Tyler Cobb, Interim Public Works Director Thad Buchanan, Finance Director Lisa Nolen, and City Clerk Cheryl Ramsey. A quorum was determined at the beginning of the meeting. The meeting was teleconferenced on YouTube for the public and the agenda and meeting materials were made public on the city's website as well as in person. Members of the public were also in attendance.

1B. Invocation / Pledge of Allegiance- 6:00 PM

The Invocation was by Reverend Sigmon of the Lowell Free Will Baptist Church. Mayor Simonds then led the audience with the Pledge of Allegiance.

Before the Adoption of the Minutes, Mayor Simonds said he wanted to apologize to all the citizens for his behavior at the last council meeting. He said "I said some things I shouldn't have said. But also the councilman to my left [Councilmember Bonham] said some things he shouldn't have said either. So I brought him a bottle of Scope (proceeds to pass the bottle of Scope down to Councilmember Bonham) because I understand that he likes Scope and I apologize and I'm

sure you will too." Councilmember Bonham asked if he was talking to him. Mayor Simonds said "yes for our behavior of words, if you don't mind. I apologized and I apologize to you and everyone in this room." Councilmember Bonham said "if we are going to conduct business in a professional way, we're going to do it the right way and keep it professional at all times. So if this [holding the Scope bottle] is to cleanse me, that's fine, we're going to move forward in this meeting and the agenda and I hope that the Mayor will stick to the agenda and do the right thing." Mayor Simonds said "I think it's good we get off to a fresh start and have things done the right way. And I do sincerely apologize."

1C. Adoption of Agenda for this Meeting- 6:01 PM

The item was motioned To Approve by Scott Bates and seconded by DeWayne Chitwood with a passing result 5-0-0-0

1D. Public Comments- 6:03 PM

1. Bill Knox 5105 Meadow Woods Dr., Lowell, NC - Thanked the council for their hard work. He congratulated Scott Attaway on his award of being one of the Top 100 Leaders in the area. He then talked about the Sewer Regionalization plan and based on what he saw in the meetings, it seems the numbers are working right to do it. He said he knows there is some pride in owning our current plant but he'd like to see council move forward with the regionalization. He said it's a small amount of money to service that debt and thinks it will be a good thing instead of trying to rebuild the plant. He then thanked the mayor for his apology. He said a lot of people are frustrated and perhaps that this [the apology] may lead to another direction and that all of council will treat each other with respect.

2. Sandy Caudle 1108 N Main St, Lowell, NC - Complained of his water being turned off in error on May 28th but was paid on May 3. He said he understands human errors do happen but he gets a water bill this month where he was charged \$5 for being late and said maybe people have problems where they didn't get paid on time. He's asking council to get rid of the \$5 late fee until the end of the year to help citizens out with the inflation costs.

3. Norris Lamb 1130 Catawba Run Rd., Lowell, NC - thanked the mayor and Councilmember Bonham for apologizing. He thanked the Police Department, Water Department and everyone of the city employees for the hard work they do daily to make Lowell a safe and enjoyable place to live. He also congratulated Scott Attaway for being one of the top 100 influencers in our area and for working well with former and current council on what he believes will take place in the future. Some of those being because of cooperation in working with other locals, state representatives and getting grant money. He then asked council to keep the meetings orderly, respectful and

productive whether that be by motions, censorship, or legal consultation. The citizens of Lowell expect that and deserve it.

4. Joe Wilson 2001 Alton Court, Lowell, NC - said Lowell is about change, even if that is hard for people to do. He said he lived here many years ago and moved back five years ago and it's a lot different than when he moved away in good and bad ways. He said council has talked about lowering taxes and he doesn't want to pay more money but at the same time, he doesn't want to risk people losing jobs and services. He said that is what ends up happening when you cut taxes too much. He is all for figuring out what is best for everyone but it should be done in a very calm and planned manner because not every tax dollar means the same thing to everyone. He then mentioned the Waste Water Treatment Plant and for the mayor and council to move forward with Two Rivers agreement because the plant is roughly 60 years old. His understanding is that 40-50 years is the lifespan and we are beyond that now even with repairs. A replacement cost of \$30 million is a lot of money and if you do the math, it comes out to about \$23,000 per household in Lowell. That's the number you should be worrying about, not the 9% increase coming from Two Rivers, which comes to about \$108 a year. He said people don't really have the money but if the difference is paying \$108 a year or \$23,000 per household to have to replace the plant, then the smart thing to do is to move onto regionalization. He then mentioned that a lot of things like projects and parks are getting cut from the budget or being stopped but the only constant is change and Lowell is going to grow, it has to grow. "If you keep the same number of people here, I believe that is 3700 people right now, over the next, say 10 years, it's inevitable that costs are going to raise. It doesn't matter if inflation is low or high, cost are going to raise. If you keep the same amount of people, the tax burden remains on that same amount of people and continue to increase. You allow the growth, you bring new businesses in, you bring in new residential neighborhoods, which spreads the tax burden out with all the new people. This gives people a chance to maybe not have their taxes cut but maybe go three to five years without a tax increase. I don't know about anyone else in here, but I would love that. That is what you should be thinking. We need a forward thinking group. Lowell is not going to be 1980 or 1990 Lowell and that's a fact." He thanked council for letting him speak

5. Ed Jackson, owns property in Lowell, NC - thanked Mayor for his apology. He said in the "last month's meeting there was a lot of harassment about the [City] Manager. You lost a Public Works Director over that same sort of thing. You don't need to lose a lot of your key people. The Manager is not perfect but he is doing a lot of good, getting grants and programs and things that were needed here. He needed guidance and you council members have impressed me, in that

each one of you have expressed an opinion and created a trend of sharing those opinions, comparing information, getting facts, and making reasonable decisions for the good of the whole town. Keep up the good work."

6. Sean Brafford 113 N. Pine St, Lowell, NC - He said "it seems like we have been talking taxes and water for years and thinks we all want lower taxes and now that we have the opportunity to do it, we're still talking about lower taxes and water rates. If there is any hesitation that this budget or this vote for the water [treatment plant] isn't necessarily what you want to do, or should do, or what's best for the people, then we shouldn't do it or find a better way to help the people of the city. Me and my wife were talking about this on the way up here. I think one of the biggest problems, and what people don't understand or realize, is that we keep talking about 1%, or 3%, or 9% or just a little bit. Well that little bit is what breaks the camel's back." He then talked about his tax increase amounts over the years with 133.54% between 2015-2023 and the water bill went up 87.5% or \$1537 on property tax and \$35-40 in water. He said he understands the budget is to cut taxes by 5% and things will be defunded which he thinks is great but thinks council can do better and decrease it further. He said we should fix the issues with the water as they arise.

7. Candy Funderburk 600 Rogosin Blvd, Lowell, NC stated when she was on City Council in the past, they started a tradition when Ricky Bush passed away, to provide a city flag to families when a former councilmember or mayor passes away. She said one was not provided for Doctor [Charles] Lowery when he passed away this year and she hopes the new council will continue that tradition because the family members have appreciated it in the past. She then asked about the bulk pickup being changed from quarterly to monthly. She said during her tenure, they changed it to quarterly because of the wear and tear on the vehicles and the Public Works employees as they were getting hurt and were worn out. She said she hopes they reconsider this as she doesn't know anyone that needs bulk pick up every month. She reminded the public that to rent the city dump truck is \$67.75 per use where the city will bring you the truck, you would fill it up and the city will pick back up and take the items to the landfill. She said she heard that the chipper and one or two trash trucks are down so she didn't know how we could do bulk pick up monthly without the current equipment being up to par. She then talked of the accomplishments of the prior council as she was hearing complaints on what the prior council did or did not do. She said the prior council did a lot of good for those persons who said they did nothing.

8. Wayne Buchanan 620 Geer St., Lowell, NC - spoke on Two Rivers. He said "we don't need it and there's nothing wrong with our sewer system. Why fix something that ain't broke. It's not at capacity. [If] you go with Two Rivers, you're going to be paying more than what your water bill is

now." He said as far as the other council goes, they did some good and some bad stuff. He said the city didn't need to buy the Boys and Girls Club, the track of land from Mr. Trado [parking lot beside McCord Park] where the city was initially leasing it, and uncompleted work on the Community Center. He said people need to sit and think about the high water bills from Two Rivers.

9. Connie Burnett 6003 A Cloninger Ct, Lowell, NC had a water bill complaint and being charged a \$5 late fee. She thinks residents should get a one day grace period to pay the bills. Mayor Simonds agreed and said the council is going to have to revisit the whole water situation.

10. John Cato 109 Walnut Av, Lowell, NC - said there is no way in the world Lowell needs 200 houses in this community when our water lines are almost 100 years old that are continuously patched instead of replaced. He said it is costing the taxpayers because they patch it and tear the road up. He then said he'd give the council 6 months to get settled in before he spoke before them but the way they have been treating each other is disrespectful even to the public. He said they were voted in by the public and need to act that way.

2. Approval of Minutes

During the discussion of the motion, Mayor Pro Tem Bates addressed Mayor Simonds saying "this last month's meeting, Mayor, was, as far as I'm concerned, an embarrassment to this whole board by the way it was ran, the hollering at each other, the language that was used, even some explicit words were heard. We're supposed to be professional. During my career, I try to be courteous, respectful, polite throughout my whole career and i bring those same principles to this table. I think I can hold you all to the same standards. We're not here to call names, to call other cities 'suckers' or call the City Manager 'this cat over here', that's totally disrespectful. As far as I'm concerned, I won't tolerate it any further in any of the meetings. I hope everybody can get along and understand that. You may not see nothing wrong with the words that you use but it's just not professional and respectful and it needs to stop." Mayor Simonds said he agrees 100% and that was why he apologized. Mayor Pro Tem Bates said he appreciated the apology but needed to say how he felt. Mayor Simonds said "the words I used are mild compared to some of these people and that's why I apologized. We don't need to kick that old can down the road." Mayor Pro Tem Bates said "we are not here to decide who's language is worse than the other. Language is language and it needs to stop. This is a professional meeting, we've got an agenda that we go by, we have business on, and that's what we need to stick to, is the agenda. To the same point, if we get off track, we need to corral each other back in if we have to, to get back on track to finish the business at hand."

The item was motioned To Approve by DeWayne Chitwood and seconded by Travis Smith with a passing result 5-0-1-0 Abstained by Larry Simonds

2A. Approval of Minutes 05-14-2024- 6:29 PM

3. Special Presentation

3A. Annual Presentation by Lead for NC Fellow Emiyah Watkins- 6:32 PM

Ms. Emiyah Watkins gave some of the accomplishments as a fellow with the City of Lowell. She walked everyone through her experiences the last year, including organizing training sessions, conducting research, offering new perspectives, creating and administering surveys, planning events, develop training materials and much more. She also worked on the Utility Billing Analysis updating the Utility Billing policy, the Social Media policy, an evacuation plan for Lowell employees, AI phone line analysis, Telework/Work from home policy, Citizens Academy promotional video, assistance with Parks and Recreation events, and the City of Lowell job posting pamphlet, to name a few. She will attend Howard University Law School this fall to obtain her Juris Doctorate degree.

3B. Proclamation 04-2024 - Juneteenth 2024- 6:38 PM

Mayor Simonds read the Proclamation.

The item was motioned To Adopt by DeWayne Chitwood and seconded by Scott Bates with a passing result 5-0-0-0

4. Consent Agenda

The item was motioned To Adopt by Scott Bates and seconded by Travis Smith with a passing result 5-0-0-0

4A. Finance Update- 6:40 PM

4B. Geographic Information System (GIS) Report- 6:40 PM

4C. Stormwater Report- 6:40 PM

4D. public works update- 6:40 PM

4E. Police Report- 6:40 PM

4F. Planning Report- 6:40 PM

4G. Parks and Recreation Report- 6:40 PM

5. Unfinished Business

5A. Public Hearing to Closeout the FY17 Community Development Block Grant (CDBG) Neighborhood Revitalization Program- 6:41 PM

Amanda Whitaker with Withers Ravenel stated that this is the closeout public hearing for the City of Lowell FY 2017 Community Development Block Grant (CDBG) Neighborhood Revitalization Program, grant number 17-C-2999. The purpose of this public hearing is to discuss the program performance, allow the citizens of the City of Lowell an opportunity to make any comments, and closeout the CDBG-NR project.

In February of 2019, the City received \$750,000.00 in U.S. Department of Housing and Urban Development (HUD) CDBG funding from the North Carolina Department of Commerce (DOC) for grant 17-C-2999.

Proposed project activities include rehabilitation repairs for ten (10) homes and rehabilitation repairs to one (1) neighborhood facility. The city was able to assist eight (8) households and complete repairs to one (1) neighborhood facility. All the housing and neighborhood facility activities benefited low- and moderate- income (LMI) households directly, for 100% benefit to LMI persons.

Program activities are complete and grant funds are 91% expended. Final requisitions for funds were submitted to DOC by the May 1, 2024, deadline (Expenditure of CDBG Funds). CDBG closeout documents will be submitted to DOC by the deadline of August 1, 2024.

This has been a successful project and remained in compliance with the required federal regulations associated with funding.

There was no discussion among council. The public was then allowed to make any comments.

Candy Funderburk thanked Ms. Whitaker for their work on the grant for the last seven years. There were no other public comments. No vote was needed to closeout the program.

The item was motioned To Open the Public Hearing by Travis Smith and seconded by Phil Bonham with a passing result 5-0-1-0 Abstained by Larry Simonds

The item was motioned To Close the Public Hearing by DeWayne Chitwood and seconded by Travis Smith with a passing result 5-0-1-0 Abstained by Larry Simonds

5B. Public Hearing Spencer Ridge Development Agreement- 6:47 PM

Tyler Cobb went over the agreement and negotiations with Lennar Homes. He stated the Planning Board voted unanimously for approval on April 2, 2024. He is asking council to approve as it is consistent with the Comprehensive Land Use Plan and the Lowell LDO. Mr. Attaway brought to council's attention that on page 52, Section 7 of the agenda packet, towards the bottom, there is a spot that says 'blank months.' He said that should be 24 months. Mayor Simonds said "in the past, whenever we had a subdivision come in, they had to post money, like a security bond, and all things are going to be completion [sic]." Mr. Attaway said they will have to post a bond. Councilmember Chitwood said "Mr. Mayor, it's in the agreement." Mayor Simonds said he understands but you have to protect the citizens and also know that the citizens will be taken care of. If you look in there, it's like nine parcels of property and people haven't agreed to have them come in on the right-of-way." Mr. Cobb said "yes, like I've explained to you before when you called and asked about that, this can be passed with the easements not in place because that is a private matter between the developer and the owner of the property. This is on the bottom of page 5 [page 5 of the agreement and page 51 of the packet]."

Mayor Simonds asked what does it hurt to have a surety bond before council votes on it. He asked what would stop us from requiring that. He said he never heard of a development anywhere where they can come back in arrears saying they have to fix this later with a surety bond and once it's approved and ratified, they can't get a bond. John Russell said "the cost in bonds that are required is under Section 19 of the agreement, which is what Councilmember Chitwood was saying. We have the LDO policy that the developer will have to comply with it." Mayor Simonds asked Mr. Russell "how long have you been a municipal lawyer, I just want to know that?" Councilmember Chitwood called a Point of Order. Mayor Simonds continued talking. Mr. Russell reminded the Mayor that "when a Point of Order is raised by a councilmember it is a procedural motion that needs to be addressed immediately. If someone is saying stay on the agenda or the comments are disrespectful to other members or to the public...that is brought to the whole council, so if there is not disagreement with that, you need to move on." Mayor Simonds said "once this is voted on tonight, they [Developer] have an opportunity to come back and do what? Get a surety bond later on or should a surety bond be placed tonight?" Councilmember Bonham called a Point of Order again. Mayor Simonds said he was asking the lawyer a question. Mr. Russell said "the provision of bonds is covered under Section 19. The Developer will have to post a bond, which is approved by the City Engineer. The City Engineer will price that out, the Developer will post that bond and that is what the Development Agreement requires." Mayor Simonds said "things have changed I guess. That's what I'm saying. Used to be when we had a subdivision or whatever..." Councilmember Chitwood interrupted and asked the Mayor how long ago was that?

Councilmember Bonham said it doesn't matter. Councilmember Chitwood said he was asking because the reason being is that it is not 1980 or 1990 anymore. Mayor Pro Tem Bates asked to get back to the agenda please. A member of the public started talking and Councilmember Chitwood asked him to go to the podium.

Sean Brafford asked how the public hearing is supposed to work. He said he's "sat through many meetings where they ask if there are any questions from the public and 90% of the time us as the public have no idea what the [expletive] pardon my language, what is going on or what's being voted on or discussed in this public hearing other than what Mr. Cobb has explained just now, which was very little detail. Then the council has a packet and I believe the Mayor was poking at that and asking some questions." Councilmember Chitwood said "I can comment on that. Mr. Mayor doesn't read his packet as he should and we read ours. Mr. Bates, Mr. Robinson, I can speak for us three, nothing against these two [Councilmembers Bonham and Smith] but we read and Mr. Mayor doesn't completely read or read to understand. That's why we ask him to move on because we have a long agenda every meeting. I understand the public has a right to speak but Mr. Mayor veers off track." Mr. Brafford said "I understand that but what I'm asking is the information that's given to the council on these topics and subjects of public hearing is that information available to the public prior to the public hearing is what I'm asking." A number of people said it is online. Mr. Brafford said "that's what I wanted to know because a lot of times in public hearings, I don't necessarily exactly know what we're discussing, it's just referencing a packet that the public doesn't have, or at least I didn't have." Councilmember Robinson told Mr. Brafford that everything they get, the public sees too.

Mayor Simonds said "in reference to Mr. Chitwood I read page 41 to 95, I studied it hard and what I don't like about this thing is this...if this is just a common citizen out here they get a zoning permit. You jump through hoops to get a zoning permit. This thing here is laid out by the Zoning Board, they've already approved it and I understand that but this council has the final say, final vote, once the public hearing is closed and I am a citizen and I have the right to ask questions too. I'm not referring to the attorney as not being up to date or whatever, I'm just asking a simple question. I know in the past, when I was on the board, you had to put up money, you didn't just walk into a city and tell them you're going to go out here and you're going to provide all these services knowingly. You have to fulfill that because all this money ultimately comes back to the city. If you get the permits for each property, we're going to get money. If they do what they say they are going to do, we're going to get tax money. All this stuff in this agreement has to be adhered to, correct? As far as all the right-of-ways, all the money put up to do the system, all the

water lines, sewer lines." He mentioned the sewer line up Spencer Mountain and water lines. He then asked if they will incur all expenses towards the city? Councilmember Chitwood asked the mayor if that is what it said in the packet? Mayor Simonds said "yes, but here's the thing about it, who's going to do it if it doesn't get finished up? That's why you have a surety bond. Not later on, not 45 days down the road or six months or two years down the road. They have about two years to finish this project, am I right?"

Mayor Pro Tem Bates said "I believe if they don't complete the job or their responsibilities then it would make the contract, the agreement between Lowell and Lennar [Developer] possibly invalid? Mr. Russell said "if there is a default under the agreement and they are given notice that they have to comply with what's in here [agreement], if that doesn't happen, then Lowell will have the opportunity to exercise on the bond. The bond is approved by the City Engineer based on their cost estimates, so that is there to protect the city." Mayor Simonds said "in the very beginning, once this is passed, they can start work or whatever, but they can't really start working until all agreements are met, just like you said in 45 days correct? They have 45 days to get these easements is what's in here [pointing to the agreement], is that correct?" Mr. Russell said "the 45 days is for the easement for the water line. One of the provisions in the agreement provides for how they are going to do the water line and how they are going to get that easement (inaudible)." Mayor Simonds said if they don't get that easement, then it goes right back to null and void and that's why..." Mr. Russell said "no, that's not correct. If they don't get the easement, then they go through Poston Park, that's the plan B." Mr. Cobb said they have to just notify us [City of Lowell]. Mayor Simonds said all that has to be on the table including the back up plan and that's why you have a public hearing to find out this information and no one is blaming you for it [Mr. Cobb] or the manager or you [Mr. Russell]. Our responsibility is to this council and they make the final decision. Without all the information I don't see how you can make, well you can make a decision, but are you covering all the bases you should to benefit the citizens, just like the whole infrastructure of the water and the sewer...it's going to be very very expensive." He said we have to have a way to take care of the streets and roads and asked if they can go forward after this is passed. Mr. Russell said "they have the right to go forward now because the property has been rezoned for the site plan that they want to do. The purpose of the Development Agreement is required by the LDO and is to provide for what property it applies to, the timeframe that it's going to take, the period when all the public facilities are dedicated to the city for maintenance. So there are some additional conditions on top of their right but they have the right to move forward with the development as it stands."

Mayor Simonds asked if we needed the public hearing tonight. Mr. Russell said we need the public hearing because the LDO requires it. Mayor Simonds went on to talk about this and compared it to what happened to Magnolia Place. Councilmember Smith called for a Point of Order, seconded by Councilmember Bonham. Mayor Simonds continued talking. Mr. Russell interrupted and again stated what a Point of Order means and that it needs to be addressed immediately as it is a procedural motion. He said because the Point of Order is against the mayor, council has to address immediately. Mayor Simonds said "I understand that wholeheartedly, but understand this, this is a public hearing..." Mr. Russell said "no, there is a motion that is pending." Mayor Simonds asked if anyone else on council had any comments. Councilmember Robinson said "it [agreement] states that the bond shall be posted within the city within five business days of the date in which the first plat of the intended development is recorded." Mayor Simonds asked if they will have to have another meeting? Councilmember Robinson said no, they have to post a bond within five days." Mayor Simonds said ok and that there was a motion on the floor. It was then unanimously approved for the Point of Order. There was a brief confusion on the Point of Order and public hearing votes, then, Councilmember Chitwood made a motion to close the public hearing, seconded by Councilmember Smith. Councilmember Smith asked if there were any public comments. Tamika Hopper asked if they are "going to create a left hand signal at that light because of all the houses coming and you are turning left to go down McAdenville Road it's going to be crazy for people to turn left, because right now it's kind of hectic to turn left to get to 85?" Mr. Attaway asked if she was referring to the 7 route that turns to 23. She said yes. Mr. Attaway said he thinks that's in the traffic impact study that's being done now. Mr. Cobb said they did [the study] in 2023 and he can provide that information to her. Mr. Attaway asked Jason Galloway, with the developer Lennar Carolinas, if he had anything to add. Mr. Galloway said the TIA (Traffic Impact Analysis) has been done and determined a light was not necessary. Councilmember Chitwood said we will need to petition the State for that and whatever we have to do [to get a light]. Mr. Attaway said we'll touch base again on that. The motion was then carried to close the Public Hearing. Councilmember Smith made a motion to adopt the Spencer Ridge Development Agreement, seconded by Councilmember Bonham. The vote was unanimously approved.

The item was motioned To Open the Public Hearing by DeWayne Chitwood and seconded by Scott Bates with a passing result 5-0-1-0 Abstained by Larry Simonds

The item was motioned Point of Order by Travis Smith and seconded by Phil Bonham with a passing result 5-0-1-0 Abstained by Larry Simonds

The item was motioned To Close the Public Hearing by DeWayne Chitwood and seconded by Travis Smith with a passing result 5-0-1-0 Abstained by Larry Simonds

The item was motioned To Approve by Travis Smith and seconded by Phil Bonham with a passing result 5-0-1-0 Abstained by Larry Simonds

5C. Consideration of Budget Amendment #13 - 7:06 PM

Mr. Attaway presented. He said this comes from the last council meeting in May where there was a typo noted. This is a corrected version to receive funds totaling \$67,521 from a FY21 Wastewater AIA Grant.

The item was motioned To Approve by Travis Smith and seconded by DeWayne Chitwood with a passing result 5-0-0-0

5D. Amended Grant Project Ordinance - Lowell WWTP Planning Grant (SRP-W-ARP-0301)- 7:06 PM

Mr. Attaway presented. He said this is also a continuation from the May meeting. He stated the city received a \$400,000 ARPA grant and have spent out \$343,432 of that grant to Withers Ravenel. The total to Withers Ravenel was \$588,000, leaving the balance of \$188,000 to come from city funds to complete the plans for the regionalization of the Waste Water Treatment Plant. These funds are available and there is a subsequent budget ordinance after this on the agenda if council is moving forward with the Amended Grant Project Ordinance. The budget amendment is to cover the \$188,000 system development fees. He said we have far surpassed the budgeted revenue for system development fees (SDF) this year. He said there are statutory requirements on how the city utilizes SDF funds. They are to be used for system wide expansion projects and this would fall into that category of adding capacity to the system. He said there were some other items discovered when on a call with DWI trying to answer the Mayor from last month on whether we could stop this grant or pay back the grant. He said it is unclear and there might be an avenue where we could stop the grant. Withers Ravenel has continued to work so the \$343,432 would be a higher amount by now. The city would have to submit to the state the amount that has been spent and that we would like to lessen the amount of the grant to that total spent amount. We would show all the work that has been done compared to the scope that they have already approved and see if they would then approve the lesser grant amount. He said the other issue would be regarding the signed contract with the City Manager, City Attorney, and the engineer, Withers Ravenel, for the total \$588,000.

Mr. Attaway said this engineering report that is produced out of this is going to get the city permit ready, bid packages ready, to go forward with that [regionalization] if the council sees fit. On the call with DWI, the City of Lowell was identified they received more grant funding with the SRF loan of \$7.9 million which brought the loan amount down to just shy of \$4.6 million. The city was also informed that the EPA has sent out a warning memo to the DWI saying that there will be

no extensions on the funding. If they have people that have been awarded an SRF loan, like the City of Lowell, they will not extend. It has to be spent by September 2027. He then went over the timeline stating that we are submitting for permit approval this month [June], probably with permits in hand in September, three months of bidding with two rounds or so after the first of the year, council would select a contractor. Before a contractor is selected, a trip would have to be to Raleigh during the August-September time frame to start working with the Local Government Commission (LGC) to get approved for the debt. You can't just take \$4.6 million out without getting approved by the LGC. This needs to be worked on the end of this month and July to get ready. You would have bids in hand 2025 in selecting a contractor. Construction time frame would be about 15 months, completed in approximately May 2026 with the possibility for some delays.

Mr. Attaway said "this was all discussed with the Two Rivers joint meeting recently [May 30, 2024] where it was confirmed then that if the city were not talking about a regionalization project, likely the grant application wouldn't have scored as high as it did because you get extra points for that in the grant study and we wouldn't be sitting here with an SRF loan. If we switched and said we just want to rebuild the plant, because the engineers working on this are saying that it can NOT be expanded because of the age of it, then we will likely not be funded a SRF loan or any other type of funding from the Federal government, through DWI to build a new plant." Mayor Simonds said "as far as the plan itself goes, you are talking about borrowing this money and spending all the money to bring us up to date for Two Rivers. All this money falls on the back of the citizens of Lowell. They are going to come in, after we spent all this money, borrow the money, make these high payments. Have you done anything to see how much this is going to cost each citizen, each month?" Councilmember Bonham said "excuse me, Mr. Mayor, I think Mr. Attaway has provided that to everybody via email and I think you'll see that the cost difference is astronomical versus acting today versus acting 10 years from now. I would encourage you to read the information we got before your (inaudible) and move on." Councilmember Robinson said "well just to add to that, I'd like to say we do have cost for whether we build a plant or move to Two Rivers. What we've yet to see is what type of cost are we going to have for Two Rivers to treat that and I'm just curious why we didn't negotiate some of that up front (inaudible). The deeper we get into it, the less negotiating power I would think we would have as far as what Two Rivers could charge. The Fair St, we know already goes to Two Rivers. What does that cost as far as them treating it versus our current plant?" Mr. Attaway said "it is on the Two Rivers fee schedule for a wholesale customer. What we've been paying, I think this year, what we have approximately been budgeting \$70,000 for Fair St roughly in the Water/Sewer Department. We kind of talked about this in the work session but the contract, we're going to have a capacity request. If we need 600 or 700 gallons,

we're going to have to have that 'ask' in there and we're going to have to start absorbing that at some point. There's other things in the contract like when you get the peak days from rain and you've got a big spike because of I & I, you're going to have to pay more. There are ways to work it in the contract to where for a certain amount of years at least, that there's a little bit of forgiveness on those peak days of weather events. They go back and look at the rain gauges and historical data and they'll work with the bill. I think the work session was the first of many. The City Manager [Gastonia] has reached out since then saying he'd sit down with any of councilmember." Councilmember Robinson said he'd like to know what that charge is going to be, at least somewhat. Councilmember Bonham said he "would appreciate to know, maybe drill down to see. I continue with this, that this is much less than what it would be if we built a brand new plant in 15 years." Councilmember Robinson asked how do we know that because we don't know what the charges are? Councilmember Bonham said "if you look at construction cost today versus then." Councilmember Chitwood said "he's [Robinson] talking about the fees that are coming from Two Rivers, not the cost of what the bill is." Councilmember Bonham said "it's all built into the same fee." Mr. Attaway also said it was built into the fee analysis. There was some back and forth with Councilmembers Bonham and Robinson regarding the cost per 1000 gallons.

Councilmember Bonham asked "do we honestly think that not taking advantage of this low interest, basically no interest right now to rebuild a thing at \$8 million dollars versus waiting 10 years at \$30 million that the cost impact to the consumer is less today than it would be 10 years from now? Somebody explain to me how we are where we are." Councilmember Robinson said "I don't think Phil is answering quite what I'm looking for. [To Mr. Attaway] Is there a bulk rate, are they are a bulk contract that they set for that per 1000 gallons of treatment or the City of Lowell is going to have to negotiate that into this contract." Mr. Attaway said "the wholesale rate for Municipal customers, to my understanding, is that it's all the same across the board." Councilmember Robinson said "if that's the case, then we should be able to know what that bulk rate is." Mr. Attaway said "like it says, it's on the Two Rivers fee schedule." Councilmember Robinson said that was one of the things he asked during the work session but they didn't know what that was at the time. Mr. Attaway said that "maybe there was some thought of the differences because of the contract negotiations that could happen or what those minimum/maximum capacities they grant within the contract. Again, I think the Two Rivers work session was to get some of these questions to the surface. That was the first one I've got."

Councilmember Robinson said "as far as this [Planning Grant] goes, what would you say...that they've done 90% of the work?" Mr. Attaway said when they were on the call with them [Withers

Ravenel] about two weeks ago, they stated they were at about 80%. Councilmember Robinson said "the previous council kind of agreed to it, and we almost have to pay them what they are due." Mayor Simonds said something inaudible regarding Withers, then said "here's the thing about it Shane [Robinson], you're on the right [track], we should know the exact truth and the way that things should be figured is how much, it's simple. How many water customers do we have, Mr. Attaway?" Mr. Attaway said "1730." Mayor Simonds said "you've estimated the total cost to Withers Ravenel is \$10.5 million, that citizens here are going to have to pay and send it back to them [Two Rivers] to take care of it." Councilmember Smith said "it was \$5million." Mr. Attaway said "it's \$4.6 million." Mayor Simonds said "you got borrowed money, you got grant money, you got the total, t-o-t-a-l." Mr. Attaway said "\$7.9 [million]. Mayor Simonds said "ok, you got interest on top of that, I think it's like 10.5 [percent]" Mr. Attaway said ".76 [percent]". Mayor Simonds continued "and then you gotta pay to administer the whole thing (inaudible) at \$1.5 million dollars. What folks don't understand, we own this system and that's a true statement and until we ever reach a need to where we need to look at something. Listen, sewer doesn't stay and just set there. Sewer moves. That's why it's called flow, f-l-o-w, sewer flow. It never sits there, it's going all the time back into the water system, that's how it works. As far as coming out here and telling folks that...what you're saying is this, you don't really know how much it's going to cost each citizen for their water bill." Mr. Attaway said "it was in the email." Mayor Simonds continued "Cramerton and them didn't even have to give the money that we're having to give. Ranlo didn't give any money but they're eat up in bills and fees.

Councilmember Smith asked Mr. Attaway "keeping the plant was like what \$200 some dollars a month per certain amount of gallons redoing the plant?" Mr. Attaway said "a new plant?" Councilmember Smith said "yes." Mr. Attaway said "what I sent you all on that fee study, your water/sewer bill is about \$200 a month for a 4000 gallon customer, whereas I think it was like \$103 if you went the regionalization route. As far as spreading the debt across all the customer base, that you are going to have to do for all the users of the system." Councilmember Smith said "here's where I'm at and this came from our last meeting. We have three options, regionalize with Tru [Two Rivers] is 20 yr, .76% interest rate [equals] \$5 million, option 2 was regionalize with Tru, private financing with 5% rate at \$12.7 million, then Waste Water Treatment Plant replacement is \$48.2 million at 5% and that's now numbers, that's not wait a couple years down the road. I mean, to me, you're going to save the citizens of Lowell a lot of money with the regionalization." Mayor Simonds said "you look at the truth, and nothing but the truth, the minimum water bill right now id \$45 and that includes your water run off fee and your landfill fee. If you think that this rate is going to, these processes are going to stay that way, you're sadly mistaken. You're talking about a

family of five, that pays right now close to \$200 on a regular low bill, to where they are going to pay a minimum, if it goes up 25%, you're talking about \$300 and that's just one family of five." Ed Jackson from the crowd said that doesn't add to \$300. Mayor Simonds said that's exactly what it is.

Councilmember Bonham said "if you don't buy into the regionalization, I don't care if you do or don't, then what is your solution. Something has to be done. What is the least (inaudible) here? How does it affect the citizens the least? If you can come up with a different scenario, that would be great, but there is not anything here. You're just cursing what is the best scenario. You're not offering an alternative other than kick the can down the road and cost the people more money." Mayor Simonds said to Councilmember Bonham "you said a while ago it was simple. You talk to people and Cramerton and Ranlo about their water bill, and listen they didn't have to put up any money. We're having to. Why are we having to put up all this money to benefit someone that says they're helping us. That's what isn't making sense. I wouldn't want them to be my retirement people. I want someone that's going to take care of me not cost me more money. We have an easier way of doing things. Our sewer plant is at 50% and less because our sewer doesn't stay there, it continues to flow and thank God it flows. If it didn't, our biggest concern is to get a generator down there that works so we wouldn't have to borrow one from another town." Councilmember Bonham asked "so how do you fund that?" Mayor Simonds said "you go to a place and buy a generator." Councilmember Bonham said "and how do you do that?" Mayor Simonds said "you write a check." Councilmember Bonham said "from where?" Sean Brafford hollered something from the audience.

Mayor Pro Tem Bates said "if we keep our treatment plant, with intentions of replacing..." Mayor Simonds said "or repairing." Mayor Pro Tem Bates said "it can't be repaired, it has to be replaced. It is grandfathered in and it can't be repaired. You're looking at \$30million today to build one. How much are you going to have to go up on the citizens to pay for that? I get what Shane said, I would like to know too, what that cost is going to be, but at the same time when you are looking at building one or consolidating with Two Rivers, I mean. \$30 million to rebuild and by the time you make the payments back, you're looking at \$48 million or you're looking at \$7 or \$8 million going with Two Rivers." Mayor Simonds said "we're nowhere near capacity, we're less than have capacity." Councilmember Smith said we have to prepare for the future. Mayor Pro Tem Bates said "according to Withers Ravenel, we are at 60% right now." Mr. Attaway said "we're at 60% when all of the permitted flows start flushing. So we permit it out or we have zoning permit approvals to get us to the 60% mark. Then what we talked about at the work session was with that map of

those five parcels that we know of, and some things we are not hearing about that are popping up here on the Boulevard with a large retailer, that's going to take up more flow. I think we are around like 78% from the last meeting (slight pause for the train going by).

Councilmember Bonham said "we've had multiple people tell us that we are the point where we need to start looking at this where something has to be done. All these people have greater knowledge than I have. We have a way to fund a solution that has the least impact on every water payer in town versus waiting and kick it on down the road. Rather than 'I think' or 'I should' or 'I want', let's defer to those who know and look at that solution first that is also the least impact on everyone versus 'I want this' or 'I think this' or 'I read this 20 years ago'." Councilmember Chitwood said "Mr. Robinson, I understand what you are saying too on what people will be charged, so my question to Mr. Attaway is that what you sent out to us in the email, I was sitting over here trying to pull it up, but for instance, 1000 gallon minimum, is this just a guesstimation of what you think it might be?" Mr. Attaway said "it was not guessing but from an engineering firm. Withers crunched those numbers, looking at the different debt packages with the grant, without the grant and doing a \$30 million plant and what those numbers look like to the user. That's what I took away from the work session in that you all want to know how much it costs the citizens of Lowell and what their bills would look like. Year five or 2029, the 4000 gallon a month customer would go to \$105.22 and that has moved along in the four years prior. That's with the SRF loan grant. If you didn't do the loan grant, you'd have to go to a bank, just guessing on the 5% interest rate that we know today, your bill is going to go to about \$121.13 and if you rebuild the plant, a 4000 gallon a month customer would be \$197.27. I know what Shane is wanting, just the unit cost, wholesale rate of what they are charging Lowell, I understand that and will get that."

Councilmember Chitwood asked if what he looked up is what Councilmember Robinson was asking. Councilmember Robinson said he "would think the engineering firm would have had to include it to generate that. What I'm saying is the deeper we get into it, then the less negotiating but he's saying now that that's a set wholesale rate." Councilmember Bonham said "my only thing to that is we can go deeper and we should go deeper and negotiate all you want to but at the end of the day, are we going to be any better with this low interest rate versus kicking it down the road."

Councilmember Chitwood said "my understanding, Mr. Attaway, is that this is a decision to pay that money tonight right?" Mr. Attaway said "this is to amend the Grant Project Ordinance to show the \$188,000 over on the grant project ordinance and the following agenda item is to do a budget amendment to use the system development fees, which are governed by Statute and we

can't just charge what we want, we have to study it every five years and we did that a couple years ago and adjust the rate upward. That is just for new development, residential, commercial development that comes in the city paying the SDF for water and sewer. Mayor Simonds continued to talk about the rates to citizens for landfill and water run off fees. Councilmember Robinson asked if these fees will be negotiated in with the total rates. Mr. Attaway said yes. Mayor Simonds continued talking about not regionalizing and continuing to own the water treatment plant. There was a brief inaudible discussion among councilmembers. Councilmember Smith then made the motion to approve the Amended Grant Project Ordinance, seconded by Councilmember Chitwood. Under the discussion, Mayor Simonds asked "how much money will we have to pay for that right now?" Councilmember Smith began to answer and Mayor Simonds said to "let him [Mr. Attaway] answer." Mr. Attaway said "\$188,000." Mayor Simonds said "plus what we've already given them, right?" Mr. Attaway said "they've received \$343,432 of the \$400,000 grant." Mayor Simonds said "so you'll be giving them \$520,000 as of tonight, right?" Mr. Attaway said "the total grant was \$400,000 and the total work is \$588,000, so we are paying the difference between the grant and the total contract with the engineer, totaling \$188,000. That's what the system development fees..." Mayor Simonds interrupted and asked if we've given them any money yet. Councilmember Bonham said there was a motion and second on the floor. Mayor Simonds said they were having a discussion. Councilmember Bonham said "you are not the decision maker." Mayor Simonds asked "what do you mean?" Councilmember Bonham said we need to move on. Mayor Simonds said they were having a discussion and he wants to know how much was already spent to Withers Ravenel. Councilmember Bonham called a Point of Order, seconded by Councilmember Smith. Mr. Russell said there is a Point of Order on the floor so it is now back to the Council to address the procedural motion. Mayor Simonds acknowledged and the vote to acknowledge the Point of Order was unanimously approved.

Council then voted to approve the Grant Project Ordinance (see the motion above). The vote was unanimously approved.

The item was motioned Point of Order by Phil Bonham and seconded by Travis Smith with a passing result 5-0-1-0 Abstained by Larry Simonds

The item was motioned To Approve by Travis Smith and seconded by DeWayne Chitwood with a passing result 5-0-1-0 Abstained by Larry Simonds

5E. Consideration of Budget Amendment #15- 7:37 PM

Mr. Attaway said this is the budget amendment to fund the extra \$188,000 (from agenda item 5D). He said there are budgeted funds available right now that he mentioned before coming from the System Development Fee revenue.

After the motion, Councilmember Robinson asked for the numbers he talked about earlier. Mr. Attaway said he would get that to everyone.

The item was motioned To Approve by DeWayne Chitwood and seconded by Travis Smith with a passing result 5-0-1-0 Abstained by Larry Simonds

5F. Public Hearing for Adoption of the Fiscal Year 2024-2025 Annual Budget Ordinance- 7:38 PM

Mr. Attaway stated that he presented the budget draft, the City Manager's message, and Budget Ordinance and FY 24-25 Budget document at the May 14, 2024 Council meeting. He gave some highlights including decreasing the tax rate to \$.43.5 cents or a 5.5% decrease, \$2 increase in Stormwater fees per month per ERU, a 6% increase in water, 3% increase in sewer, and by the Resolution approved last month to remove the \$10 tag fee. Mayor Simonds asked what was sent to council today about? Mr. Attaway said he "received information that certain councilmembers would like to remove positions, a total of six positions. That is not my recommendation, but I produced a Budget Ordinance to that effect. If those positions were removed, then the savings to the tax rate will bring it to \$.35.5 cents. Councilmember Bonham made a motion for a five minute recess, seconded by Councilmember Smith. Mayor Pro Tem Bates, Councilmembers Chitwood, Bonham, and Smith voted yay, Councilmember Robinson voted nay stating he'd rather move on. The vote passed at 7:41pm. The meeting continued at 7:43pm.

Councilmember Chitwood asked to hear about option B of the Budget. Mr. Attaway discussed the positions that were asked to be removed: Communications Director, Planner, Police Administrative Assistant, Accounts Payable/Payroll Clerk, GIS Analyst, and the Utility Billing Clerk. He said that brings down the General Fund Revenue \$5,128,069. The salary and benefits related to those positions were subtracted and adjusted down. With that, the tax rate would then be \$.35.5 cents. He said nothing else much changes out of this budget versus his recommended budget other than the six positions. Councilmember Chitwood said "so that took it down to a \$531,000 difference?" Mr. Attaway said "yes approximately." Councilmember Chitwood said "I don't want to lose any positions, but if these developments were already here, I wouldn't have a problem keeping them. I know we need to plan for the future, but as of right now, when other revenue starts coming in, then yes, we can revisit that. That was my discussion on that."

Councilmember Smith said "I don't agree with getting rid of the positions, but I also respect where you [Councilmember Chitwood] and other councilmembers are coming from."

Councilmember Robinson said "and on that, I'd just like to say, I don't want to see anyone lose their jobs either. If you look at these six positions, they were created in the 23-24 budget year. If

you look back at the revenue for the 23-24 budget, in 23 it was \$1.5 million, in 24, it went to \$2.8 million because of reevaluations. That's a huge step and what we did was created positions to expense that money, in my mind, and not give [to] the citizens. The county reduced the rate by \$.20 cents, we didn't reduce it any. We just created the positions. Even still, with the five positions missing, we're still at \$2.3 million and we're still almost \$700,000 over the year prior to." Mr. Attaway said "there is also something to note that the EDA started. The EDA repayment to NorthPoint, half a million dollars, and also the new fee schedule for the additional professional services line item that's paying out approximately \$800 some thousand dollars this year in engineering from the new fee schedule from these new developments. So that was \$900 something [thousand] coming in revenue and \$800 [thousand] going out in the Admin budget." Councilmember Robinson said he was looking at the expenditures, not the revenue.

Mayor Simonds said "you're not even including the money that came for NorthPoint, taking it in to send it back out." Mr. Attaway said "we are, we have to because they pay taxes and there's a separate line item showing the EDA payment going out." Councilmember Bonham said "we all know what's coming in, we all know what's going out. It's do you want going out to reduce and if you want going out to reduce, then you have to accept that services are going to reduce or something is going to fall down at some point in time. I respect everyone's opinion here with what needs to be done. I believe that it is going to cost more to do business because we are a business here. I think it's too deep but you guys do what you gotta do. I think it (inaudible)." Mayor Simonds then opened the hearing to the public.

1. Candy Funderburk 600 Rogosin Blvd, Lowell, NC said she respects everyone up there and respects why they'd want to cut several positions. She said when she was on council, she didn't agree with all the positions but wish council would reconsider the second Utility Clerk position in the Water Department because of the workload. She said the former employee never took vacation because there was no one there to cover for her, came to work sick because she couldn't miss because she didn't want to get behind. She said maybe they could create a part time position because they get busy up front, which will put a lot more work on other individuals in every department if all of these jobs are cut. She said but wasn't sure that the Payroll shouldn't be done by the City Clerk and suggested they look into that one as well. She said what council does is going to affect the future and in a couple years, when things [developments] increase, these people would have already been trained and moving forward but council will have to rehire people and who's going to want to work for Lowell. She mentioned the chaos the city has had in the last several months. She said with the \$.35.5 cent tax rate, the tax rate is going to have to be

raised again in a couple years and if a new council comes in that may have to possibly raise it will make that council look bad. She asked them to rethink their position.

2. Sandy Caudle 1108 N Main St, Lowell, NC - said it's a tough decision on the sewer plant and council has to make the best decision they can to benefit the citizens all the way around. They won't make everyone happy. He thanked Mr. Attaway for all the hard work he has done and understands what he has to go through.

3. Bill Knox 5105 Meadow Woods Dr., Lowell, NC - he stated council "went through three days of budget meetings and he was there for every minute of it. He said they finished at a \$.55 cent tax cut, bulk every month, stormwater fee cut by \$2 but you really didn't cut it, you re-appropriated it and that was all Shane [Robinson] said he was going to do. He said 'hey look, I just want it down \$2' I think was his quote. We could all live with that, that is no big deal. The budget was presented on the 14th of May and now we are just hearing about this, right now. Larry [Simonds], this is the only time I've agreed with you. I stood here and watched you here and say every time for six years that we have to go through an intern budget and think about this. I'm saying that we have to do and intern budget and think about this. Might be a little bit of too bold of a description, but you guys have gotten us here. \$.14 cents? You cancelled the K-9 program, fine we all lived with that. Cost the city about \$10 grand, only to say you want to start it back up in a year or two with two dogs. You can't start and stop on a dime. You've already blown off a couple of pretty good people and I think you are doing too much, too fast. You say you want to cut wasteful spending but it's just a frivolous point now. Bulk pick up is going to cost in wear and tear and \$500 tip fees. This costs money. Who needs bulk pick up more than every three months." He mentioned the Stormwater fee cut and that it looks good but is still moving money to another budget line, that citizens will still pay. He last talked about the Fire Department and how council ran on bringing that back to Lowell. He asked them to level with the citizens and tell them the Fire Department is not coming back. He asked the mayor to stop using the excuse of the previous council being at fault but that they went on their own accord. He again stated council is moving too fast too soon and putting themselves in the corner for the next year or two.

4. Paul Williams 703 McAdenville Rd. Lowell, NC - said "if there are position's that are vacant right now, there's reason in not filling those, but to cut staff, I think, is risky. What are we going to lose by cutting staff? I see people online on Facebook all the time complain about paying their water bill, what's involved with paying their water bill, why is this, why is that. If we cut a Utility Billing Department in half, I can't fathom the chaos that's going to cause. In my opinion, that is going to add a lot of extra work and the good people we already have, they will feel the burnout." He said

employees may settle for pay cuts to go to other cities for work and said Lowell needs to hang on to the talent they have to continue to function well. He also suggested to think about moving a position to part time to avoid cutting completely realizing the employees may not want to stay. He said he likes the idea of a tax cut, but not if it is going to cost the city a well operated place. He asked council to carefully reconsider how to cut the budget.

There were no other comments from the public. Councilmember Chitwood made a motion to close the public hearing, seconded by Mayor Pro Tem Bates. The vote was unanimously in favor.

Councilmember Smith made a motion to adopt the original 2024-2025 budget with no cuts to employees, seconded by Councilmember Bonham. Councilmembers Bonham and Smith voted yay and Mayor Pro Tem Bates and Councilmembers Robinson and Chitwood vote nay and therefore the vote did not pass.

Councilmember Robinson made a motion to adopt the option B, seconded by Mayor Pro Tem Bates. Mayor Pro Tem Bates and Councilmembers Robinson and Chitwood vote yay and Councilmembers Bonham and Smith voted nay. The second budget option to cut employees passed.

The item was motioned To Open the Public Hearing by Scott Bates and seconded by DeWayne Chitwood with a passing result 5-0-1-0 Abstained by Larry Simonds

The item was motioned To Close the Public Hearing by DeWayne Chitwood and seconded by Scott Bates with a passing result 5-0-1-0 Abstained by Larry Simonds

The item was motioned To Approve by Travis Smith and seconded by Phil Bonham with a failed result 2-3-1-0 Opposed by Scott Bates, DeWayne Chitwood, Shane Robinson Abstained by Larry Simonds

To approve the original budget, without the employee cuts

The item was motioned To Approve by Shane Robinson and seconded by Scott Bates with a failed result 3-2-1-0 Opposed by Phil Bonham, Travis Smith Abstained by Larry Simonds

To approve option B

6. New Business

6A. Consideration to Approve the Audit Contract for the Fiscal Year ending June 30, 2024- 8:02 PM

There was no discussion.

The item was motioned To Approve by Travis Smith and seconded by Phil Bonham with a passing result 5-0-0-0

6B. Consideration of Ordinance 2-2024 To Allow for a Reserve Police Officer/Auxiliary Police Officer Department- 8:03 PM

Mr. Attaway said this is a carry over from the previous month and the Police Chief has sent out the updated policy. This is an ordinance to adopt the position requested by the League of Municipalities.

The item was motioned To Approve by Phil Bonham and seconded by DeWayne Chitwood with a passing result 5-0-0-0

6C. Consideration of Adopting the Water and Sewer Capital Improvement Plan (CIP)- 8:03 PM

Mr. Attaway said this was discussed in previous meetings and this is the final version.

After the vote, Councilmember Bonham asked if the City Manager needed guidance going forward with this. Mr. Attaway said he did not.

The item was motioned To Adopt by Phil Bonham and seconded by DeWayne Chitwood with a passing result 5-0-0-0

6D. Consideration of Budget Amendment #16- 8:05 PM

Mr. Attaway went over the amount of the budget amended noted in the agenda packet.

The item was motioned To Approve by Travis Smith and seconded by DeWayne Chitwood with a failed result 0-0-0-0

6E. Consideration of Budget Amendment #17- 8:06 PM

Mr. Attaway went over the amount of the budget amended noted in the agenda packet.

The item was motioned To Amend by DeWayne Chitwood and seconded by Travis Smith with a passing result 5-0-0-0

6F. Consideration of Budget Amendment #18- 8:06 PM

Mr. Attaway went over the amount of the budget amended noted in the agenda packet.

He made note that a lot of the amendments coming up is the interest where we are receiving the revenue and appropriated the expenditure that is not to be spent in the next 20 days or the rest of the current fiscal year. At the end of the fiscal year, it will roll into the fund balance. There is a fund balance tool from the Budget Ordinance that says anything above 50% of your fund balance can automatically be transferred to the Community Investment Fund (CIF). Mayor Simonds said "the State requires you to put that in a savings of some type, according to what he got from the

NC Department of State Treasury. Anytime you reach a certain point, it goes into a savings account." Mr. Attaway said yes.

The item was motioned To Approve by Travis Smith and seconded by Scott Bates with a passing result 5-0-0-0

6G. Consideration of Budget Amendment #19- 8:08 PM

Mr. Attaway went over the amount of the budget amended noted in the agenda packet.

Mayor Simonds asked if that money was coming into the city. Mr. Attaway said yes. Mayor Simonds asked what savings account that comes from. Mr. Attaway said he didn't have the account fund, but it's MRS and interest investments from the General Fund. Mayor Simonds asked if that was the MS Capital. Mr. Attaway said this isn't a capital account. Mayor Simonds asked if this was a Truist account or capital management account. Mr. Attaway said this is First Horizon. Mayor Simonds asked if the city is getting 5% interest? Mr. Attaway said "around that amount." Mayor Simonds said "good, anytime we can bring money in is good."

The item was motioned To Approve by Scott Bates and seconded by Phil Bonham with a passing result 5-0-0-0

6H. Consideration of Budget Amendment #20- 8:09 PM

Mr. Attaway went over the amount of the budget amended noted in the agenda packet.

The item was motioned To Approve by DeWayne Chitwood and seconded by Scott Bates with a passing result 5-0-0-0

6I. Consideration of Budget Amendment #21- 8:10 PM

Mr. Attaway went over the amount of the budget amended noted in the agenda packet.

The item was motioned To Approve by Scott Bates and seconded by DeWayne Chitwood with a passing result 1-0-0-0

6J. Consideration of Budget Amendment #22- 8:11 PM

Mr. Attaway went over the amount of the budget amended noted in the agenda packet.

Mayor Simonds asked if this was the DQ money or the direct funding from Representative Torbett. The motion was then made. During the discussion, Mayor Simonds said to Mr. Attaway that this fund was down to about \$20k and has now gone up to about \$68k. Mr. Attaway said it was going to be down to more like a couple thousand and now we are sitting around \$50k. Mayor Simonds said I guess we can vote on this now. Councilmember Chitwood said we can. Mayor Simonds said he'd "like to see if we take bids to paint that old block building out there out of this money. I'm

sure everyone seen it, it's pitiful. It would make a big improvement to get that graffiti painted over but that's for another time, unless yall wanted to vote on it tonight. We have the money to do it. That's up to yall." Councilmember Chitwood said that's for another time and asked to move on.

The item was motioned To Approve by DeWayne Chitwood and seconded by Scott Bates with a passing result 5-0-0-0

6K. Consideration of Budget Amendment #23- 8:12 PM

Mr. Attaway went over the amount of the budget amended noted in the agenda packet.

The item was motioned To Approve by Scott Bates and seconded by Travis Smith with a passing result 5-0-0-0

6L. Consideration of Budget Amendment #24- 8:13 PM

Mr. Attaway went over the amount of the budget amended noted in the agenda packet.

The item was motioned To Approve by Scott Bates and seconded by DeWayne Chitwood with a passing result 5-0-0-0

7. Reports / Discussions

7A. City Manager Report- 8:14 PM

1. Payment Inventory Analysis- This was sent to the council to see if they want to put on the July agenda to prioritize some projects or to give him direction to get some quotes on some of the highest ranking areas of the city. He wanted to see where they wanted to go on this project. Councilmember Smith said he thinks we should move forward on getting quotes for the higher priority areas. Mr. Attaway asked if it should go on the July agenda as that is how it was handled three years ago, the last time this was done. Councilmember Chitwood agreed to put it on the July agenda.

2. Public Works Facility or the old chemical plant demolition which was funded through the CIF, which was discussed in the budget work sessions. He asked if he should start the process of getting a Request for Qualifications (RFQ) for the design of it to get the process moving. Mayor Simonds asked if there was a grant for it now or if it is projected to get a grant? Mr. Attaway said "that is why we are allocating a certain amount of every budget to the CIF so we can pay the debt payment for it." Mayor Simonds asked "So we're taking money out of the General Fund to do that, not grant money?" Mr. Attaway said "we do not have a grant to build a Public Works facility." Mayor Pro Tem Bates asked "just like we just the interest that we just got through all these budget amendments, is that something that can be used towards payment. Like can any interest that comes in, can that be used towards any payment toward Public Works?" Mr. Attaway said "I think any interest that, you could've done that in the Budget Ordinance, for example, that any interest

above the budget amount automatically rolls to the CIF, to then fund the debt payments for it. It's kind of how it's set up roughly anyway with the 50% rule of the fund balance reserve. If we get 1 [percent] in there, we transfer that 1% to CIF fund and so it's happening anyway but there's certain rules and tools you can make up to make sure revenue funds go directly in there." Mayor Simonds asked if Mr. Attaway had an estimate on how much it's going to cost to build a Public Works building? Councilmember Bonham said "\$4 million, it's all in your stuff." Mr. Attaway said "that is what we've discussed during our work sessions, Mayor." Mayor Simonds said "so a total of about \$4 million to build it and if you take this money, which is good that we are taking in in interest, but it goes back into the General Fund and can be used for anything pertaining to the General Fund. But that would have to be something that the council would have to vote on to use that money for wherever." Mr. Attaway asked if council "would like for me to work on RFQ's to bring to council for approval to get the process started to recruit a design firm to help get this moving. I know we had one firm come and speak to you all at the work session about the different traditional bids and the construction manager at risk and a design build. So there are different options that you all can do and we can work that out later but do we want to get the ball rolling on that facility because the need of the facility is still here and I wanted to get through the budget to see where we're at. Councilmember Smith said we absolutely need to move forward and get that ball rolling because it's a need for the city. Mr. Attaway said he did not need a motion just approval from council. Mayor Simonds asked again if it was \$4 million. Mr. Attaway said we do not know that for a fact but it is an estimate from the Master Plan.

Mayor Simonds said "I think the best thing for us to do is try to go back to Torbett [John Torbett, House of Representatives]" Councilmember Bonham interrupted and said "I think we are partitioning, we are making all the applications that we possibly can. I think that the more we resist and the more that we do as a city, collectively and bucking back on the way to do things makes are case harder, so I think right now what we've got is the best we're going to get based on our mayor and so forth. I would encourage you to move forward with that if the rest of council agrees on it." Councilmember Chitwood said regarding the Mayor bringing up John Torbett stating Mr. Attaway sent an email out that funds are starting to shrink and dry up and it will be harder to get extra funds and he would like to see something done to remedy the eyesore of the current Public Works building. Mr. Attaway said when he submitted the direct funding request this year, Public Works building was in there including the City Hall/Police building. He said this was asked in a previous meeting where he asked council if they wanted to do all these things or some of them and council wanted to do all. Mayor Simonds said "the citizens originally when this started taking place, we were going to build a park all kinds of stuff, Public Works and all that crap

down there, there was going to be grant money. I don't think and I would never vote to spend a dime over there because of the way the property is, you know the chemicals. If you paint the building and get rid of the graffiti, that would be a step in the right direction. As far as taking tax payers money moving Public Works up there I don't see it in the near future, maybe down the road. Once things start to grow and you have more tax money coming in, then you do it in stages at a time, rather than just saying we can take \$25,000 and I don't think you can get the plans for that. Have you already got the plans for it [to Mr. Attaway]? Councilmember Chitwood said we're trying to give him a yes or no to do that. Councilmember Bonham said "we can't really nickel and dime it like you're suggesting that we do. We've been given an opportunity now to move forward and do some things with low interest loans and some funding that's available for us to use for this type of project and there is no question that it needs to be done. We have the dirt available to put it on, so now is the time to move. Outside of that, I don't think there really is more discussion. If we want to do it, yes. If you don't want to do, that's fine too but if you're going to move, now's the time to move or kick it down the road and we can do that too." Mr. Attaway said he got the direction he needed.

3. Update on Recreation Center (old Boys and Girls Club) - surveillance, secured access and burglar alarms to be installed this week. He is going to hand to them and will be on the July agenda, an MOU proposal from the Gaston County YMCA for youth athletics in Lowell. It is just for youth athletics in Lowell.

4. Meeting with the NC. Department of Public Safety (NCDPS) is this Thursday, June, 13, 2024 to assist with the damages from the tornado and the debris. Mayor Simonds asked if he knew of a website where citizens can get help if they had property damage and do not have insurance. Mr. Attaway said NCDPS and the County. Mayor Simonds asked if that can be put on the website. Mr. Attaway said yes.

7B. City Attorney Report- 8:30 PM

Nothing to report.

7C. Mayor and City Council General Discussion- 8:30 PM

1. Mayor Pro Tem Bates said there have been discussions on social media about ARPA money and asked Mr. Attaway if "ARPA money was used to buy the church property or was that allocated towards salaries. Were ARPA monies moved to pay salaries and then in return, the salaries is what paid for the property. I know it washes out but the ARPA money was used for salaries not to purchase the real property?" Mr. Attaway said "yes, that's how the US Treasury gave us the

guidance that we could use if for revenue replacement. We opted to put it across different departments' salaries then you can...say you have a half a million dollars in this department, you put the ARPA money in, you pull out, the salary money." Mayor Pro Tem Bates said "I get it, it washes. I just want the citizens to realize that what they were being told was ARPA money bought the church property and the Salvation Boys and Girls Club, not correct is what I'm getting from you right?" Mr. Attaway said "it's kind of potato, patato." Mayor Pro Tem said "potato patato but you used ARPA money to pay the salaries." Councilmember Bonham said "did it come out of taxpayer dollars? No." Mayor Pro Tem Bates said "it all washes out, but salaries do come from taxpayer money." Councilmember Bonham agreed. Mayor Pro Tem Bates said "the money is there, nothing is missing and I'm not accusing that, just wanted to let the citizens know how it was actually done." He then thanked the citizens for coming out and watching. He said when he worked for the city before, very few people would come to the meetings and he thanked those for coming out, speaking and getting involved.

2. Councilmember Chitwood thanked everyone and said it [budget] was hard to make but "the decision made tonight was brought to Mr. Attaway several weeks ago for an option B so I want that to be known. Mr. Bates and Mr. Robinson brought it to him last month, so he said he was going to give an option A and option B. He gave the recommended budget that he wanted and I understand that but we wanted that [option B] because when the future growth comes, when we've got all these developments coming, close to an \$18 million dollar project that is coming up on Ash St in the near future according to developers that I spoke to personally. So when that comes in, that revenue tax comes in, I'm all for revisiting those jobs coming back. Thank you for all for coming out and like one person said a minute ago, you're not going to please everybody, we tried to please everybody, but you can't."

3. Councilmember Smith said "I just wanted everyone to know we don't agree on things but we do speak to each other. I've talked to Bates and Chitwood many times but haven't talked to Shane personally yet but overall we don't agree on things and we're not going to but we do have somewhat of a good communication with each other and know what's going on before these meetings. We don't just come in here with 177 page packet and just go at it. We study. We have respect for each other. We may not show it sometimes but we're working on that." He then said he's been asked about the clock out front and getting the time corrected. Mr. Attaway said there are still a few people that know how to work on that clock and Thad [Buchanan] has reached out to them to get them what they need to assist with repairs and if that doesn't work, there is a

retrofit that he will have to discuss with council later. Councilmember Smith then thanked the citizens for coming.

4. Councilmember Chitwood also reminded Mr. Attaway about the request he received from a citizen about a name on the memorial and to follow up with him,

5. Mayor Simonds said "I'm glad you all came out, love me or hate me, I love all of you. I feel so (inaudible) every time I leave here and what tears me out of the frame is how much I love our old soldiers and all the old people I was around all my life...and what tears me out of the frame is we don't even have a sign for D-Day and I'm going to buy one and put it out in the morning. I'm not bragging on myself but I don't want it taken down until after July 4th because I want to show appreciation for all our soldiers and people that died for us so we're not speaking German. Can you imagine if D-Day hadn't of happened. If we waited maybe a day, maybe a week later, who knows what would have happened. I'm just so proud of our military and so proud of our citizens."

He continued saying "no one knows how to run this town 100% and we have to depend on other people. Here's the bottom line, you have to be able to afford to live here and once the growth comes, I think you're going to see it to where these houses will be built if they do what they say they're going to do and bring revenue. We haven't even reaped the benefits of what's already been built. We don't see that in our budget but we will after October when we adopt the audit. I want to find out just one time how much money that the City of Lowell has. I tried to get it from the town hall but they said they're busy or whatever but I don't quit. I took my time and looked on the computer and found out today from the NC Department of Treasury that this town has a lot of money, a lot of funds. If people could come together and see the whole bottom line as to what we have and how we could utilize this. I don't mean to say it in the wrong way, but when you have a sewer system that's paid for and you don't even use half capacity. I understand that yall try to make it like things are going to be so rough down the road and we are going to have to do this, but as long as that plant is working and taxpayers, old people that live here pay it, it's on their backs. Now we are going to go in debt for a lot of money. I want us to make the right decisions. I'm not saying that I'm right either. Let's just do some figuring and see how these other towns look as far as Cramerton and Ranlo because they're on that Two Rivers program but they didn't have to give up this kind of money. I don't know why we're having to spend so much money to give our plant and stuff away. That's my question. If they would come in, like I said in that meeting, and pay for this and take over the plant and keep our fees where we could afford it, that's well and good. If they need us that bad and it's going to help them that bad, they ought to


have to put something in it too and that's my opinion." He then thanked all the citizens at home for watching and coming out tonight.

8. Adjournment

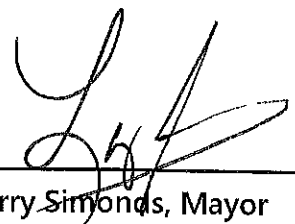
8A. Meeting Adjournment- 8:34 PM

The item was motioned To Approve by Scott Bates and seconded by DeWayne Chitwood with a passing result 5-0-0-0

ATTEST:



Cheryl Ramsey, City Clerk



Larry Simonds, Mayor



PROCLAMATION

Proclamation 02-2024

WHEREAS, President Abraham Lincoln signed the Emancipation Proclamation on January 1, 1863, declaring the slaves in Confederate territory free, paving the way for the passing of the 13th Amendment which formally abolished slavery in the United States of America; and

WHEREAS, the celebration of the end of slavery, which became known as “**Juneteenth**”, is the oldest known celebration commemorating the ending of slavery in the United States, when Union soldiers led by Major General Gordon Granger arrived in Galveston, Texas on June 19, 1865 bringing news that the Civil War had ended, and that the Emancipation Proclamation had declared all enslaved people free nearly two and a half years earlier; and

WHEREAS, the first **Juneteenth** celebration was a time for reassurance, prayer, and the gathering of family members and neighbors and today is a time of remembrance and celebration within communities throughout the country that promotes and cultivates knowledge and appreciation of African American history and culture, while encouraging continuous self-development and respect for all people and cultures; and

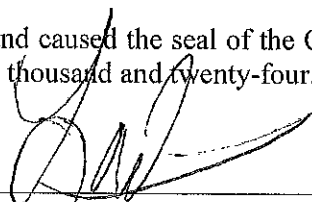
WHEREAS, this year’s **Juneteenth** celebrations take place in Gaston County during the period of Saturday, June 15th through Wednesday June 19th. On Saturday, there will be a Juneteenth Celebration at Centennial Park in Bessemer City, a Juneteenth Celebration at Stowe Park in Belmont, a Juneteenth Celebration on Main St also in Belmont, the 6th Annual EbonyFest Juneteenth Festival at the Rotary Pavillion in Gastonia, which will be held on the 15th, 16th and the 19th.

NOW THEREFORE, I, Larry Simonds, Mayor, and the City Council of the City of Lowell, do hereby declare **June 19, 2024**, as

JUNETEENTH

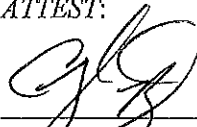
in the City of Lowell, North Carolina and urge all citizens to join in celebrating a day so significant in the history and heritage of our nation and city.

IN WITNESS THEREOF, I have hereunto set my hand and caused the seal of the City of Lowell to be affixed, this the 11th day of June in the year of our Lord two thousand and twenty-four.



Larry Simonds, Mayor

ATTEST:



Cheryl Ramsey, City Clerk

PR04-2024



ORDINANCE NO. 3-2024
AN ORDINANCE AMENDING THE LOWELL
DEVELOPMENT ORDINANCE OF THE CITY
OF LOWELL, NORTH CAROLINA

WHEREAS, on May 11, 2021 the Lowell City Council adopted the Lowell Development Ordinance, also known as the LDO, and the City of Lowell Zoning Map to promote the health, safety, and general welfare of the residents of the City of Lowell by regulating the use of buildings and land, land development, planned developments, manufactured housing, development of subdivisions, signs, off-street parking and loading, planting yards, watershed protection, flood damage protection, and/or undertaking other consistent action as provided in the Ordinance; and,

WHEREAS, Article 7 of the LDO and the North Carolina General Statutes, allows the Lowell City Council to authorize the use of the Development Agreements for the development of land in accordance with the criteria and procedures established in sections G.S. 160D-1001 through G.S. 160D-1012.

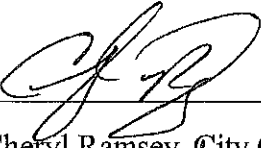
WHEREAS, on April 2, 2024, the Lowell Planning Board unanimously voted to approve a Development Agreement between LENNAR CAROLINAS, LLC and the City of Lowell. Major Subdivisions proposing the development of new street infrastructure are required to enter into a Development Agreement in accordance with LDO Section 7.15 of Article 7.

WHEREAS, the Lowell City Council, after conducting a public hearing which was duly advertised as provided by the foregoing statutes, has found this Development Agreement to the City of Lowell LDO be in the public interest, in furtherance of the general purpose and objectives of the LDO, and in compliance with the City of Lowell Comprehensive Land Use Plan;

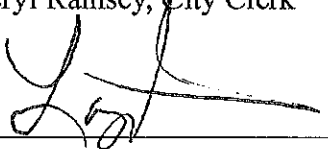
NOW, THEREFORE, BE IT ORDAINED by the City Council of
Lowell, North Carolina that:

Passed and Approved this 11th day of June, 2024.

Attest:



Cheryl Ramsey, City Clerk



Larry Simonds, Mayor

**NORTH CAROLINA DEPARTMENT OF COMMERCE
Rural Economic Development Division (REDD)
SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

CLOSEOUT PERFORMANCE REPORT

Cover Sheet

Grantee Name: City of Lowell **Grant Number:** 17-C-2999

Grantee Address: 101 West First Street, Lowell, NC 28098

1. Citizens' Written Comments. (Attach the following three items unless each item was previously submitted to REDD, in which case they may be incorporated by reference.)

- a. A copy of each written citizen comment, which was received during the reporting period on the grantee's community development performance under this grant;
- b. The grantee's assessment of the comment; and
- c. A description of any action taken or to be taken in response to the comment as required by 4 NCAC 19L .1002.

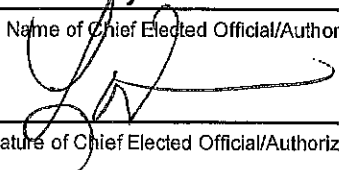
2. The grantee's authorized official representative must certify the following:

- a. To the best of his/her knowledge and belief, data in this report is true and correct;
- b. The records described in 4 NCAC 19L .0911 are being maintained and will be made available upon request; and
- c.

In accordance with Section 101(c)(9) of the Housing and Community Development Act of 1974, the assistance made available under this CDBG grant is not substantially reducing, below the level of support prior to start-up of the CDBG grant reported here, the amount of local financial support for community development activities.

Larry Simonds

Typed Name of Chief Elected Official/Authorized Representative



Signature of Chief Elected Official/Authorized Representative

Mayor

Title

June 11, 2024

Date

Preparer Information

Name: David Gale (WithersRavenel)

Address: 115 MacKenan Drive, Cary, NC 27511

Telephone Number: (919) 441-9095

Email Address: dgale@withersravenel.com



**Rural Economic Development Division (REDD)
CDBG Closeout Forms**

Grantee	City of Lowell
Grantee Address	101 West First Street, Lowell, NC 28098
Grant Number	17-C-2999
Project Name	Neighborhood Revitalization
1st Project Number	
2nd Project Number	
3rd Project Number	
Period	
Authorized Representative	
Name	Larry Simonds
Title	Mayor
Preparer of Information	
Name	David Gale (WithersRavenel)
Address	115 MacKenan Drive, Gary, NC 27511
Telephone Number	(919) 441-9095
Email Address	dgale@withersravenel.com
Property acquired with CDBG funds?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Grantee	City of Lowell	Activity Name	Administration
Grant Number	17-C-2999	Project:	Neighborhood Revitalization
Acct Number	1060		C1
Activity Code	13		L1
Budgeted	\$75,000.00	Expended	\$67,954.16

	Proposed	Actual
Linear Feet		
Properties		
Units, Dwelling	10	8
Households by percentage of HUD Median Family Income Levels		
Above Moderate Income Households > 80%		
Moderate Income Households 51-80%		1
Low Income Households 30-50%	2	2
Very Low Income Households <30%	8	5
Total Households	10	8
Persons by percentage of HUD Median Family Income Levels		
Above Moderate Income Households > 80%		
Moderate Income Households 51-80%		
Low Income Households 30-50%		
Very Low Income Households <30%		
Total Persons	0	0
Jobs		
Micro Enterprise		
Female Head of Household		5
Hispanic		
American Indian or Alaska Native		
Asian		
Black or African American		
Native Hawaiian or Other Pacific Islander		
White		1
American Indian or Alaska Native & White		
Asian & White		
Black or African American & White		
American Indian or Alaska Native & Black or African American		
Other Multi-Racial		
Non-Hispanic		
American Indian or Alaska native		
Asian		
Black or African American	1	1
Native Hawaiian or Other Pacific Islander		
White	9	6
American Indian or Alaska Native & White		
Asian & White		
Black or African American & White		
American Indian or Alaska Native & Black or African American		
Other Multi-Racial		

Grantee	City of Lowell	Activity Name	Neighborhood Facilities
Grant Number	17-C-2999	Project:	Community Center
Acct Number	1010		C1
Activity Code	3		L1
Budgeted	\$124,000.00	Expended	\$121,347.45

	Proposed	Actual
Linear Feet		
Properties		
Units, Dwelling	1	1
Households by percentage of HUD Median Family Income Levels		
Above Moderate Income Households > 80%		
Moderate Income Households 51-80%		
Low Income Households 30-50%		
Very Low Income Households <30%		
Total Households	0	0
Persons by percentage of HUD Median Family Income Levels		
Above Moderate Income Households > 80%	365	365
Moderate Income Households 51-80%	705	705
Low Income Households 30-50%	1785	1785
Very Low Income Households <30%	450	450
Total Persons	3305	3305
Jobs		
Micro Enterprise		
Female Head of Household		
Hispanic		
American Indian or Alaska Native		
Asian		
Black or African American		
Native Hawaiian or Other Pacific Islander		
White	1	1
American Indian or Alaska Native & White		
Asian & White		
Black or African American & White		
American Indian or Alaska Native & Black or African American		
Other Multi-Racial		
Non-Hispanic		
American Indian or Alaska native		
Asian		
Black or African American	1	1
Native Hawaiian or Other Pacific Islander		
White	50	50
American Indian or Alaska Native & White	2	2
Asian & White		
Black or African American & White	2	2

American Indian or Alaska Native & Black or African American	1	1
Other Multi-Racial		

Grantee	City of Lowell	Activity Name	Rehabilitation, Private
Grant Number	17-C-2999	Project:	Housing Rehabilitation
Acct Number	1042		C1
Activity Code	9A		L1
Budgeted	\$551,000.00	Expended	\$490,453.64

	Proposed	Actual
Linear Feet		
Properties		
Units, Dwelling	10	8
Households by percentage of HUD Median Family Income Levels		
Above Moderate Income Households > 80%		
Moderate Income Households 51-80%		1
Low Income Households 30-50%	2	2
Very Low Income Households <30%	8	5
Total Households	10	8
Persons by percentage of HUD Median Family Income Levels		
Above Moderate Income Households > 80%		
Moderate Income Households 51-80%		
Low Income Households 30-50%		
Very Low Income Households <30%		
Total Persons	0	0
Jobs		
Micro Enterprise		
Female Head of Household		5
Hispanic		
American Indian or Alaska Native		
Asian		
Black or African American		
Native Hawaiian or Other Pacific Islander		
White		1
American Indian or Alaska Native & White		
Asian & White		
Black or African American & White		
American Indian or Alaska Native & Black or African American		
Other Multi-Racial		
Non-Hispanic		
American Indian or Alaska native		
Asian		
Black or African American	1	1
Native Hawaiian or Other Pacific Islander		
White	9	6
American Indian or Alaska Native & White		
Asian & White		
Black or African American & White		

American Indian or Alaska Native & Black or African American		
Other Multi-Racial		

CERTIFICATE OF COMPLETION

1. Grantee: City of Lowell
2. Grant Number: 17-C-2999
3. Project Name: Neighborhood Revitalization
4. Project Number: N/A

5. Final Statement of Costs				
Program Activity Categories (a)	To Be Completed by Recipient		Total Costs (Col. b + c) (d)	To Be Completed by DOC
	Paid Costs (b)	Unpaid Costs (c)		Approved Total Costs (e)
	a. Acquisition	\$0.00		\$0.00
b. Disposition	\$0.00		\$0.00	
c. Public facilities and improvements				
(1) Senior and handicapped centers	\$0.00		\$0.00	
(2) Parks, playgrounds and recreation facilities	\$0.00		\$0.00	
(3) Neighborhood facilities	\$121,347.45		\$121,347.45	
(4) Solid waste disposal facilities	\$0.00		\$0.00	
(5) Fire protection facilities and equipment	\$0.00		\$0.00	
(6) Parking facilities	\$0.00		\$0.00	
(7) Street improvements	\$0.00		\$0.00	
(8) Flood and drainage improvements	\$0.00		\$0.00	
(9) Pedestrian improvements	\$0.00		\$0.00	
(10) Other public facilities	\$0.00		\$0.00	
(11) Sewer improvements	\$0.00		\$0.00	
(12) Water improvements	\$0.00		\$0.00	
d. Clearance activities	\$0.00		\$0.00	
e. Public services	\$0.00		\$0.00	
f. Relocation assistance	\$0.00		\$0.00	
g. Construction, rehab. and preservation activities				
(1) Construction or rehab. of com. & indust. bldgs.	\$0.00		\$0.00	
(2) Rehabilitation of privately owned buildings	\$490,453.64		\$490,453.64	
(3) Rehabilitation of publicly owned buildings	\$0.00		\$0.00	
(4) Code enforcement	\$0.00		\$0.00	
(5) Historic preservation	\$0.00		\$0.00	
h. Development financing				
(1) Working capital	\$0.00		\$0.00	
(2) Machinery and equipment	\$0.00		\$0.00	
i. Removal of architectural barriers	\$0.00		\$0.00	
j. Other activities	\$0.00		\$0.00	
k. Subtotal	\$611,801.09		\$611,801.09	
l. Planning	\$0.00		\$0.00	
m. Administration	\$67,954.16		\$67,954.16	
n. Total	\$679,755.25		\$679,755.25	
o. Less: Program Income Applied to Program Costs			\$0.00	
p. Equal: Grant Amount Applied to Program Costs	\$679,755.25		\$679,755.25	

6. Computation of Grant Balance		
Description (a)	To Be Completed By Recipient	To Be Completed By DOC
	Amount (b)	Approved Amount (c)
(1) Grant Amount Applied To Program Costs (From Line p)	\$679,755.25	
(2) Estimated Amount For Unsettled Third - Party Claims	\$ -	
(3) Subtotal	\$679,755.25	
(4) Grant Amount Per Grant Agreement	\$ 750,000.00	
(5) Unutilized Grant To Be Canceled (Line 4 Minus Line 3)	\$ 70,244.75	
(6) Grant Funds Received	\$ 679,755.25	
(7) Balance of Grant Payable (Line 3 Minus Line 6)*		

* If Line 6 exceeds Line 3, enter the amount of the excess on Line 7 as a negative amount. This amount shall be repaid to DOC by check, unless DOC has previously approved use of these funds.

7. Program Income	
a) Amount of existing program income:	\$0.00
b) Amount of anticipated program income:	\$0.00

e) If program income exists or is anticipated, describe the proposed application(s):
N/A

8. Unpaid Costs and Unsettled Third Party Claims

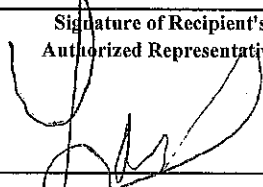
Are there any unpaid costs or unsettled third party claims against the recipient's grant? Type "yes" or "no." No
If yes, in the box below describe the circumstances and amounts involved.

9. Remarks (For REDD Use Only)

- Please note that all financial records, supporting documents and other records pertinent to the community development program must be retained for a minimum of five (5) years from the date of this letter.
- This grant is closed pending receipt and approval of your final audit by the Rural Economic Development Division (REDD).
- Town
- City
- County

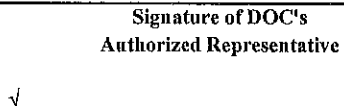
10. Certification of Recipient

It is hereby certified that all activities undertaken by the Recipient with funds provided under the grant agreement identified on page 1 hereof, have, to the best of my knowledge, been carried out in accordance with the grant agreement; that proper provisions have been made by the Recipient for the payment of all unpaid costs and unsettled third party claims identified on page 1 hereof; that the State of North Carolina is under no obligation to make any further payment to the Recipient under the grant agreement in excess of the amount identified on Line 7 hereof; and that every other statement and amount set forth in this instrument is, to the best of my knowledge, true and correct as of this date.

Date	Typed Name and Title of Recipient's Authorized Representative	Signature of Recipient's Authorized Representative
June 11, 2024	Larry Simonds <small>(Name)</small> Mayor <small>(Title)</small>	✓ 

11. DOC Approval

This Certification of Completion is hereby approved. Therefore, I authorize cancellation of the unutilized contract commitment and related funds reservation and obligation of \$ _____, less \$ _____ previously authorized for cancellation (from Section 6, line 6, page 1).

Date	Typed Name and Title of DOC Authorized Representative	Signature of DOC's Authorized Representative
	Valerie Fegans Director	✓ 

The	Governing Board City Council
of	Primary Government Unit City of Lowell
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 Butler & Stowe
	Auditor Address Post Office Box 2379, Gastonia, North Carolina 28053-2379

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/24	Date Audit Will Be Submitted to LGC 10/31/24
-----	--------------------------------	---

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). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards (GAGAS)* if the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F (Uniform Guidance)* or the State Single Audit Implementation Act. 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 in accordance with 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).

Effective for audits of fiscal years beginning on or after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee based upon federal criteria in the Uniform Guidance §200.520(a), and (b) through (e) as it applies to State awards. In addition to the federal criteria in the Uniform Guidance, audits must have been submitted timely to the LGC. If in the reporting year, or in either of the two previous years, the unit reported a Financial Performance Indicator of Concern that the audit was late, then

the report was not submitted timely for State low-risk auditee status. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

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).

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*, 2018 revision, 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 Auditing 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 the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change 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.

For GAAS or *Government Auditing Standards* audits, if an auditor issues an AU-C §260 report, commonly referred to as "Governance Letter," LGC staff does not require the report to be submitted unless the auditor cites significant findings or issues from the audit, as defined in AU-C §260.12 - .14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious reviewed with those charged with governance, and other significant matters. If matters identified during the audit were required to be reported as described in AU-C §260.12-.14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

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 records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.
9. 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. This paragraph is not applicable to contracts for audits of hospitals.
10. 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 if required, 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 13).
11. 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.
12. 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.
13. 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.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted 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. 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 and/or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.
15. 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.
16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). 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.
17. 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 except for fees, work, and terms not related to audit services, 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 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.
18. Special provisions should be limited. Please list any special provisions in an attachment.
19. 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 primary 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.
20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.
21. 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.
22. 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.

23. 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.

24. 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.

25. 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.

26. 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.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 Revision* (as applicable). 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. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

CONTRACT TO AUDIT ACCOUNTS

FEEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the Independence rules of the AICPA Professional Code of Conduct (as applicable) and *Government Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will not be approved.

Financial statements were prepared by: Auditor Governmental Unit Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	Title and Unit / Company:	Email Address:
Lisa Nolen	Finance Officer	lnolen@lowellnc.com

OR Not Applicable (Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)

2. 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 and 13 for details on other allowable and excluded fees.

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit form for correction.

4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

Primary Government Unit	City of Lowell
Audit Fee (financial and compliance if applicable)	\$ 38,100.00
Fee per Major Program (if not included above)	\$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$ 5,300.00
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$

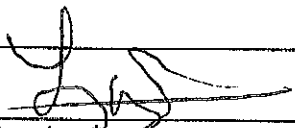
Discretely Presented Component Unit	N/A
Audit Fee (financial and compliance if applicable)	\$
Fee per Major Program (if not included above)	\$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Butler & Stowe	
Authorized Firm Representative (typed or printed)* Sheila O. Thornton, CPA	Signature* <i>Sheila O. Thornton, CPA</i>
Date* 5-15-2024	Email Address* sthornton@butlerstowe.com

GOVERNMENTAL UNIT

Governmental Unit* City of Lowell	
Date Governing Board Approved Audit Contract* (Enter date in box to right)	
Mayor/Chairperson (typed or printed)* Larry Simonds	Signature*
Date 6/11/2024	Email Address* lsimonds@lowellinc.com

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

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.

Sum Obligated by This Transaction:	\$
Primary Governmental Unit Finance Officer* (typed or printed) Lisa Nolen	Signature* <i>Lisa Nolen</i>
Date of Pre-Audit Certificate* 6/11/2024	Email Address* lnolen@lowellinc.com

**SIGNATURE PAGE – DPCU
(complete only if applicable)**

DISCRETELY PRESENTED COMPONENT UNIT

DPCU* N/A	
Date DPCU Governing Board Approved Audit Contract* (Enter date in box to right)	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

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.

Sum Obligated by this Transaction:	\$
DPCU Finance Officer (typed or printed)*	Signature*
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all required signatures prior to submission.



**CITY OF LOWELL
WASTEWATER PRE-CONSTRUCTION PLANNING GRANT
AMERICAN RESCUE PLAN ACT GRANT
PROJECT#SRP-W-ARP-0301**

AMENDED GRANT PROJECT ORDINANCE

Be it **ORDAINED** by the City Council of the City of Lowell, North Carolina, that pursuant to section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Grant Project Ordinance is hereby adopted.

Section 1: The Project authorized is the Wastewater Pre-Construction Planning project (grant project number SRP-W-ARP-0301) to be to be financed by the federal American Rescue Plan Act (ARPA) grant funds awarded to the City of Lowell by the North Carolina Department of Environmental Quality (DEQ) Division of Water Infrastructure (DWI).

Section 2: The officers of this unit are hereby directed to proceed with the grant project within the terms of the board resolution, grant documents, the rules and regulations of the Division of Water Infrastructure (DWI), and the budget contained herein.

Section 3: The following amounts are appropriated for the project revenues:

ARPA Grant Proceeds	\$ 400,000
Local Funds	<u>\$ 188,000</u>
Total	\$ 588,000

Section 4: The following amounts are appropriated for the project expenses:

Engineering and Administration Services	<u>\$ 588,000</u>
Total	\$ 588,000

Section 5: The finance officer is hereby directed to maintain within the Wastewater Pre-Construction Grant Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal regulations.

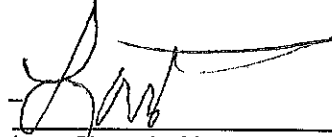
Section 6: Funds may be advanced from the Water & Sewer Fund for the purpose of making payments as due. Reimbursement requests should be made to the State grantor agency in an orderly and timely manner. Compliance with all federal and state procurement regulations is required.

Section 7: The finance officer is directed to report, on a quarterly basis, on the financial status of each project element in section 4 and on the total grant revenues received or claimed.

Section 8: The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this board.

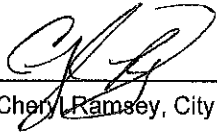
Section 9: Copies of this grant project ordinance shall be furnished to the Clerk, the Budget Officer, and the Finance Officer for direction in carrying out this project.

Adopted this the 11th day of June, 2024 at the City of Lowell, North Carolina.



Larry Simonds, Mayor

ATTEST:



Cheryl Ramsey, City Clerk

**City Of Lowell
Budget Amendment #13
Budget Ordinance FY 23-24**

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1: To amend the Water/Sewer Fund, estimated revenues are to be changed as follows:

**Water/Sewer Fund:
Revenue:**

	<u>Decrease</u>	<u>Increase</u>
30-3303-0000 Wastewater AIA Grant-FY 2021		\$67,521.00

This will result in an increase of \$67,521.00 in the Water/Sewer Fund estimated revenues, bringing the revenues budgeted for FY 23-24 from \$1,905,709.24 to \$1,973,230.24.

Section 2: To amend the Water/Sewer Fund, the appropriations are to be changed as follows:

**Water/Sewer Fund:
Expenses:**


	<u>Decrease</u>	<u>Increase</u>
30-8200-0400 WWTP Professional Services		\$67,521.00

This amendment will result in an increase of \$67,521.00 in the WWTP appropriations for Professional Services in FY 23-24 from \$10,000.00 to \$77,521.00.

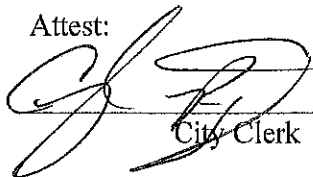
This amendment is to receive funds from a FY 2021 Wastewater AIA Grant.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the City Council, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 11th day of June, 2024.



Mayor

Attest:


City Clerk

**City Of Lowell
Budget Amendment #15
Budget Ordinance FY 23-24**

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1: To amend the Water/Sewer Fund, estimated revenues are to be changed as follows:

Water/Sewer Fund: Revenue:	<u>Decrease</u>	<u>Increase</u>
30-3730-0300 System Development Fee-Water		\$ 36,180.00
30-3730-0400 System Development Fee-Sewer		\$128,760.00

This will result in an increase of \$164,940.00 in the Water/Sewer Fund estimated revenues, bringing the revenues budgeted for FY 23-24 from \$1,973,230.24 to \$2,138,170.24.

Section 2: To amend the Water/Sewer Fund, the appropriations are to be changed as follows:


Water/Sewer Fund: Expenses:	<u>Decrease</u>	<u>Increase</u>
30-8200-0400 WWTP Professional Services		\$164,940.00

This amendment will result in an increase of \$164,940.00 in the WWTP appropriations for Professional Services in FY 23-24 from \$77,521.00 to \$242,461.00.

This amendment is to receive funds from System Development Fees to be used for funding the SRP-W-ARP-0301 project to complete the engineering and permits to have bid documents ready regarding the Lowell WWTP.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the City Council, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 11th day of June, 2024.



Mayor

Attest:



City Clerk

**City Of Lowell
Budget Amendment #16
Budget Ordinance FY 23-24**

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1: To amend the General Fund, estimated revenues are to be changed as follows:

**General Fund:
Revenue:**

	<u>Decrease</u>	<u>Increase</u>
10-3306-0000 Workers' Compensation Safety Grant		\$3,997.50

This will result in an increase of \$3,997.50 in the General Fund estimated revenues, bringing the revenues budgeted for FY 23-24 from \$5,040,073.98 to \$5,044,071.48.

Section 2: To amend the General Fund, the appropriations are to be changed as follows:

**General Fund:
Expenses:**

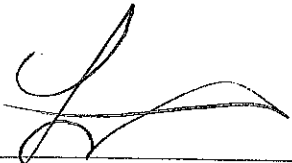
	<u>Decrease</u>	<u>Increase</u>
10-4100-4500 Contracted Services		\$1,998.75
10-5100-4500 Contracted Services		\$1,998.75

This amendment will result in an increase of \$1,998.75 in the Administration appropriations for Contracted Services in FY 23-24 from \$141,578.00 to \$143,576.75. This will also result in an increase of \$1,998.75 in the Public Safety appropriations for Contracted Services in FY 23-24 from \$35,630.00 to \$37,628.75.

This amendment is for grant funds received from N. C. Interlocal Risk Management Agency for a Workers' Compensation Safety Grant.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the City Council, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 11th day of June, 2024.



Mayor

Attest:


City Clerk

**City Of Lowell
Budget Amendment #17
Budget Ordinance FY 23-24**

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1: To amend the Water/Sewer Fund, estimated revenues are to be changed as follows:

**Water/Sewer Fund:
Revenue:**

	<u>Decrease</u>	<u>Increase</u>
30-3304-0000 SRP-W-ARP-0301 Pre-Con Planning Grant		\$343,432.00

This will result in an increase of \$343,432.00 in the Water/Sewer Fund estimated revenues, bringing the revenues budgeted for FY 23-24 from \$2,138,170.24 to \$2,481,602.24.

Section 2: To amend the Water/Sewer Fund, the appropriations are to be changed as follows:

**Water/Sewer Fund:
Expenses:**

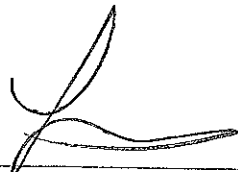
	<u>Decrease</u>	<u>Increase</u>
30-8200-0400 WWTP Professional Services		\$343,432.00

This amendment will result in an increase of \$343,432.00 in the WWTP appropriations for Professional Services in FY 23-24 from \$242,461.00 to \$585,893.00.

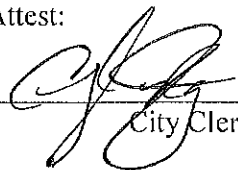
This amendment is to receive funds from SRP-W-ARP-0301 Pre-Construction Wastewater Planning Grant.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the City Council, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 11th day of June, 2024.



Mayor

Attest:


City Clerk

**City Of Lowell
Budget Amendment #18
Budget Ordinance FY 23-24**

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1: To amend the General Fund, estimated revenues are to be changed as follows:

General Fund:

Revenue:

	<u>Decrease</u>	<u>Increase</u>
10-3290-0100 Interest Earned Powell Bill		\$31,460.00

This will result in an increase of \$31,460.00 in the General Fund estimated revenues, bringing the revenues budgeted for FY 23-24 from \$5,044,071.48 to \$5,075,531.48.

Section 2: To amend the General Fund, the appropriations are to be changed as follows:

General Fund:

Expenses:

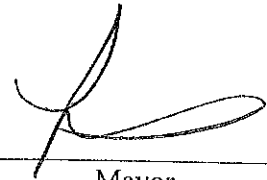
	<u>Decrease</u>	<u>Increase</u>
10-4510-7400 Capital Outlay-Equipment		\$31,460.00

This amendment will result in an increase of \$31,460.00 in the Powell Bill appropriations for Capital Outlay-Equipment from \$5,910.04 to \$37,370.04.

This amendment is to receive interest earned on Powell Bill funds.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the City Council, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 11th day of June, 2024.



Mayor

Attest:



City Clerk

City Of Lowell
Budget Amendment #19
Budget Ordinance FY 23-24

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1: To amend the General Fund, estimated revenues are to be changed as follows:

General Fund:

Revenue:

	<u>Decrease</u>	<u>Increase</u>
10-3290-0000 MRS Interest-Investments		\$160,400.00

This will result in an increase of \$160,400.00 in the General Fund estimated revenues, bringing the revenues budgeted for FY 23-24 from \$5,075,531.48 to \$5,235,931.48.

Section 2: To amend the General Fund, the appropriations are to be changed as follows:

General Fund:

Expenses:

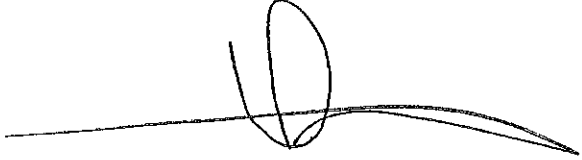
	<u>Decrease</u>	<u>Increase</u>
10-4100-3300 Departmental Supplies-Admin		\$32,080.00
10-5100-3300 Departmental Supplies-Public Safety		\$32,080.00
10-5600-3300 Departmental Supplies-Streets		\$32,080.00
10-5800-3300 Departmental Supplies-Sanitation		\$32,080.00
10-6120-3300 Departmental Supplies-Parks & Rec		\$32,080.00

This amendment will result in an increase of \$32,080.00 in the Administration appropriations for Departmental Supplies in FY 23-24 from \$32,000.00 to \$64,080.00. This will result in an increase of \$32,080.00 in the Public Safety appropriations for Departmental Supplies in FY 23-24 from \$26,500.00 to \$58,580.00. This will result in an increase of \$32,080.00 in the Streets appropriations for Departmental Supplies in FY 23-24 from \$16,000.00 to \$48,080.00. This will result in an increase of \$32,080.00 in the Sanitation appropriations for Departmental Supplies in FY 23-24 from \$7,700.00 to \$39,780.00. This will result in an increase of \$32,080.00 in the Parks & Rec appropriations for Departmental Supplies in FY 23-24 from \$5,000.00 to \$37,080.00.

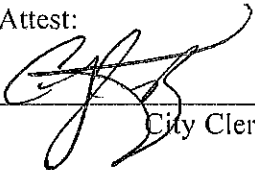
This amendment is to receive interest earned on City funds.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the City Council, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 11th day of June, 2024.



Mayor

Attest:


City Clerk

**City Of Lowell
Budget Amendment #20
Budget Ordinance FY 23-24**

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1: To amend the Water/Sewer Fund, estimated revenues are to be changed as follows:

Water/Sewer Fund: Revenue:	<u>Decrease</u>	<u>Increase</u>
30-3290-0000 MRS Interest-Investments		\$56,690.00

This will result in an increase of \$56,690.00 in the Water/Sewer Fund estimated revenues, bringing the revenues budgeted for FY 23-24 from \$2,481,602.24 to \$2,538,292.24.

Section 2: To amend the Water/Sewer Fund, the appropriations are to be changed as follows:

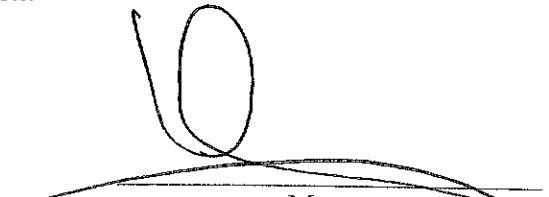
Water/Sewer Fund: Expenses:	<u>Decrease</u>	<u>Increase</u>
30-8100-4500 Contracted Services-Water		\$28,345.00
30-8200-4503 WWTP Sludge Disposal		\$28,345.00

This amendment will result in an increase of \$28,345.00 in the Water/Sewer appropriations for Contracted Services-Water in FY 23-24 from \$75,000.00 to \$103,345.00. This will result in an increase of \$28,345.00 in the Water/Sewer appropriations for WWTP Sludge Disposal in FY 23-24 from \$45,000.00 to \$73,345.00.

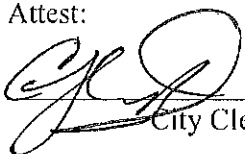
This amendment is to receive interest earned on City funds.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the City Council, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 11th day of June, 2024.


Mayor

Attest:



City Clerk

**City Of Lowell
Budget Amendment #21
Budget Ordinance FY 23-24**

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1: To amend the Stormwater Fund, estimated revenues are to be changed as follows:

Stormwater Fund:

Revenue:

	<u>Decrease</u>	<u>Increase</u>
90-3290-0000 MRS Interest-Investments		\$14,200.00

This will result in an increase of \$14,200.00 in the Stormwater Fund estimated revenues, bringing the revenues budgeted for FY 23-24 from \$423,774.44 to \$437,974.44.

Section 2: To amend the Stormwater Fund, the appropriations are to be changed as follows:

Stormwater Fund:

Expenses:


	<u>Decrease</u>	<u>Increase</u>
90-9000-3300 Supplies		\$14,200.00

This amendment will result in an increase of \$14,200.00 in the Stormwater appropriations for Supplies in FY 23-24 from \$10,500.00 to \$24,700.00.

This amendment is to receive interest earned on City funds.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the City Council, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 11th day of June, 2024.



Mayor

Attest:



City Clerk

**City Of Lowell
Budget Amendment #22
Budget Ordinance FY 23-24**

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1: To amend the SCIF Grant, estimated revenues are to be changed as follows:

SCIF Grant:

Revenue:

	<u>Decrease</u>	<u>Increase</u>
65-3290-0000 MRS Interest-Investments		\$48,200.00

This will result in an increase of \$48,200.00 in the SCIF Grant estimated revenues, bringing the revenues budgeted from \$2,000,000.00 to \$2,048,200.00.

Section 2: To amend the SCIF Grant, the appropriations are to be changed as follows:

SCIF Grant:

Expenses:


	<u>Decrease</u>	<u>Increase</u>
65-4100-0400 Professional Services		\$48,200.00

This amendment will result in an increase of \$48,200.00 in the SCIF Grant appropriations for Professional Services from \$2,000,000.00 to \$2,048,200.00.

This amendment is to receive interest earned on SCIF Grant funds.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the City Council, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 11th day of June, 2024.



Mayor

Attest:



City Clerk

**City Of Lowell
Budget Amendment #23
Budget Ordinance FY 23-24**

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1: To amend the Cemetery Fund, estimated revenues are to be changed as follows:

**Cemetery Fund:
Revenue:**

	<u>Decrease</u>	<u>Increase</u>
72-3290-0000 MRS Interest-Investments		\$1,860.00
72-3290-1000 CD Interest		\$ 700.00

This will result in an increase of \$2,560.00 in the Cemetery Fund estimated revenues, bringing the revenues budgeted for FY 23-24 from \$0.00 to \$2,560.00.

Section 2: To amend the Cemetery Fund, the appropriations are to be changed as follows:

**Cemetery Fund:
Expenses:**

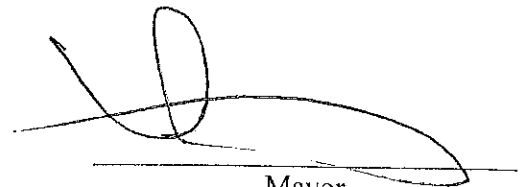
	<u>Decrease</u>	<u>Increase</u>
72-4700-5700 Miscellaneous Expense		\$2,560.00

This amendment will result in an increase of \$2,560.00 in the Cemetery appropriations for Miscellaneous Expense in FY 23-24 from \$0.00 to \$2,560.00.

This amendment is to receive interest earned on City Cemetery funds.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the City Council, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 11th day of June, 2024.



Mayor

Attest:



City Clerk

City Of Lowell
Budget Amendment #24
Budget Ordinance FY 23-24

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1: To amend the General Fund, estimated revenues are to be changed as follows:

General Fund:
Revenue:

	<u>Decrease</u>	<u>Increase</u>
10-3290-3000 Interest/Dividend Reinvestment-NCCMT		\$18,750.00

This will result in an increase of \$18,750.00 in the General Fund estimated revenues, bringing the revenues budgeted for FY 23-24 from \$5,235,931.48 to \$5,254,681.48.

Section 2: To amend the General Fund, the appropriations are to be changed as follows:

General Fund:
Expenses:


	<u>Decrease</u>	<u>Increase</u>
10-5800-3100 Automotive Supplies		\$18,750.00

This amendment will result in an increase of \$18,750.00 in the Sanitation appropriations for Automotive Supplies in FY 23-24 from \$12,000.00 to \$30,750.00.

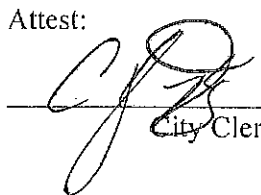
This amendment is to receive interest earned on City NCCMT funds.

Section 3: Copies of this budget amendment shall be furnished to the Clerk of the City Council, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 11th day of June, 2024.



Mayor

Attest:


City Clerk



Order Confirmation

Not an Invoice

Account Number:	510640
Customer Name:	City Of Lowell
Customer Address:	City Of Lowell 101 W 1st ST Scott Atfaway Lowell NC 28098-1404
Contact Name:	Cheryl Ramsey
Contact Phone:	
Contact Email:	cramsey@lowellinc.com
PO Number:	

Date:	05/16/2024
Order Number:	10183563
Prepayment Amount:	\$ 0.00

Column Count:	1.0000
Line Count:	33.0000
Height in Inches:	0.0000

Print

Product	#Insertions	Start - End	Category
GAS The Gaston Gazette	1	05/31/2024 - 05/31/2024	Public Notices
GAS gastongazette.com	1	05/31/2024 - 05/31/2024	Public Notices

Total Cash Order Confirmation Amount Due	\$75.90
Tax Amount	\$0.00
Service Fee 3.99%	\$3.03
Cash/Check/ACH Discount	-\$3.03
Payment Amount by Cash/Check/ACH	\$75.90
Payment Amount by Credit Card	\$78.93

As an incentive for customers, we provide a discount off the total order cost equal to the 3.99% service fee if you pay with Cash/Check/ACH. Pay by Cash/Check/ACH and save!

Order Confirmation Amount **\$75.90**

Ad Preview

Notice of Public Hearing on the Proposed 2024-2025 Budget for the City of Lowell

The proposed FY 2024-2025 annual budget for the City of Lowell has been submitted to the City Council and Mayor and is available for public inspection in the City Clerk's office located at, 101 W. First Street, Lowell, NC 28098 and at the Lowell Branch Public Library located at 203 McAdenville Road, Lowell, NC 28098. The proposed FY 2024-2025 annual budget is also available online at www.lowellnc.com. A public hearing on the proposed FY 2024-2025 budget will be held on June 11, 2024 at 6:00 p.m. at Lowell City Hall during their regular Council Meeting located at 101 W. First Street, Lowell, NC 28098. All interested parties are invited to attend and participate. For further information please call Scott Attaway, City Manager, at 704-824-3518.

5/31/24 10183563

Account Number:	510640
Customer Name:	City Of Lowell
Customer Address:	City Of Lowell 101 W 1St ST Scott Atfaway Lowell NC 28098-1404
Contact Name:	Cheryl Ramsey
Contact Phone:	
Contact Email:	cramsey@lowellinc.com
PO Number:	

Date:	05/14/2024
Order Number:	10183563
Prepayment Amount:	\$ 0.00

Column Count:	1.0000
Line Count:	33.0000
Height in Inches:	0.0000

Print

Product	#Insertions	Start - End	Category
GAS The Gaston Gazette	1	05/31/2024 - 05/31/2024	Public Notices
GAS gastongazette.com	1	05/31/2024 - 05/31/2024	Public Notices

As an incentive for customers, we provide a discount off the total order cost equal to the 3.99% service fee if you pay with Cash/Check/ACH. Pay by Cash/Check/ACH and save!

Total Cash Order Confirmation Amount Due	\$75.90
Tax Amount	\$0.00
Service Fee 3.99%	\$3.03
Cash/Check/ACH Discount	-\$3.03
Payment Amount by Cash/Check/ACH	\$75.90
Payment Amount by Credit Card	\$78.93

Order Confirmation Amount

\$75.90

Ad Preview

**Notice of Public Hearing on
the Proposed 2024-2025
Budget for the City of
Lowell**

The proposed FY 2024-2025 annual budget for the City of Lowell has been submitted to the City Council and Mayor and is available for public inspection in the City Clerk's office located at, 101 W. First Street, Lowell, NC 28098 and at the Lowell Branch Public Library located at 203 McAdenville Road, Lowell, NC 28098. The proposed FY 2024-2025 annual budget is also available online at www.lowellnc.com. A public hearing on the proposed FY 2024-2025 budget will be held on June 11, 2024 at 6:00 p.m. at Lowell City Hall during their regular Council Meeting located at 101 W. First Street, Lowell, NC 28098. All interested parties are invited to attend and participate. For further information please call Scott Attaway, City Manager, at 704-824-3518.

5/31/24 10183563

Budget Ordinance-Fiscal Year 2024-2025
City of Lowell

BE IT ORDAINED by the City Council of the City of Lowell, North Carolina:

Section 1: The following amounts are hereby appropriated in the General Fund for the operation of the city government and its activities for the fiscal year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore established for this City:

Purpose	Amount
Administration	\$2,379,905
Public Safety	\$1,311,883
Public Works	\$376,692
Sanitation	\$368,911
Parks and Recreation	\$292,198
Powell Bill	\$100,000
Community Investment Fund (CIF) Capital Projects	\$298,480
Total Appropriations	\$5,128,069

Section 2: It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Revenue Source	Amount
Current year Property Tax & Vehicle Motor Tax	\$2,395,707
Local Sales Tax	\$850,000
Fees for Services	\$1,243,812
Powell Bill for Streets	\$100,000
All other revenues	\$538,550
Total Revenues	\$5,128,069

Section 3: The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer utilities for the fiscal year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore approved for the City:

Purpose	Amount
Water & Sewer Collection & Distribution	\$3,019,248
Wastewater Treatment	\$420,092
Total Appropriations	\$3,439,340

Section 4: It is estimated that the following revenues will be available in the Water and Sewer Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Revenue Source	Amount
Water User Charges	\$947,866

Wastewater User Charges	\$741,898
All Other	\$1,749,576
Total Revenues	\$3,439,340

Section 5: The following amounts are hereby appropriated in the Stormwater Utility Fund for the operation of the stormwater department for the fiscal year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore approved for the City:

Purpose	Amount
Stormwater Personnel	\$146,705
Operation and Maintenance	\$90,759
Debt Service	\$49,856
Total Appropriations	\$287,320

Section 6: It is estimated that the following revenues will be available in the Stormwater Utility Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Revenue Source	Amount
Stormwater User Fees	\$287,120
Stormwater Merchandise	\$200
Total Revenues	\$287,320

Section 7: There is hereby levied a tax at the rate of thirty-five and a half cents (\$0.355) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2024, for the purpose of raising the revenue listed "Current Year's Property Taxes" in the General Fund in Section 2 of this ordinance.

This rate is based on estimated total valuation of taxable real property and motor vehicles within the city limits totaling \$611,852,757 based on a 99% rate of collection, and the estimated taxable value of Public Service Companies of \$20,072,360 with a 100% collection rate, and the estimated total taxable value of personal property listed in the corporate limits of \$37,448,877 at an estimated collection rate of 99%.

Section 8: A registration tag fee of \$10.00 per vehicle will be removed and not collected beginning FY25.

Section 9: The City Manager or a designee is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. Transfers between line-item expenditures within a department without limitation and without a report being required. These changes must not result in increases in recurring obligations such as salaries.
- b. Transfers between departments within the same fund, including contingency appropriations, not to exceed 10% of the appropriated monies for the department

whose allocation is reduced. Notice of all such transfers shall be made to the Council at the next regular meeting of the Council.

- c. The budget officer is hereby authorized to carry over appropriations in the fiscal year any previously approved purchase orders and accompanying budget
- d. Grant funding not depleted during the prior fiscal year may be carried over with the City Manager's approval. Special Revenue funding not depleted during the prior fiscal year may be carried over with the City Manager's approval.
- e. Transfer \$298,480 to the Community Investment Fund (CIF).
- f. Excess revenues above the 50% General Fund Balance goal shall be transferred to the Community Investment Fund (CIF).

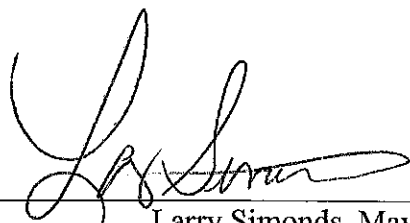
Section 10: The City Manager or a designee may make cash advances between funds for periods not to exceed 60 days without reporting to the Governing Board. Any advances that extend beyond 60 days must be approved by the Board. All advances that will be outstanding at the end of the fiscal year must be approved by the Board.

Section 11: Copies of this Budget Ordinance shall be furnished to the Clerk to the Board and to the Budget Officer and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

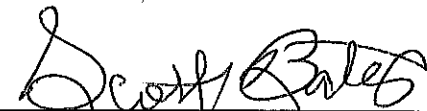
Section 12: The attached document entitled, "Rates, Fees and Charges FY 2024-2025" is hereby incorporated and adopted as part of this ordinance.

Section 13: The attached document entitled, "City of Lowell Classification and Pay Update" is hereby incorporated and adopted as part of this ordinance.

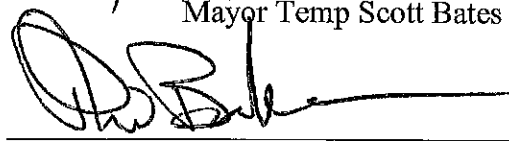
Adopted this 11th day of June, 2024.



Larry Simonds, Mayor

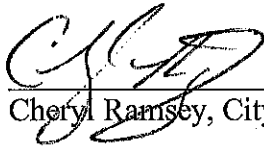


Mayor Temp Scott Bates

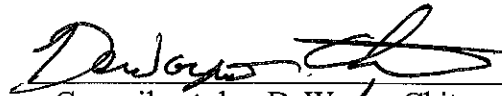


Councilmember Phil Bonham

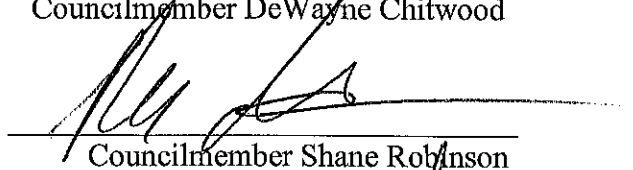
Attest:



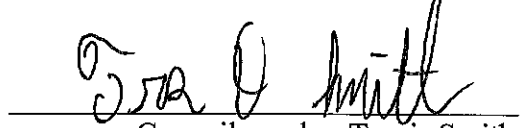
Cheryl Ramsey, City Clerk



Councilmember DeWayne Chitwood



Councilmember Shane Robinson



Councilmember Travis Smith