



# **TOWN OF CORNELIUS**

Cornelius Town Hall

## **BOARD OF COMMISSIONERS**

January 3, 2017

Agenda

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### **TOWN BOARD - 7:00 PM**

- 1. CALL TO ORDER**
- 2. DETERMINATION OF QUORUM**
- 3. APPROVAL OF AGENDA**
- 4. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE**
- 5. CITIZEN CONCERNS/COMMENTS**
- 6. MAYOR/COMMISSIONERS/MANAGER REPORTS**
- 7. CONSIDERATION OF APPROVAL**
  - A. Bicycle Master Plan**
  - B. FY 2017 Operating Budget Amendment**
  - C. FY 2017 Vehicle Financing**
- 8. CONSENT AGENDA**
  - A. Approve Minutes - Closed Session**
  - B. Approve Minutes - Regular Meeting**
- 9. COMMISSIONER CONCERNS**
- 10. ADJOURNMENT**

Please note that to speak during **CITIZENS CONCERNS/COMMENTS** or **PUBLIC COMMENT**, please use the signup sheet provided before the Board meeting and list your name, address and topic. Each speaker will be allowed 3 minutes to speak. A "hard stop" will occur after 3 minutes for each speaker. Any information displayed must be submitted to the Town Clerk within 48 hours prior meeting.

## REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: January 3, 2017

**To:** Mayor and Board of Commissioners  
**From:** Wayne Herron, AICP, Planning Director

**Action Requested:**







On September 19th, Staff and Alta Planning provided a detailed presentation of the Bicycle Master Plan to the Town Board. Staff has incorporated all comments from the Bicycle Master Plan Committee and the Town Board. On December 8th 2016, NCDOT approved the Town of Cornelius Bicycle Master Plan. The Town Board can now vote to adopt the Bicycle Master Plan.

Staff appreciates all of the input and excitement from citizens regarding the development of this plan. The Bicycle Master Plan will be a valuable tool not only for improvement of the Town's alternative transportation network, but in being able to seek alternative funding for implementation for all alternative modes of transportation.

**Manager's Recommendation:**

Adopt the Bicycle Master Plan

**ATTACHMENTS:**

Name:	Description:	Type:
 <a href="#">Cornelius_approval.pdf</a>	NCDOT approval letter	Backup Material
 <a href="#">Executive_Summary.pdf</a>	Executive Summary	Backup Material
 <a href="#">Complete_Facility_Recommendations_Map.pdf</a>	Townwide Facility Recommendations Map	Backup Material
 <a href="#">Signed_Bike_Routes.pdf</a>	Sign Bike Routes Summary	Backup Material
 <a href="#">Project_Prioritization_Reduced.pdf</a>	Project Prioritization	Backup Material
 <a href="#">Implementation_Strategies.pdf</a>	Implementation Strategies	Backup Material



PAT McCRORY  
*Governor*

NICHOLAS J. TENNYSON  
*Secretary*

December 8, 2016

Will Washam, Senior Planner  
Town of Cornelius  
Planning Department  
21445 Catawba Ave.  
Cornelius NC, 28031

Re: Town of Cornelius Comprehensive Bicycle Plan

Dear Mr. Washam:

The North Carolina Department of Transportation – Division of Bicycle and Pedestrian Transportation is pleased to announce the Approval of the Town of Cornelius Comprehensive Bicycle Plan.

If upon taking the approved Plan to local council and significant changes to the plan are requested, then the Town must submit these changes to NCDOT for re-approval.

Once the Plan is locally adopted without significant changes, please provide us with two (2) copies of the Plan, as well as a CD/DVD containing the complete document with maps and associated GIS files. Also, provide us with your final invoice with documentation of consultant invoices and local payments. Upon receipt of these items, we will submit your invoice to the NCDOT Fiscal Unit for reimbursement.

If you have any questions or comments, please contact me at (919) 707-2607 or [javinehodge@ncdot.gov](mailto:javinehodge@ncdot.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'John Vine-Hodge', written in a cursive style.

John Vine-Hodge  
Planning Program Manager

Nothing Compares™



# BIKE!CORNELIUS

## BICYCLE MASTER PLAN

Cornelius, North Carolina

### EXECUTIVE SUMMARY



PREPARED

AUGUST 2015 FOR



Division of  
Bicycle &  
Pedestrian  
Transportation



PREPARED BY





# PLANNING PROCESS

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Bike!Cornelius, the Bicycle Master Plan of Cornelius is made possible by a 2014 North Carolina Department of Transportation (NCDOT) Bicycle and Pedestrian Planning Grant Initiative award. It combines past planning efforts with new research and analysis and includes a full public input process. A proposed on- and off-street bike facility network is included in this plan, as well as recommended policies and programs to encourage more bicycling activity and to promote safe bicycling and driving practices. These combined elements establish a complete, up-to-date framework for moving forward with improvements to the bicycling environment of Cornelius.

## DATA COLLECTION AND ANALYSIS

Town staff, the Project Steering Committee, and stakeholders provided baseline information about the existing conditions of Cornelius. Through aerial photography, geographic information systems (GIS) data, on-the-ground field investigation, and

review of existing planning documents, the project consultants identified opportunities and constraints for bicycle facility development.

## PUBLIC INVOLVEMENT

Outreach to the citizens and visitors of Cornelius included two public workshops, a public planning workshop (charrette), an online and hard-copy citizen comment form, and a dedicated project webpage. Four Project Steering Committee meetings provided additional information about public concerns and preferences. The committee was made up of citizen advocates and representatives from multiple stakeholder organizations and local groups, including the NCDOT and Cornelius Planning, Park and Recreation (PARC), Police, and project management staff; the regional Active Routes to Schools (ARTS); among others.

# RECOMMENDATIONS

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The Town of Cornelius currently has 8.2 miles of bicycle facilities, which is comprised of 2.3 miles of bicycle lanes and 5.9 miles of greenways and sidepaths. **This plan recommends expanding these facilities into a comprehensive network of bike lanes, marked shared lanes, greenways, sidepaths, and low stress bike routes, totaling 97.4 miles (see map on following pages). Twelve priority projects and five signed bike routes have been identified for near-term development** that will provide critical connections and routes for safe bicycling in Cornelius.

To complement these infrastructure recommendations, a suite of programs and policies are recommended to address the "5 E's of bicycle planning": engineering, education, encouragement, enforcement, and evaluation. Equity serves as a sixth 'E', and is considered an integral component of each of the other 5 E's. **Priority programs and**

**policies for implementation include the formation of a permanent Bicycle Advisory Committee** for the Town of Cornelius, as well as the **adoption of a Complete Streets policy**, whereby bicycle (and pedestrian) facilities will be an integral component of all transportation projects in the future. In addition, **bicycle educational programming** and **events** during National Bike Month in May, and throughout the year, will be critical for the development of a safe bicycling culture throughout the community.

















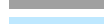
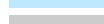






Finally, an overarching goal of this plan is to help the **Town of Cornelius become a designated Bicycle Friendly Community** within the next one to two years, and with the recommendations included herein, there is the potential to be designated above the bronze level.

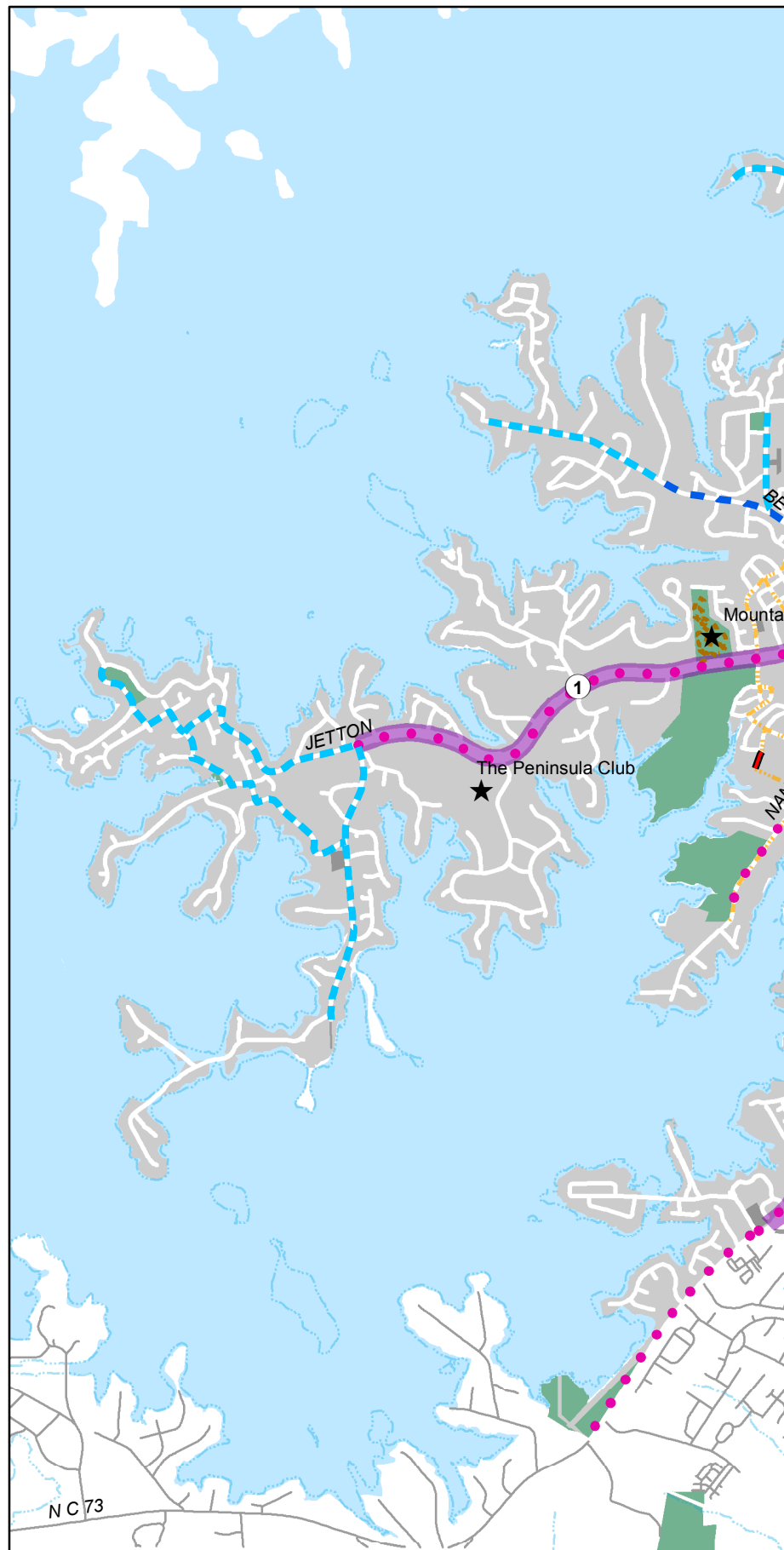
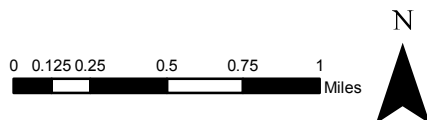
# Bike!Cornelius

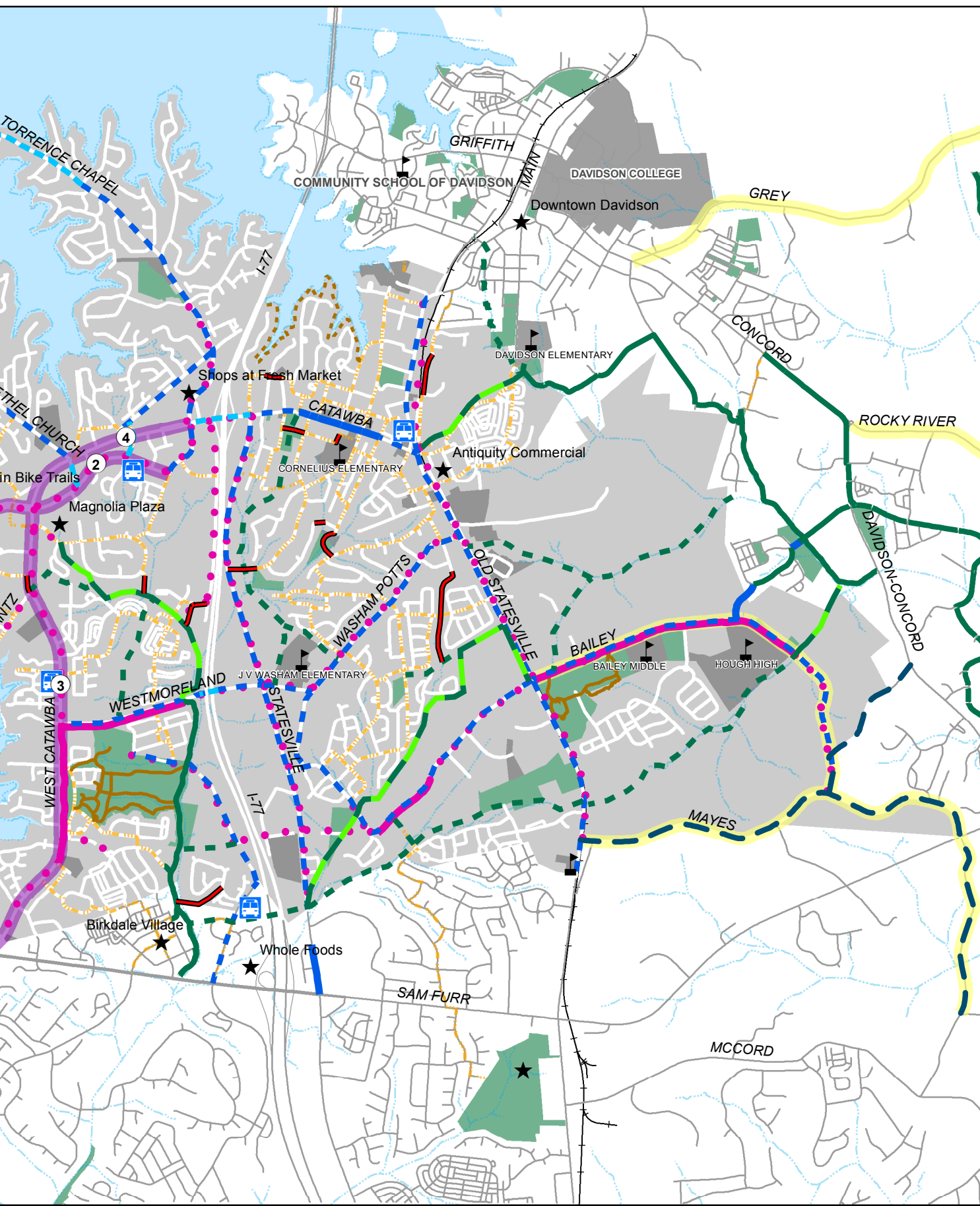
## Cornelius, NC

### Bicycle Master Plan

#### Bicycle Facility Recommendations

-  Bike-Ped Connectors
-  Bike Lanes-Existing
-  Bike Lanes-Proposed
-  Paved Shoulder-Proposed
-  Marked, Shared Lanes-Proposed
-  Low Stress Bike Connections
-  Dedicated Bikeways-Proposed
-  Road Bike Routes
-  Sidepath-Existing
-  Sidepath-Proposed
-  Greenways-Existing
-  Greenways-Future
-  Greenways-Under Development
-  Park Trails
-  Natural Surface Trails
-  Park Facilities
-  Civic Land Use
-  Lake Norman
-  Cornelius SOI
-  Railroads
-  Creeks and Streams
-  Points of Interest
-  Schools
-  Park and Ride





## VISION STATEMENT:

**Cornelius will be a premier bicycling destination in the state and region:**

- The Town will provide **a network of safe and comfortable on-street and off-road bike facilities** for residents and visitors of **all ages and abilities**.
- **Increased connections between the bike facility network and community attractions** such as parks, schools, workplaces, services, civic destinations, and adjacent communities.
- **Bicycling will be seen as a viable form of transportation.** The Town will increase awareness of cycling.
- Cornelius will be the **Charlotte region's next Bicycle Friendly Community**.



*Cornelius residents gather for a Community Bike Ride in May, 2015. This Plan is intended to capture and build upon Cornelius's existing cultural resources and natural resources, such as Lake Norman, the McDowell Creek Greenway, public parks and recreation areas, and the vibrant community.*

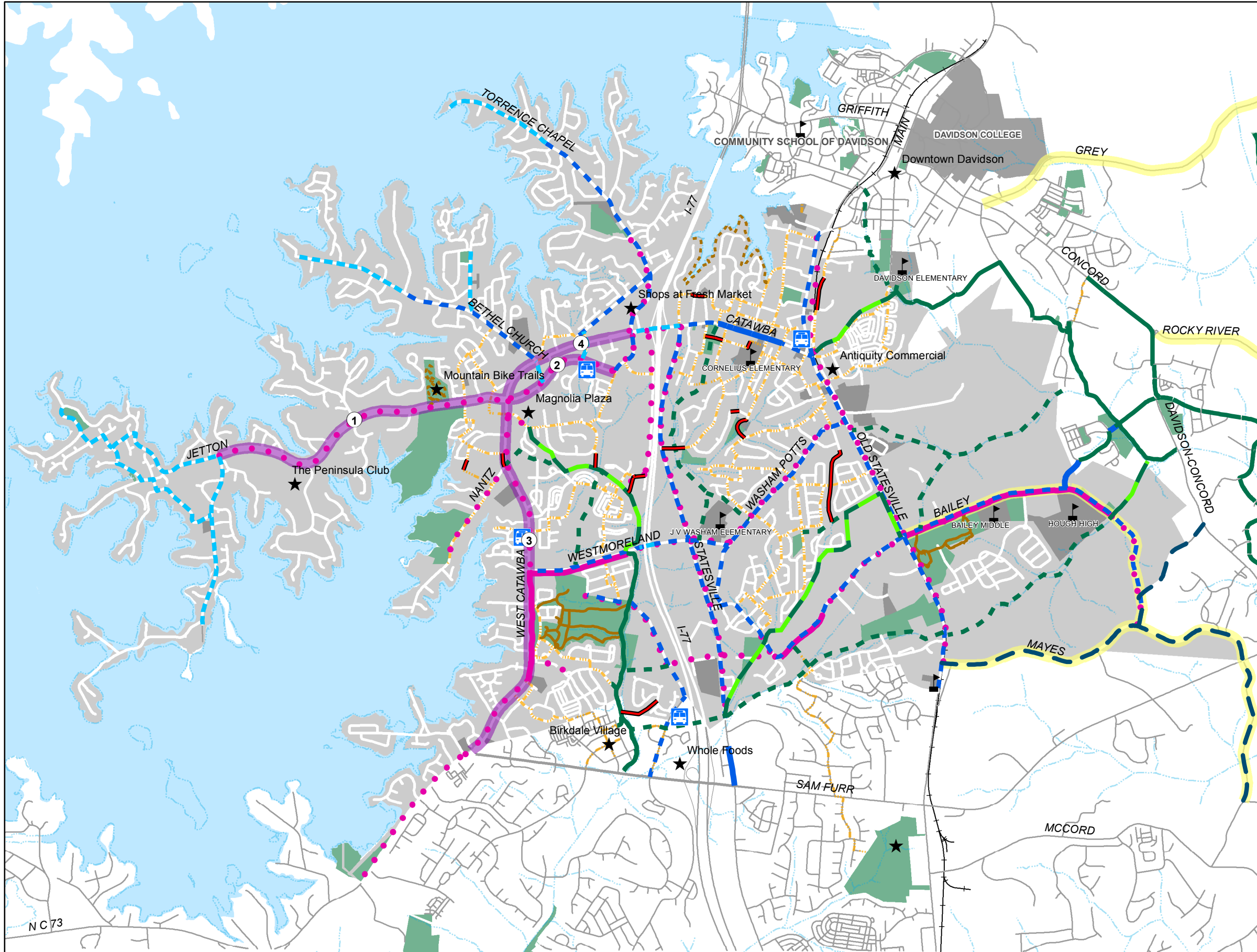
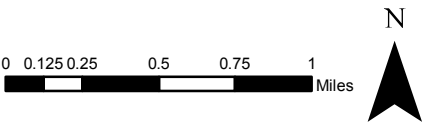


# Bike!Cornelius

## Cornelius, NC Bicycle Master Plan

### Bicycle Facility Recommendations

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## SIGNED BIKE ROUTES

The maps indicate low stress bike connections throughout the town. These routes primarily follow low-stress, low-volume neighborhood streets to connect destinations across neighborhoods in Cornelius. Four priority signed bike routes have been developed to help connect bicyclists across town via these low stress connections. These routes are outlined below and correspond to those marked on Figure 3.8 on the following page. Some of these routes require the completion of an off-road connector or a section of striped bike lane to complete the entire route.

### Route 1: East Side- YMCA to Oakhurst

Church St > School St > Gem St > Willow St > Gem St > bike/ped connector > Oak St > Hickory St > Tryon St > Danesway Ln > Bon Meade Ln > Footsman Pl > Coachman's Trace > Oakhurst Blvd > Washam Potts

This route takes bicyclists on exclusively low stress neighborhood streets from the YMCA to the commercial area of Oakhurst. This route will connect to various other low stress roads, the town center, and the Caldwell Station Creek Greenway. In order to complete this route, the Gem St./Oak St. connector that is under design must be constructed. The crossing of Catawba Ave. is signalized, and there is an existing crosswalk to help calm traffic for the crossing of Washam Potts Rd. Sections of Oakhurst Blvd. at the southern end of this route are very wide and could use sharrows or other treatment to continue to make the riding environment comfortable.

### Route 2: West Side- W. Catawba to Birkdale

Liverpool Pkwy > Chartwell Center Dr > Chartown Dr > bike/ped connector > Lake Path Dr > Lake Pines Dr > McDowell Creek Greenway

This route takes advantage of a long stretch of Chartown Dr. that carries very little vehicular traffic.

It begins at the intersection of Liverpool Pkwy. and W. Catawba Ave. and continues through the Westmoreland neighborhood (via a bike/ped connector) and onto the McDowell Creek Greenway to Birkdale. The two key components of this route are the striping of bike lanes on Liverpool Pkwy. within the existing roadway, and the construction of the very short bike/ped connector from Chartown Dr. to Lake Path Dr.

### Route 3: The Four Peninsulas

Knox Rd > Nautique Blvd > Knox Rd > Henderson Rd > Bethel Church Rd > Charles Towne Ln > Lake Norman Cove Dr > Makayla Ln > Julian St > Amy Lee Dr > Juanita Ln > Coastal Crossing Dr > Courtside Landing Dr > Nantz Rd

This route takes cyclists from Torrence Chapel Rd. all the way around to Nantz Rd. without getting on W. Catawba Ave. This route can be used as a part of longer rides, where riders can choose to ride out and back each peninsula to add miles if they wish. Cyclists will pass Jetton Park as well as Ramsey Creek Park on this route. In order to connect this route in its entirety, the off-road connector that is required to be provided by the Courtyards at Nantz development must be constructed. When completely built out, this route will have a small section of multi-use path between Henderson Rd. and Bethel Church Rd., completed bike lanes on Knox Rd., and completed bike lanes on Bethel Church Rd. and Nantz Rd.

### Route 4: Antiquity to Route 1

South St > Market St > Lovers Lawn Tc > Hickory St

This short route connects through Antiquity to Route 1. This is an alternative way to get from South St. in Davidson through Antiquity and across NC 115, as opposed to using the planned Antiquity Greenway. This route crosses NC 115 using a future signalized crossing at Hickory St., which will be

*continued on page 81...*

a more comfortable crossing than crossing at the Catawba Ave. intersection.

### Route 5: DDI to Magnolia Plaza

Liverpool Pl > Dutch Iris Ln > Magnolia Estates Dr

Route 5 is a great connector from the DDI at exit 28 to the Magnolia Plaza shopping center (Publix grocery and restaurants) and the start of the future North McDowell Creek Greenway which is currently funded and under design. This route begins with bike lanes (future striping project) on Liverpool Py and then follows low stress bike connectors through the Magnolia Estates neighborhood to the Magnolia Plaza shopping center. Magnolia Estates Dr has existing traffic calming measure in place in the form of speed bumps that contribute to safe and comfortable cycling conditions.

Table 3.7 Signed Bike Routes

ROUTE	ROAD	FROM	TO	LENGTH (FEET)	LENGTH (MILES)	COST ESTIMATE
<b>1</b>	Church Street	North Terminus	Catawba Ave	3,844	0.73	\$18,252
	School Street	Catawba Ave	Willow St	528	0.10	\$2,507
	Willow Street	School St	Meridian St	468	0.09	\$2,222
	Gem Street	Meridian St	East Terminus	311	0.06	\$1,477
	bike/ped connector	Gem St	Oak St	532	0.10	\$2,526
	Oak Street	Aftonshire Dr	Hickory St	631	0.12	\$2,996
	Hickory Street	Oak St	Tyron St	341	0.06	\$1,619
	Tyron Street	Hickory St	Danesway Ln	906	0.17	\$4,302
	Danesway Lane	Tyron St	Bon Meade Ln	3,358	0.64	\$15,944
	Bon Meade Lane	Danesway Ln	Footsman Pl	315	0.06	\$1,496
	Footsman Place	Bon Meade Ln	Coachman's Trce	433	0.08	\$2,056
	Coachman's Trace	Footsman Pl	Oakhurst Blvd	5,577	1.06	\$26,480
	Oakhurst Boulevard	Coahcman's Trce	Washam Potts Rd	2,992	0.57	\$14,206
	<b>Route Recommended Mileage</b>				<b>3.83</b>	<b>\$96,083</b>
<b>2</b>	Liverpool Parkway	W Catawba Ave	Chartwell Center Dr	1,099	0.21	\$5,218
	Chartwell Center Dr	Liverpool Pkwy	Chartown Dr	1,128	0.21	\$5,356
	Chartown Drive	Chartwell Center Dr	bik/ped connector	3,383	0.64	\$16,063
	bike/ped connector	Chartown Dr	Lake Path Dr	399	0.08	\$1,894
	Lake Path Drive	East Terminus	Lake Pines Dr	239	0.05	\$1,135
	Lake Pines Drive	Lake Path Dr	McDowell Creek Greenway	3,080	0.58	\$14,624
<b>Route Recommended Mileage</b>					<b>1.77</b>	<b>\$44,290</b>

ROUTE	ROAD	FROM	TO	LENGTH (FEET)	LENGTH (MILES)	COST ESTIMATE
3	Knox Road	Torrence Chapel Rd	Nautique Blvd	3,225	0.61	\$15,313
	Nautique Boulevard	Knox Rd	Knox Rd	164	0.03	\$779
	Knox Road	Nautique Blvd	Henderson Rd	937	0.18	\$4,449
	Henderson Road	Knox Rd	Bethel Church Rd	879	0.17	\$4,174
	Bethel Church Road	Knox Rd	Charles Town Ln	1,808	0.34	\$8,585
	Charles Towne Lane	Bethel Church Rd	Jetton Rd	2,978	0.56	\$14,140
	Lake Norman Cove Dr	Jetton Rd	Makayla Ln	989	0.19	\$4,696
	Makayla Lane	Lake Norman Cove Dr	Julian St	380	0.07	\$1,804
	Julian Street	Makayla Ln	Amy Lee Dr	224	0.04	\$1,064
	Amy Lee Dr	Julian St	Juanita Ln	441	0.08	\$2,094
	Juanita Lane	Amy Lee Ln	Coastal Crossing Dr	342	0.06	\$1,624
	Coastal Crossing Dr	Juanita Ln	Courtside Landing Dr	543	0.10	\$2,578
	Courtside Landing Dr	Coastal Crossing Dr	Nantz Rd	1,094	0.21	\$5,194
	Nantz Road	Courtside Landing Dr	Pompano Pl	2,920	0.55	\$13,864
	Route Recommended Mileage				3.21	\$80,357
4	South Street	Davidson Elementary	Market St	2,338	0.44	\$11,101
	Market Street	South St	Lovers Lawn Terrace	409	0.08	\$1,942
	Lovers Lawn Terrace	Market St	Zion Ave	2,503	0.47	\$11,885
	Hickory Street	Zion Ave	Highway 115	172	0.03	\$817
Route Recommended Mileage					1.03	\$25,744
5	Liverpool Parkway	Sefton Park Rd	Dutch Iris Ln	1,652	0.31	\$7,844
	Dutch Iris Lane	Liverpool Parkway	Magnolia Estates Dr.	372	0.07	\$1,766
	Magnolia Estates Dr	Dutch Iris Lane	W Catawba Ave	2,905	0.55	\$13,793
Route Recommended Mileage					0.93	\$23,403
Total Recommended Mileage					10.76	\$269,878







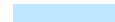






# Bike!Cornelius

Cornelius, NC

## Bicycle Master Plan

Bicycle Facility  
Recommendations  
Signed Bike Routes

-  Low Stress Bike Connections
-  Signed Bike Routes
-  Creeks and Streams
-  Railroads
-  Park Facilities
-  Civic Land Use
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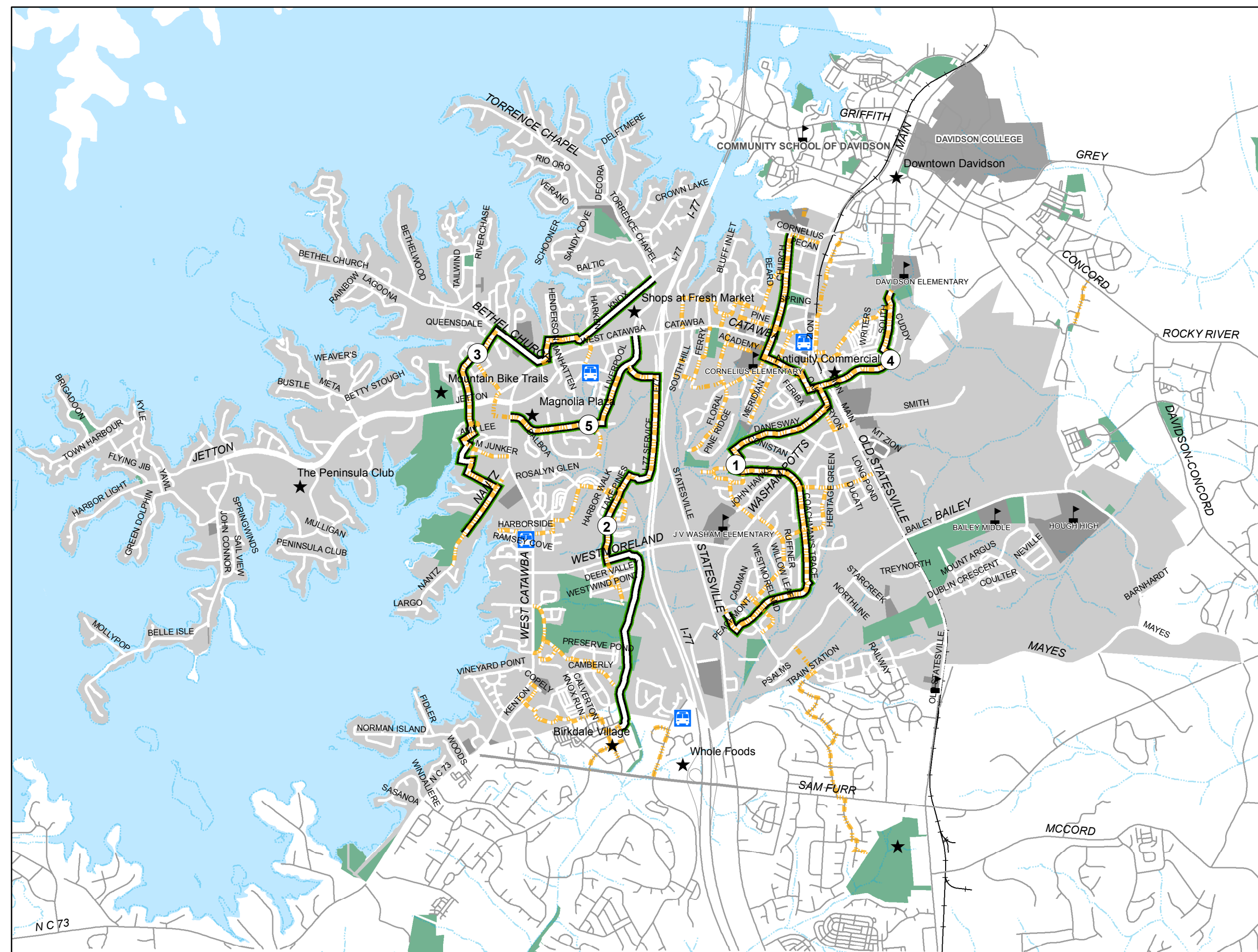
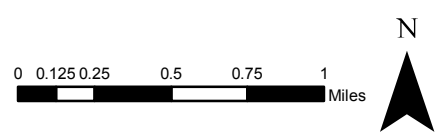


Figure 3.9. Signed Bike Routes Map (using Marked, Shared Roadways, Bike Lanes + Low Stress Bike Connections)

## Project Prioritization

This section identifies the high priority projects recommended in the Plan. The Project Steering Committee and staff identified priority projects based on Town priorities, public input, and on-going bicycle facility and greenway development goals. Priority projects are described in cross-sections and concepts. Criteria used to determine the priority projects are:

- Connections to local destinations, such as downtown and parks
- Connections to existing trails, including the proposed Emerald Necklace greenway loop
- Near-term feasibility, such as facilities implemented through proposed or on-going projects or roadways slated for resurfacing
- Existing bicycle demand, as evidenced through the public involvement process of this Plan

In consideration of these criteria, all recommended bicycle boulevard/neighborhood routes are priority projects of this Plan. Bicycle boulevards are relatively easy to implement in that they use existing roads and pavement width and incur minimal associated costs. Additionally, a bicycle boulevard network serves as an encouragement tool for spurring increased bicycling activity among cyclists of all abilities and ages. By prioritizing bicycle boulevard development as an initial step in Plan implementation, Cornelius will broaden the base of public support for bicycle friendly efforts.

Several larger projects offer near-term potential for implementation and reflect community priorities. These projects are considered priorities of this Plan, as well:

- *Multi-use Path Connection to Jetton Park:* The Town of Cornelius has recommended a bicycle and pedestrian connection to Jetton Park in previous studies, including the recently adopted

Park and Recreation Master Plan Update. This connection would be a spur in the Emerald Necklace greenway loop.

- *Westmoreland Road Bridge Path:* The Town of Cornelius is completing a corridor study for the McDowell Creek Greenway on the north side of Westmoreland Road. A pathway along the bridge would provide a connection to existing pathways and greenways and be part of a near-term connection for the Emerald Necklace greenway loop and provide a safe bicycle and pedestrian connection to schools and other destinations on either side of the I-77 corridor.

Based on research, analysis and public input in the preparation of this Plan, the entire proposed bike facility network has evidenced merit. All proposed projects play an important role in completing the vision of the bike facility network and should be considered mid- to long-term projects.

## 10 YEAR ACTION PLAN

Cornelius is well situated to capitalize on large investments that are currently being made in the Town's state maintained roadway system and an expanding greenway network. With the adoption of this plan, the Town's goal is to maximize the accessibility and usefulness of infrastructure projects that are currently funded, as well as the biking infrastructure that exists today. These projects and roadways represent a portion of the recommended bikeway network. The time frames assigned to certain projects or objectives are not necessarily rankings — they are goals for town staff, and our community to strive for as we continue to connect our bicycle network.

## INFRASTRUCTURE RECOMMENDATIONS

1. Coordinate with NCDOT on State Road projects to ensure bicycle improvements are incorporated and funded as follows. The timing of each project is dependent on the State Transportation Improvements Program, see <https://connect.ncdot.gov/projects/planning/pages/state-transportation-improvement-program.aspx>.
  - a. West Catawba Avenue, Phase II – Work with NCDOT on buffered bike lanes and cycle track concept.
  - b. Statesville Road (Hwy 21) – Bike lanes and shared use path on east side.
  - c. Main Street (Highway 115) – Bike lanes and sidewalks on both sides w/curb and gutter and buried utilities.
  - d. Torrence Chapel/Knox/Liverpool Pkwy – Install bike lanes and multi-use path connections as part of intersection improvement projects.
  - e. DDI – install sharrows/signage if possible as a part of the intersection improvement projects on either side of the DDI (Hwy 21 intersection and the Torrence Chapel intersection). Connect multi-use path through the DDI on both sides.
2. Provide connections to and between existing and funded Greenways, Parks and other Town projects capitalizing on the public investment the Town has made as follows:
  - a. **Existing McDowell Creek Greenway**
    - Provide signed route from Kenton Place to the Greenway. Likely along Camberly Road. Consider additional treatment along Camberly to improve the comfort of the route for bicyclists. (2-5 years)
    - Provide bridge connection to Stratford Forest neighborhood. (10 year)
  - b. **Caldwell Station Greenway**
    - Fix Westmoreland bridge crossing for bicycle/pedestrians on one side with railing. (2-5 years)
    - Connect N/S low stress route through Oakhurst to the Greenway. Signed Routes on Ruffner and/or Coachman's Trace – Greenway will have a connection at Oakhurst Blvd. and Glen Ashley Drive. (2-5 years)
    - Provide shared use path from greenway entrance at NC 115 (north of Foamex) north to Washam Potts Road. (2-5 years)
    - Connect Greenway to Caldwell Depot Rd. Provides key linkage to two major neighborhoods, Hampton Trace and Caldwell Station, south of the proposed greenway. (5-10 years)
    - Establish on-street route through Caldwell Station neighborhood with signage and/or sharrows (Caldwell Depot Road). (5-10 years)
  - c. **Bailey Road**
    - Coordinate with Bailey Road Extension project to ensure bike/ped facilities are included. (1-2 years)
    - Complete bike lanes and sidewalk connection along Bailey Road from the greenway entrance through Oakhurst to Highway 21. (2-5 years)
  - d. **McDowell Creek Greenway, Phase II**
    - Complete Bike Lanes on Westmoreland Road. (3-5 years)
    - Provide safe greenway crossing of Westmoreland Road with signalized crosswalk, underpass, or both. (5-10 years)

- Fix Westmoreland bridge crossing for bicycle/pedestrians on one side with railing. (2-5 years)
  - Connect Lake Path/Lake Pines between McDowell Creek Greenway and the Chartown Dr. (5 years)
  - Once connected to Lake Path/Lake Pines, provide signage and/or sharrows on Chartown Dr. (5 years)
  - Complete multi-use path between Life Fellowship Church and Lake Path. (10 years)
  - Add sharrows, or signage to Magnolia Estates Drive. (5-10 years)
  - Complete multi-use path connection from end of greenway to Jetton Park. (10 years)
- e. **West Catawba/Catawba Ave/Antiquity Greenway**
- Connect Shared Use path along Chartown (I-77 Service Road) to DDI. (10 Years)
  - Reestablish the bike lanes on Catawba Ave during the next repaving. (5 years)
  - Connect existing bike lanes on Catawba with bike lanes or sharrows from Meridian Street to Town Center and Antiquity (Festival Street concept). (5-10 years)
  - Add sharrows and/or signage within Antiquity along Market Street and South Street. (5-10 years)
3. Begin targeted improvements along primary north-south, and east-west bike routes according to the plan as follows:
- a. North/South route from the YMCA to Washam Potts Rd – Following Church St, School St, Gem St, Oak St, Hickory St, Tryon St. Install signage and other traffic calming measure if necessary to establish this section of the north/south route from the YMCA to Northcross Center Ct. (2-5 years)
  - b. Lover's Lawn/Hickory Street– Install signage of route in the short term. Potential sharrows in the long term once resurfaced. Include appropriate crosswalks and signalization at the new Hickory/115 intersection. (2-5 years)
  - c. South Street/School Street – Install signage of route, research speed limit/traffic calming to determine other treatment options such as bike lanes or sharrows. (2-5 years)
  - d. West Catawba parallel alternative route – begin to implement connections and improvements along the Catawba alternative bicycle route that connects all four major peninsulas.
    - Bike lanes on both sides of Knox (with development).
    - Provide connection between Henderson Rd and Bethel Church Road. (2-5 years)
    - Bike lanes on Bethel Church Road. (5-10 years)
    - Route signage or sharrows on Charles Towne Lane. (1-2 years)
    - Identify and sign bike route through Lake Norman Cove at Jetton neighborhood. (2-5 years)
    - Provide bike/ped connection between Harbor View Drive and Coastal Crossing Drive (EPCON Courtyards at Nantz subdivision). (2-5 years)







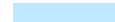

- e. Jetton Road Extension – Implement preferred alternatives from the plan. (5 years)


### **PRIORITY BIKE FACILITY RECOMMENDATIONS**

The map at right and the cross sections on the following pages indicate high priority corridors, with proposed retrofit solutions. Unless otherwise noted, the proposed sections refer to long term implementation solutions and will require additional coordination and design. Refer to the Design Guidelines in Appendix B for more details about best practices for implementation.

# Bike!Cornelius

## Cornelius, NC Bicycle Master Plan Priority Sections

-  Priority Sections
-  Railroads
-  Park Facilities
-  Civic Land Use
-  Lake Norman
-  Cornelius SOI

- A** North Main Street
- B** Washam Potts Road
- C** Bailey Road
- D** Bailey Road
- E** Jetton Road
- F** Jetton Road Extension
- G** Liverpool Parkway
- H** Statesville Road
- I** Westmoreland Bridge over I-77
- J** Westmoreland Road
- K** West Catawba Avenue
- L** Catawba Avenue
-  AADT

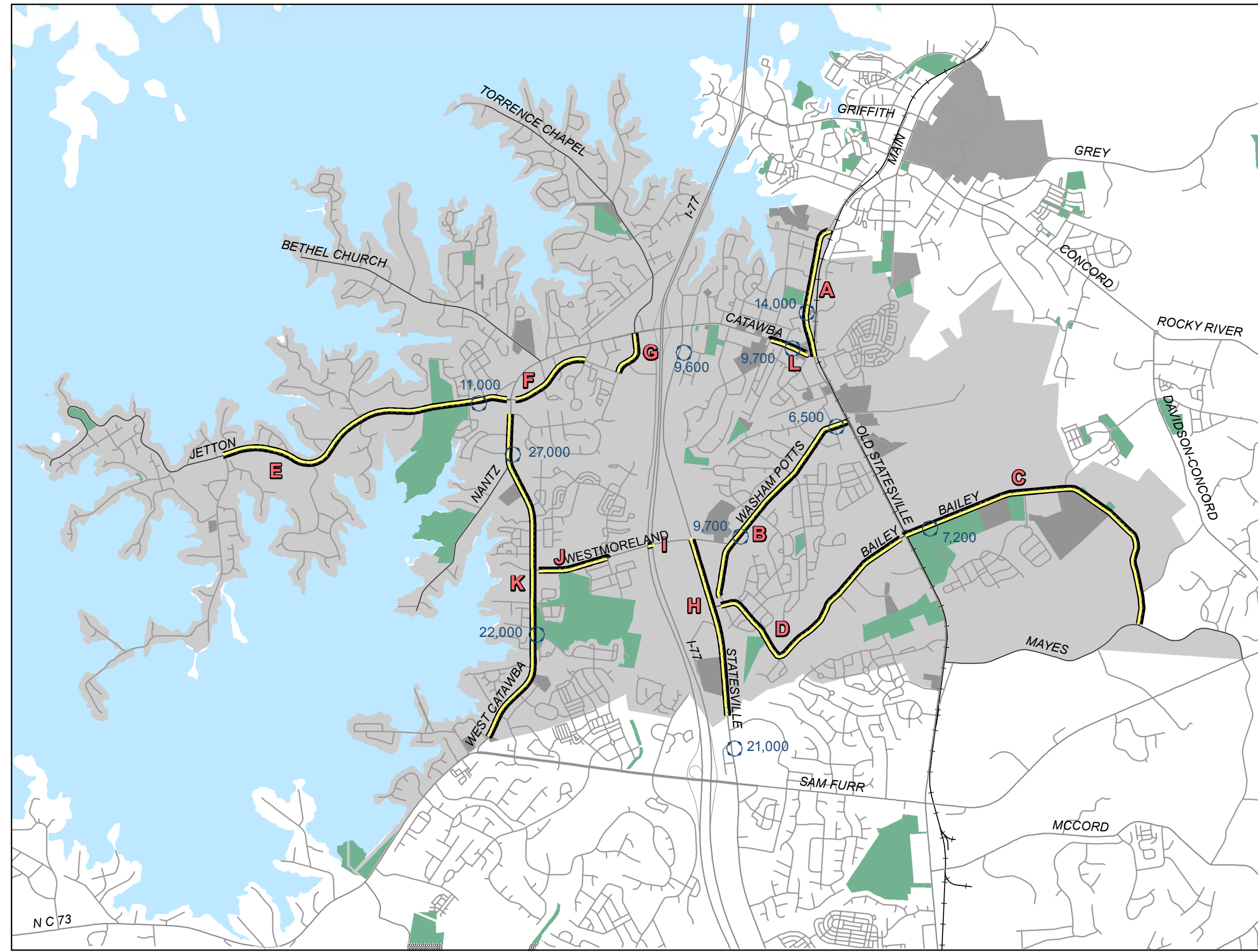


Figure 3.14. Priority Sections Map

Table 3.10 Summary of Existing Conditions of twelve (12) priority sections.

ROAD	FROM/TO	ROAD WIDTH	NUMBER OF LANES	AADT*	SPEED LIMIT	ON-STREET PARKING	C&G/ SHOULDER	IMPLEMENTATION NEEDS	CONSTRAINTS	LENGTH (MILES)	COST ESTIMATE**
<b>A.</b> North Main Street	Catawba Ave./Potts St.	35'	2	14,000	35	no	6.5' Shoulder Both sides	-add C&G	ROW constrained by concrete wall on east side, utility poles w/in ROW	0.84	TBD within cost estimate of NCDOT project
<b>B.</b> Washam Potts	NC Route 115/ Bailey Rd.	22	2	6,500/ 9,700	35	no	none	-extend shoulders to accommodate 5' bike lanes -add C&G -widen 5' sidewalk to 10' sidepath on N side -add 5' sidewalk to S side	ROW	1.48	bike lanes: \$197,100 sidepath: \$1,172,160 <sup>ii</sup>
<b>C.</b> Bailey Road (east)	NC Route 115/ Mayes Rd	33	3	7,200	45	no	2.5' Gutter Pan (South side) near school entrances	-extend shoulders to accommodate 5' bike lanes -extend sidepath along length of corridor -add sidewalk on N side		2.93	bike lanes: \$400,000
<b>D.</b> Bailey Road (west)	NC Route 21/ NC Route 115	33	3	unavailable	45	no	none	-extend shoulders to accommodate 5' bike lanes -extend sidepath along length of corridor -add sidewalk on N side		1.70	\$230,000
<b>E.</b> Jetton Road	W. Catawba Ave./ John Connor Rd.	44'	2	11,000	45	no	2.5' Gutter Pan (Both sides)	-widen 5' sidewalk to 10' sidepath		1.96	\$1,552,300
<b>F.</b> Jetton Road Extension	W. Catawba Ave./ One Norman Dr.	38	2	unavailable	25	9' Both Sides	2.5' Both Sides	-remove on-street parking and convert to 5' cycle tracks		0.56	\$86,000 <sup>iii</sup>
<b>G.</b> Liverpool Parkway	W. Catawba Ave./ Sefton Park Rd.	30	2	unavailable	25	no	2.0' Along Median, 2.5' along outside	-restripe 15' travel lanes to 10' plus 5' bike lanes -widen 5' sidewalk to 10 sidepath on one side		0.30	\$13,000 <sup>iv</sup>
<b>H.</b> Statesville Road	Westmoreland Rd./ Huntersville town line	33	3	9,700/ 21,000 <sup>i</sup>	35	no	none	-add 2 travel lanes + bike lanes, separated by median	utility poles in ROW	1.14	TBD within cost estimate of NCDOT project
<b>I.</b> Westmoreland Road Bridge	bridge over I-77	36	2	unavailable	45	no	none	-restripe lanes to include 10' 2-way sidepath		0.06	\$400,000
<b>J.</b> Westmoreland Road	W. Catawba Ave./ Lake Pines Dr.	33	3	unavailable	45	no	none	-extend shoulders to accommodate 5' bike lanes -add C&G -add 5' sidewalk on N side		0.44	\$60,000
<b>K.</b> West Catawba Avenue	Magnolia Estates Dr./ Sam Furr Rd.	22	2	27,000/ 22,000	35	no	none	-add 2 travel lanes + bike lanes/cyle tracks, separated by median -add 5' sidewalk and 10' sidepath		2.35	TBD within cost estimate of NCDOT project
<b>L.</b> Catawba Ave	Mulberry St./ NC Route 115 (Main St.)	40	2	9,700	25	8' South side	none	-reduce travel lane width to accommodate extension of sidewalk on S side from 5' to 10' -add shared-lane markings in travel lanes		0.21	\$400,000-\$700,000 <sup>v</sup>

\* 2014 Annual Average Daily Traffic (AADT) counts. Source: NCDOT [https://xfer.services.ncdot.gov/imgdot/DOTTSUMaps/AADT\\_COUNTIES\\_2014/Mecklenburg/Mecklenburg\\_County\\_AADT\\_2014.pdf](https://xfer.services.ncdot.gov/imgdot/DOTTSUMaps/AADT_COUNTIES_2014/Mecklenburg/Mecklenburg_County_AADT_2014.pdf)

\*\* These cost estimates are based on 2012 estimated cost/mile figures provided in Table 3.1, unless otherwise noted, and are not meant to be final figures for these projects.

i. AADT is unavailable for the exact section of Statesville Rd that corresponds to this project's priority sections.

ii. Estimate based on similar project on West Catawba Ave, Cornelius, NC.

iii. Estimate based on similar project in Rocky Mount, NC, with a cost of \$155,000 per mile.

iv. Estimate based on striping costs only, at \$43,300 per mile.

v. Estimate includes cost estimation of design & construction costs, and will vary depending on materials. Estimate does not include costs related to contingencies, right-of-way and inspections.

*N. Main Street/NC 115 (between Catawba Ave. and Potts St.)*

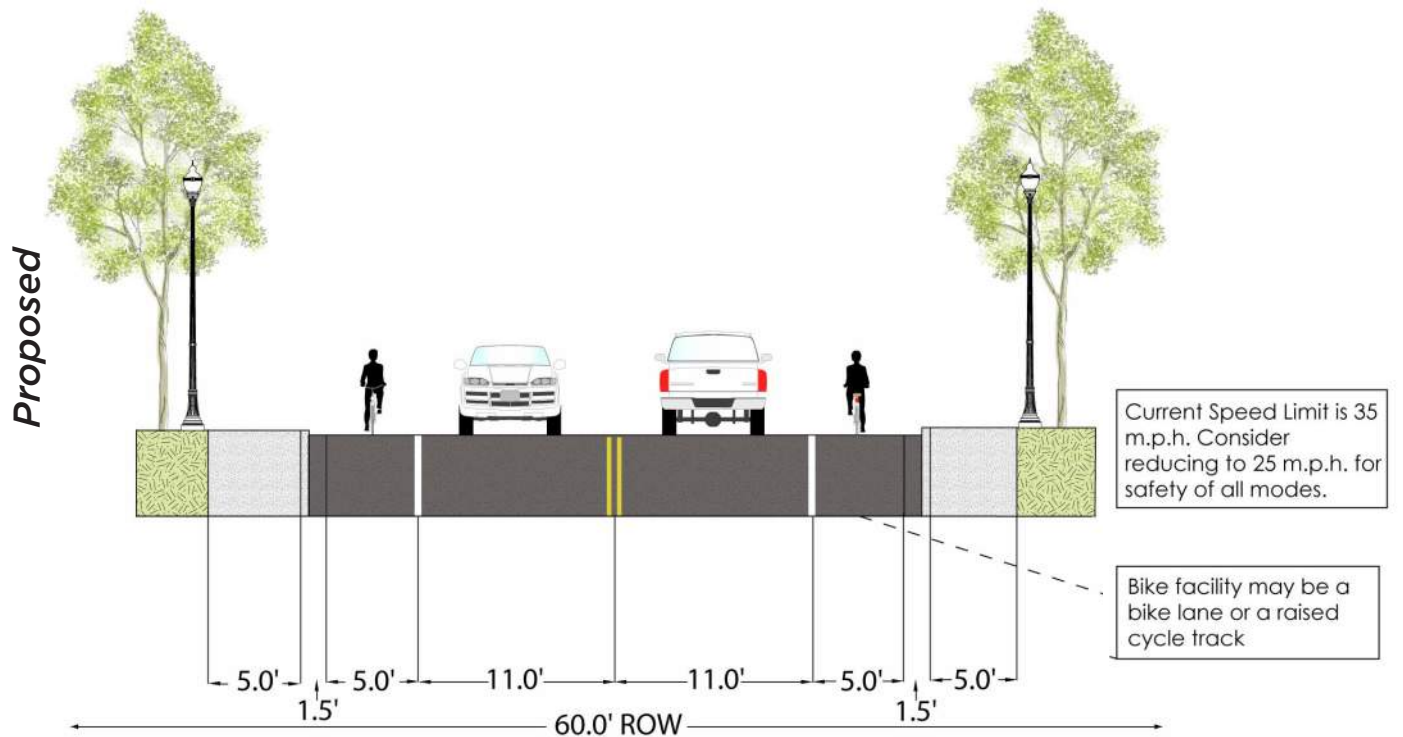
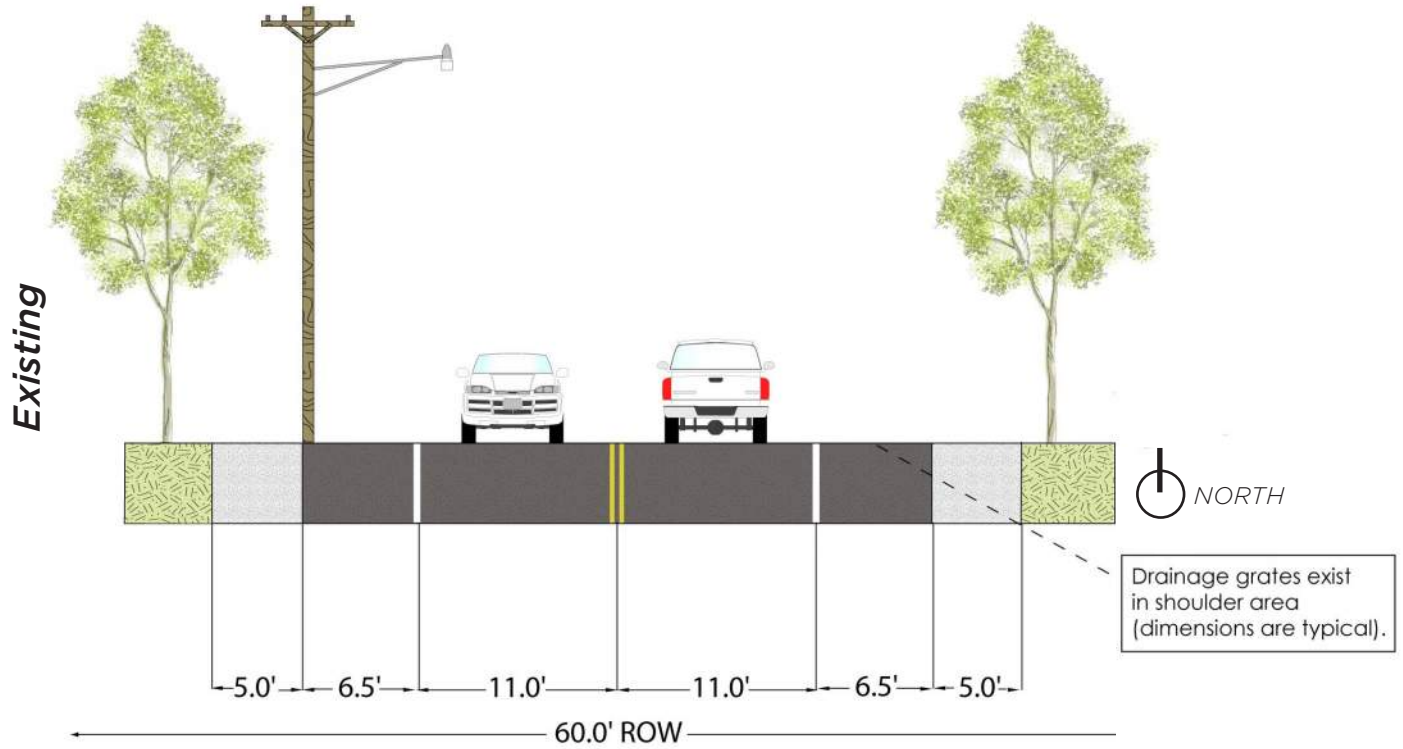


Figure 3.15. Main Street/NC 115 Reconfiguration Concept



Washam Potts Road (between NC 115 and Bailey Road)

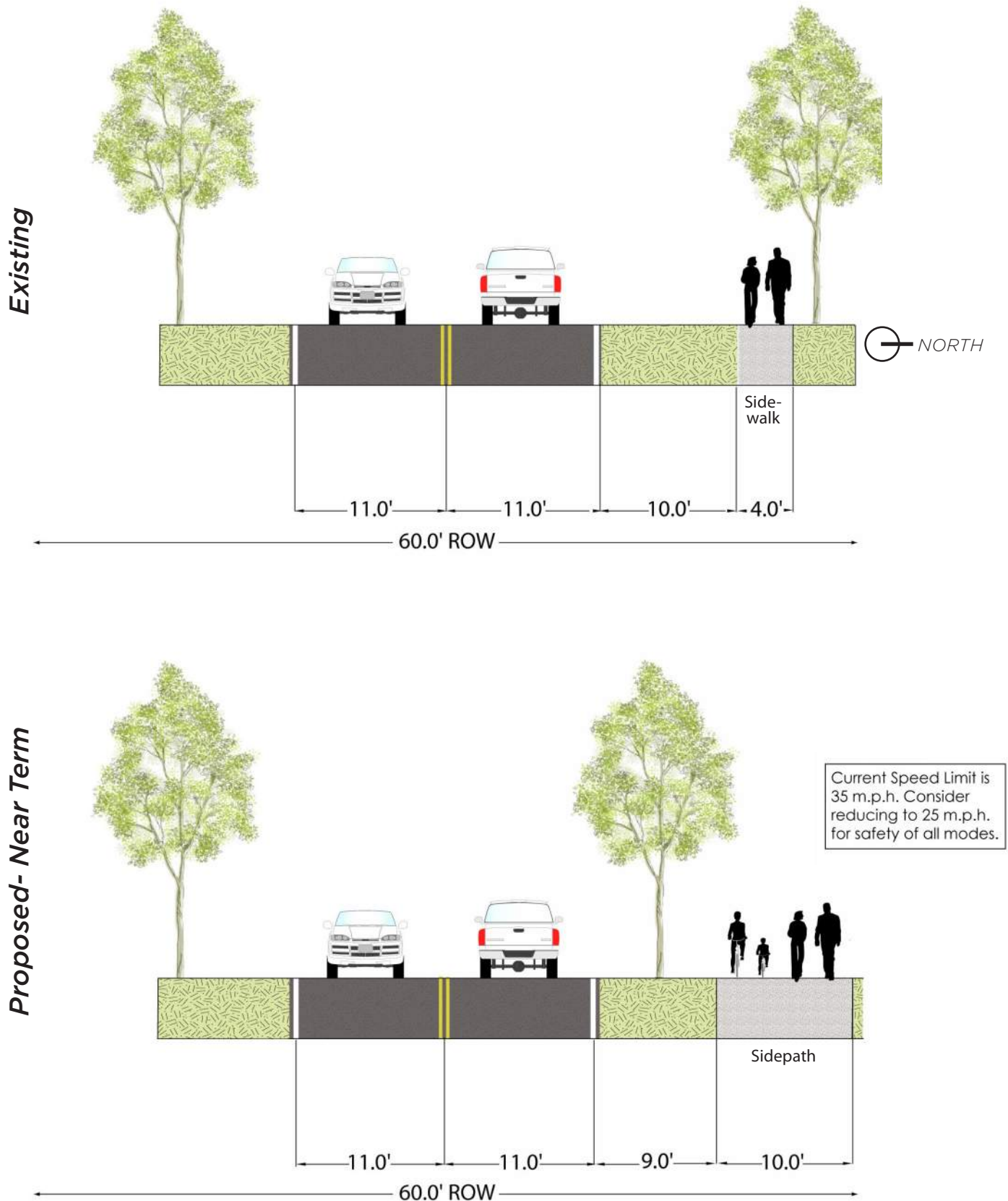


Figure 3.16. Washam Potts Road Near Term Proposed Sidepath

# Washam Potts Road (between NC 115 and Bailey Road)

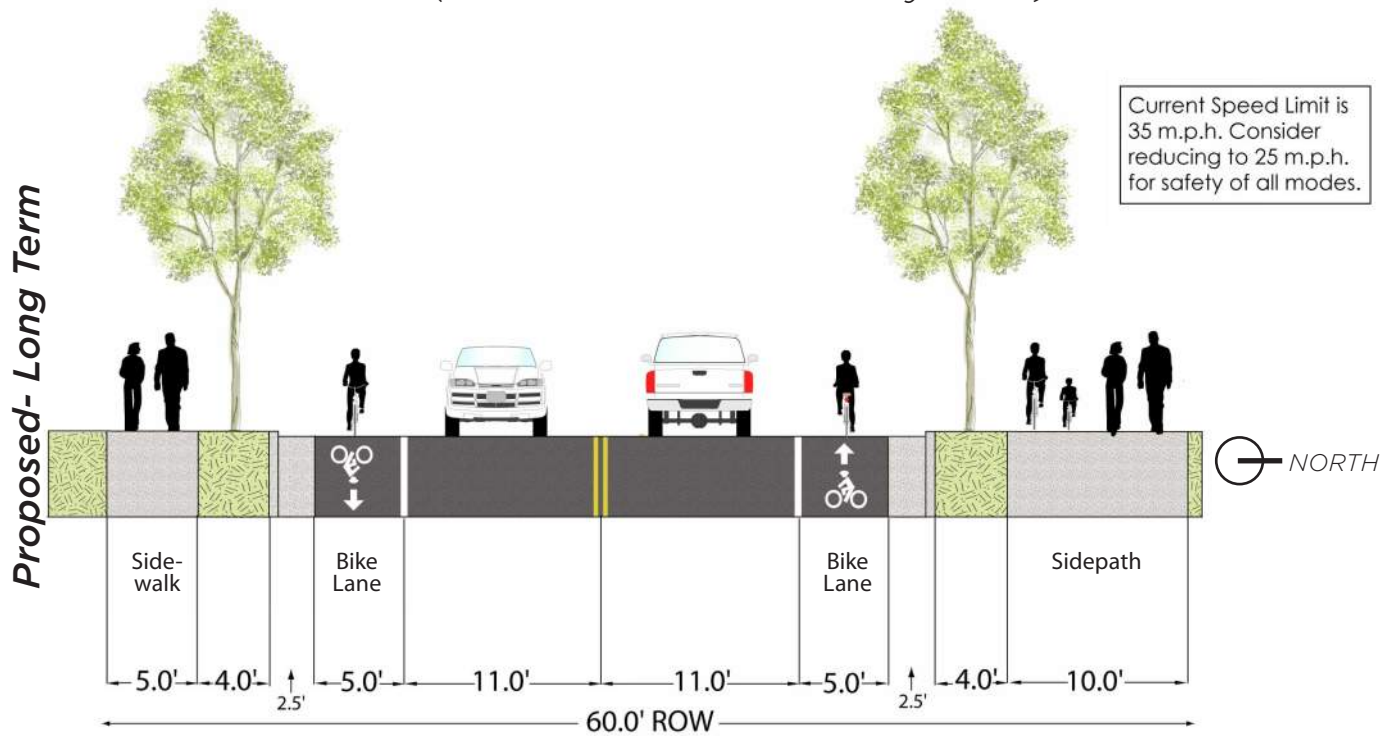


Figure 3.17. Washam Potts Long-Term Reconfiguration Concept with Bicycle Lanes and Sidepath

East Bailey Road (between NC 115 and Mayes Road)

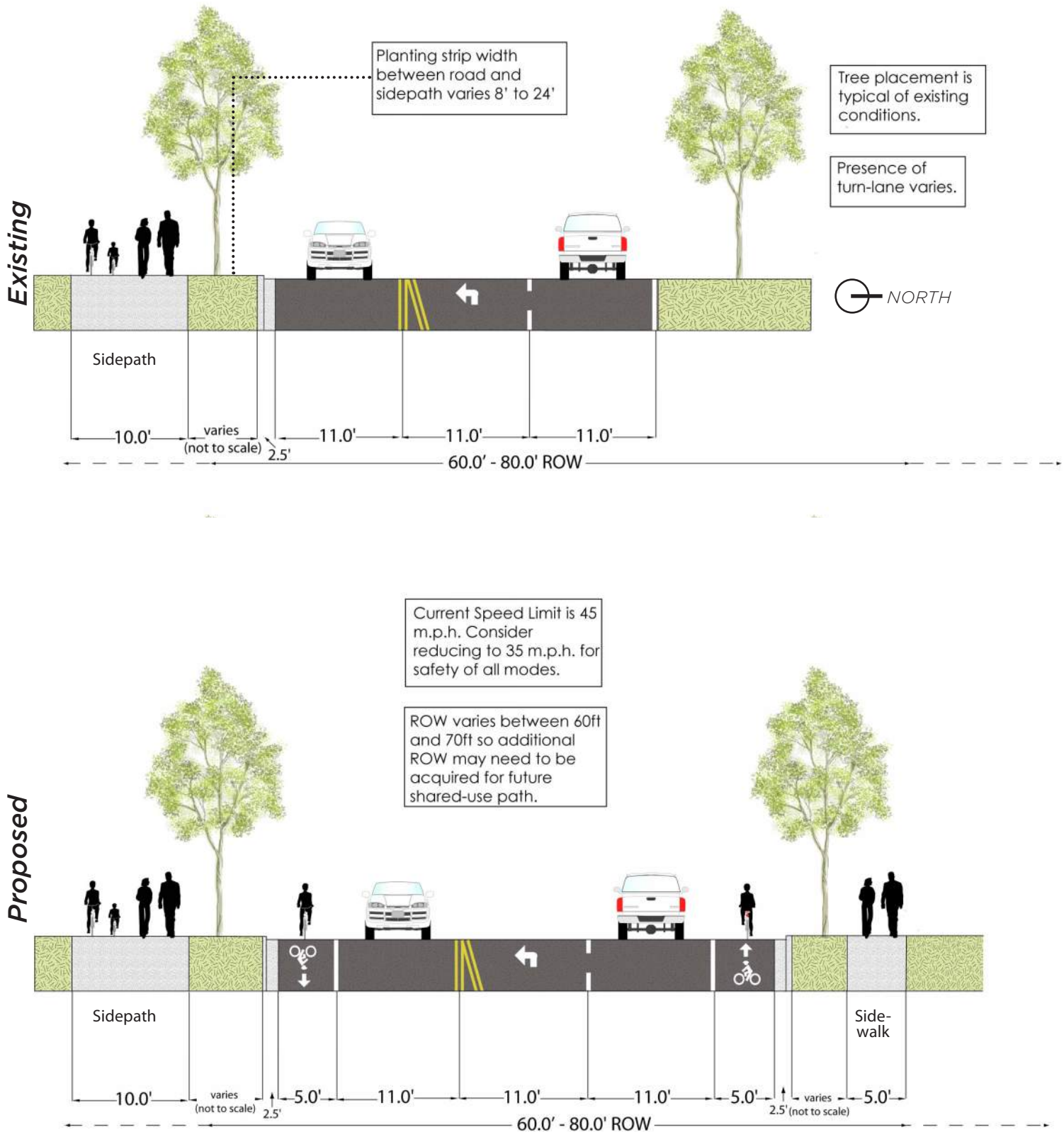


Figure 3.18. Bailey Road Reconfiguration Concept- East of NC 115

West Bailey Road (between NC 21 and NC 115- including Poole Place ext.)

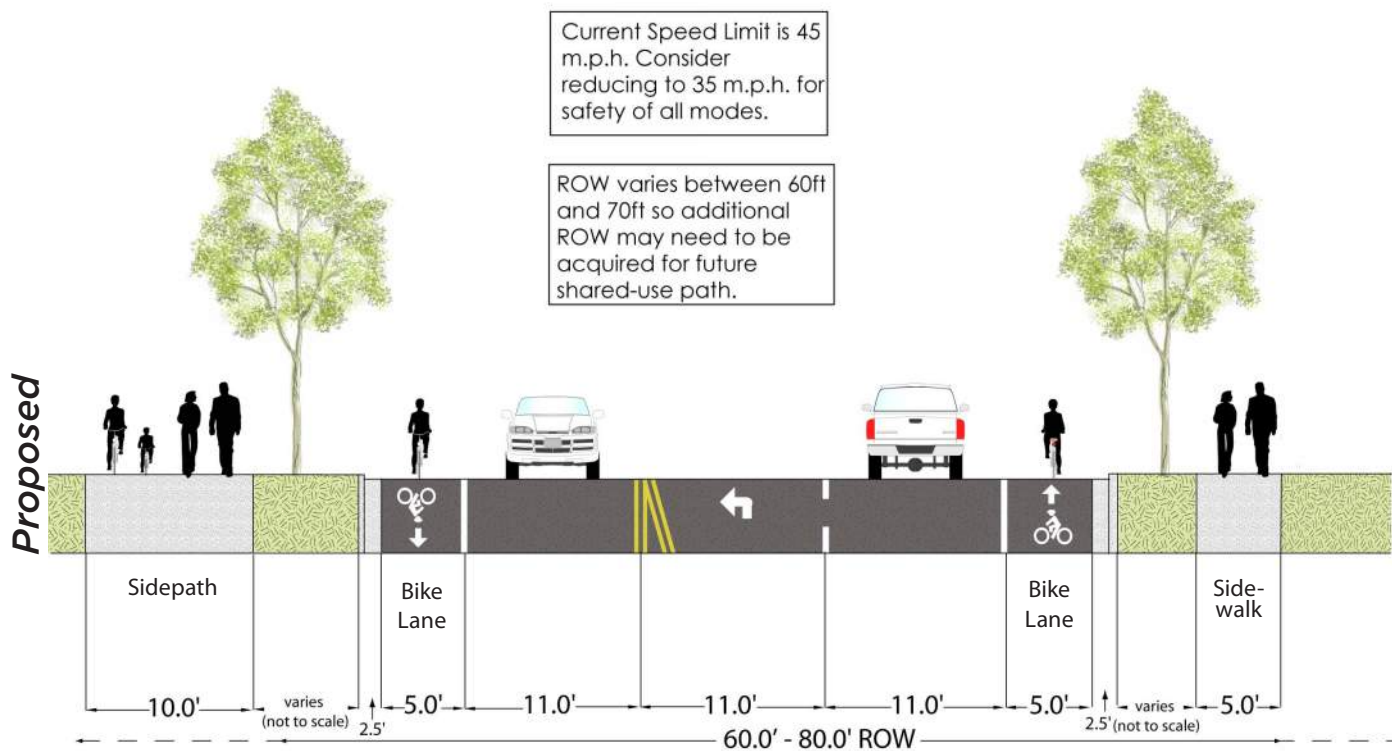
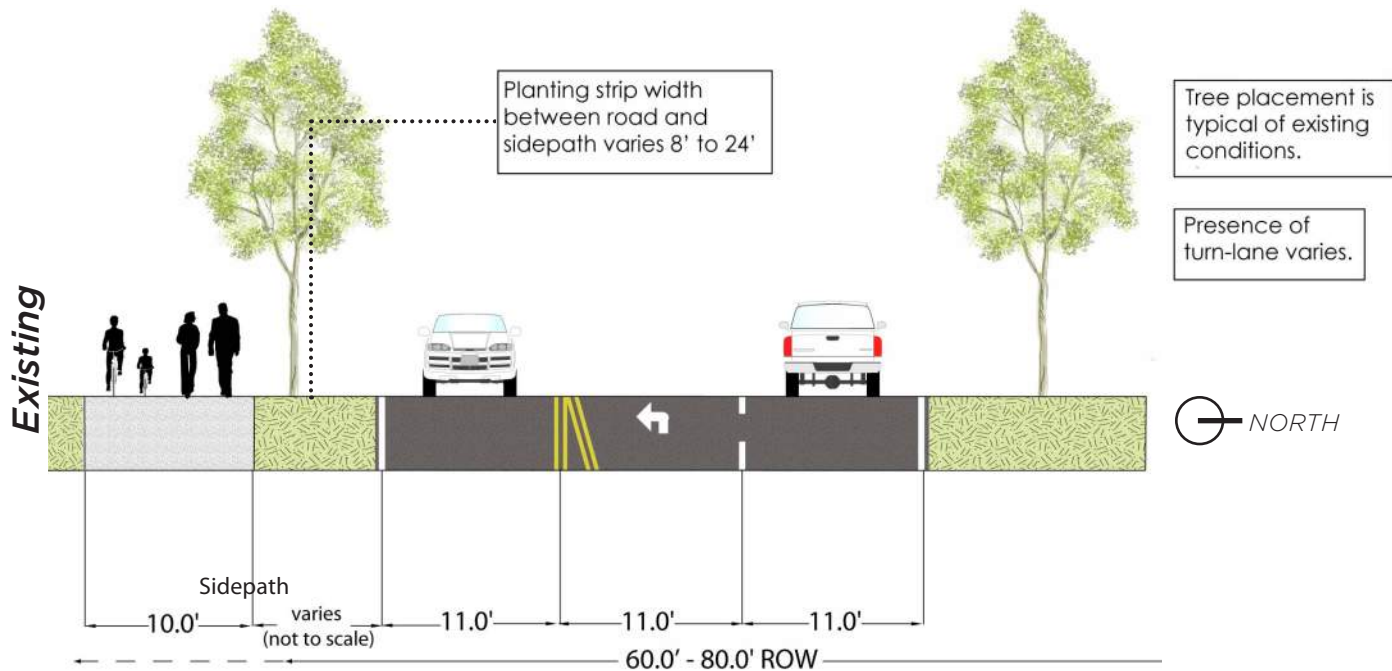


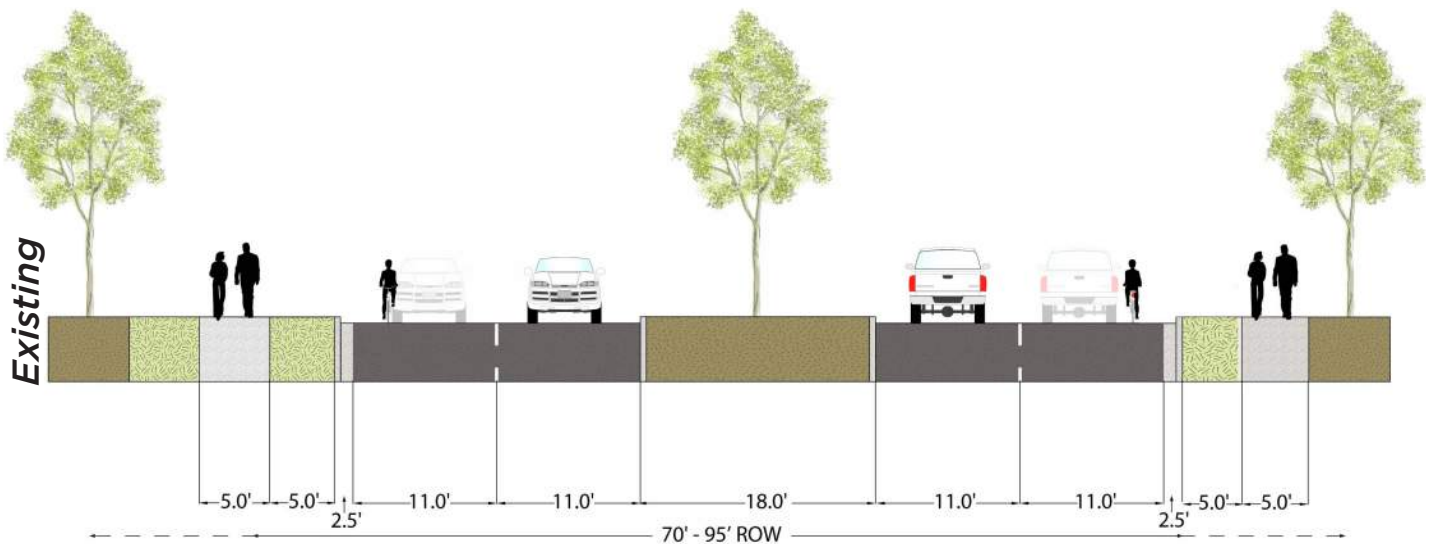
Figure 3.19. Bailey Road Reconfiguration Concept- West of NC 115





*Figure 3.20. Bailey Road Reconfiguration Concept in Oakhurst neighborhood with mid-block crossing and Bicycle Lanes. (Road section pictured is different from recommendations)*

*Jetton Road (between West Catawba Ave. and John Connor Rd.)*



NOTE: SIDEWALK VARIES

Speed Limit is 45 m.p.h. from West Catawba Ave. to Peninsula Shores Dr., and 35 m.p.h. west of Peninsula Shores Dr.

Presence of sidewalk on both sides of road varies.

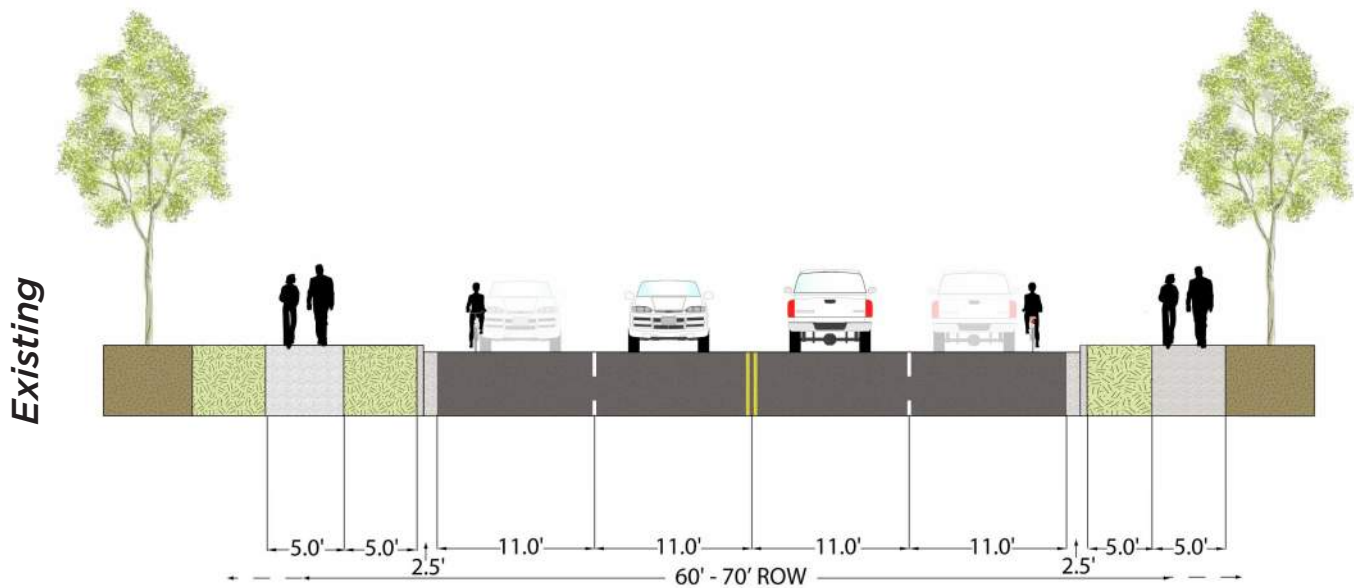
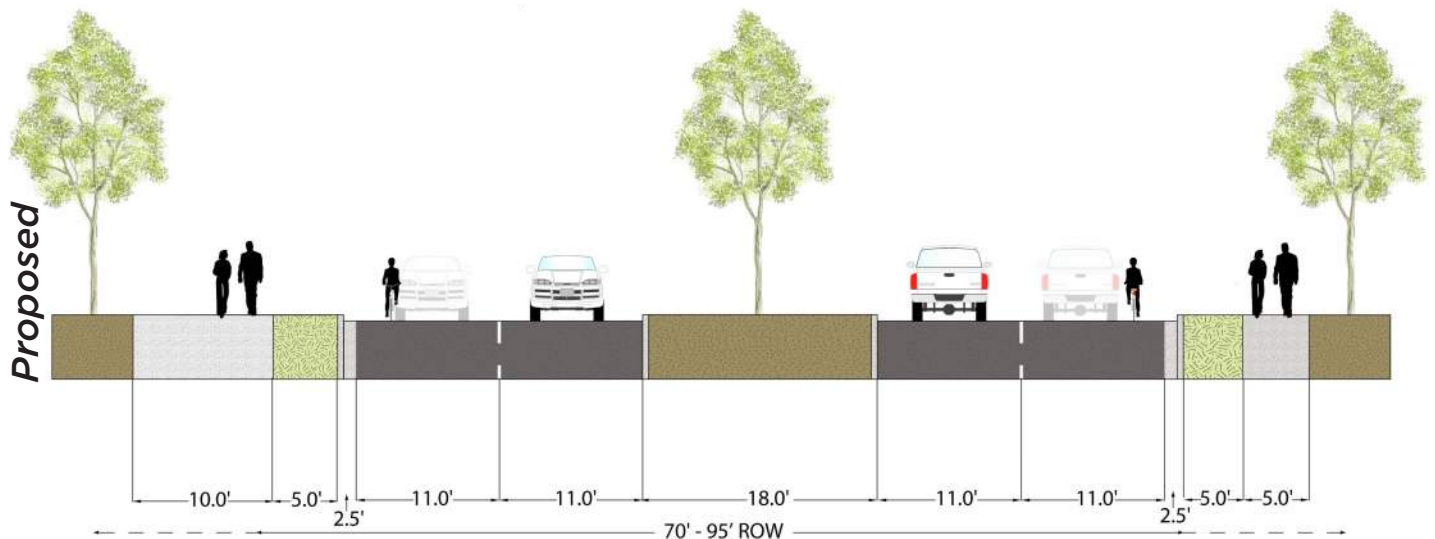


Figure 3.21. Jetton Road Existing divided 4-lane and undivided 4-lane Configuration

*Jetton Road (between West Catawba Ave. and John Connor Rd.)*



Side of road with sidepath will vary. Plan is already approved as part of the Town of Cornelius Comprehensive Parks and Greenways Master Plan.

Consider reducing speed limit to 35 m.p.h. for entire length of road for safety of all users

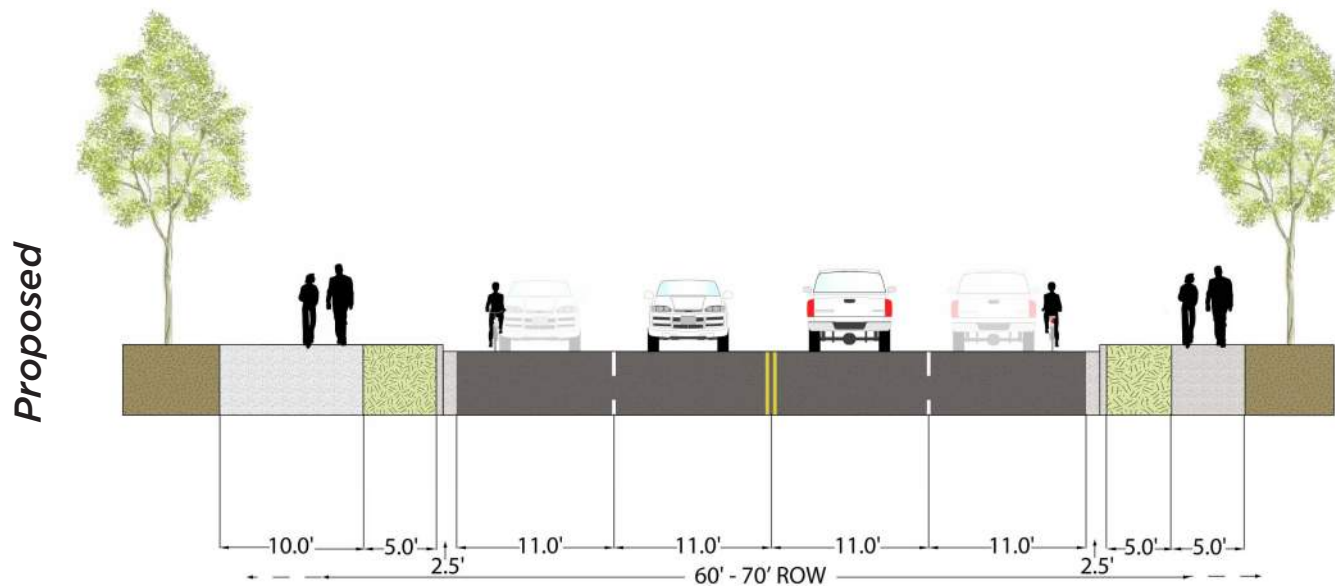


Figure 3.22 Jetton Road Reconfiguration Concept with Sidepath. This is recommended from Catawba Ave. to Jetton Park in the near term, and eventually to John Connor Rd.

*Jetton Road Extension (between W. Catawba Ave. and One Norman Dr.)*

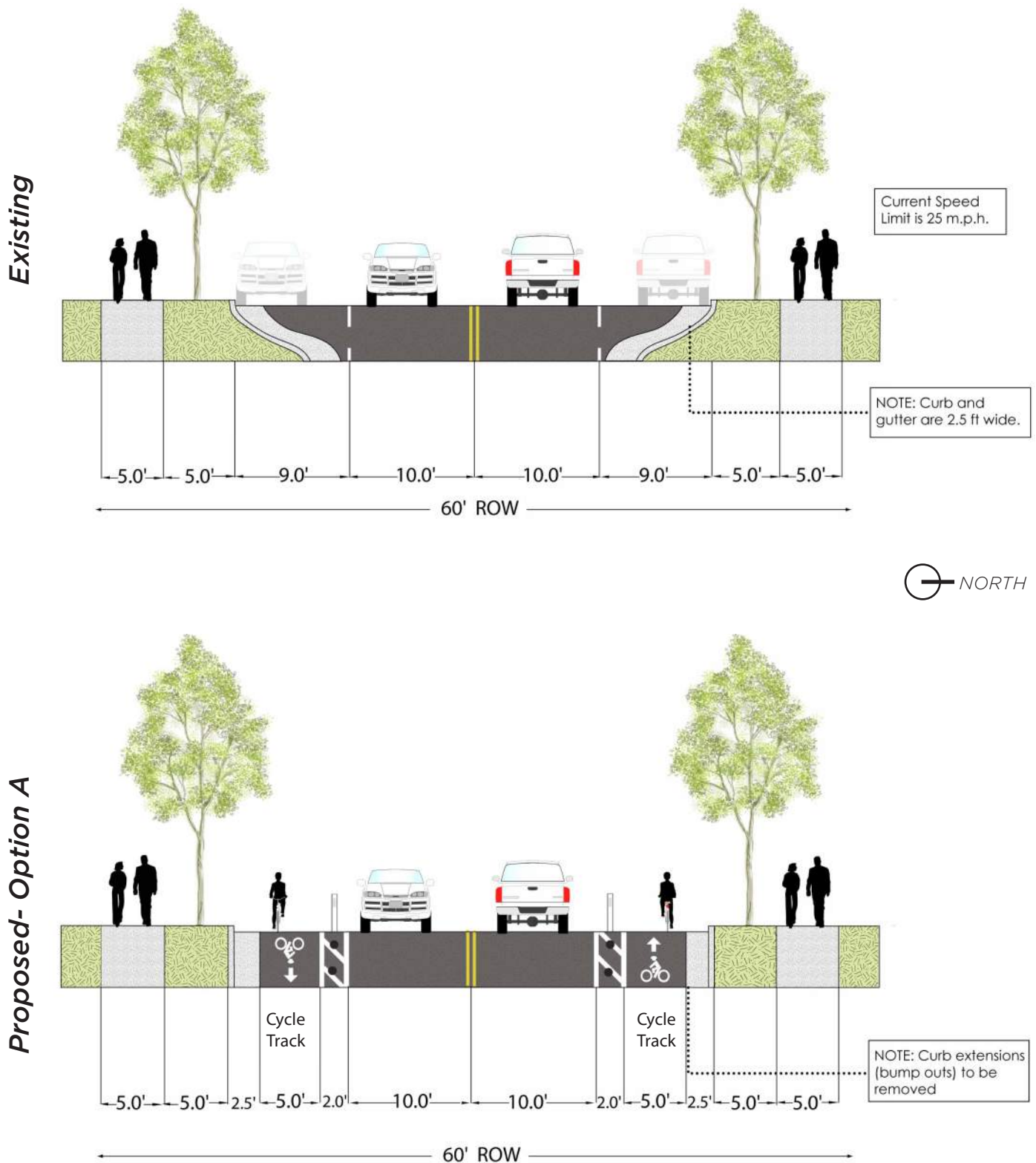


Figure 3.23. Jetton Road Extension existing undivided 2-lane with parking to proposed 2-lane Reconfiguration Concept- Option A with Protected Bicycle Lanes



*Jetton Road Extension (between W. Catawba Ave. and One Norman Dr.)*

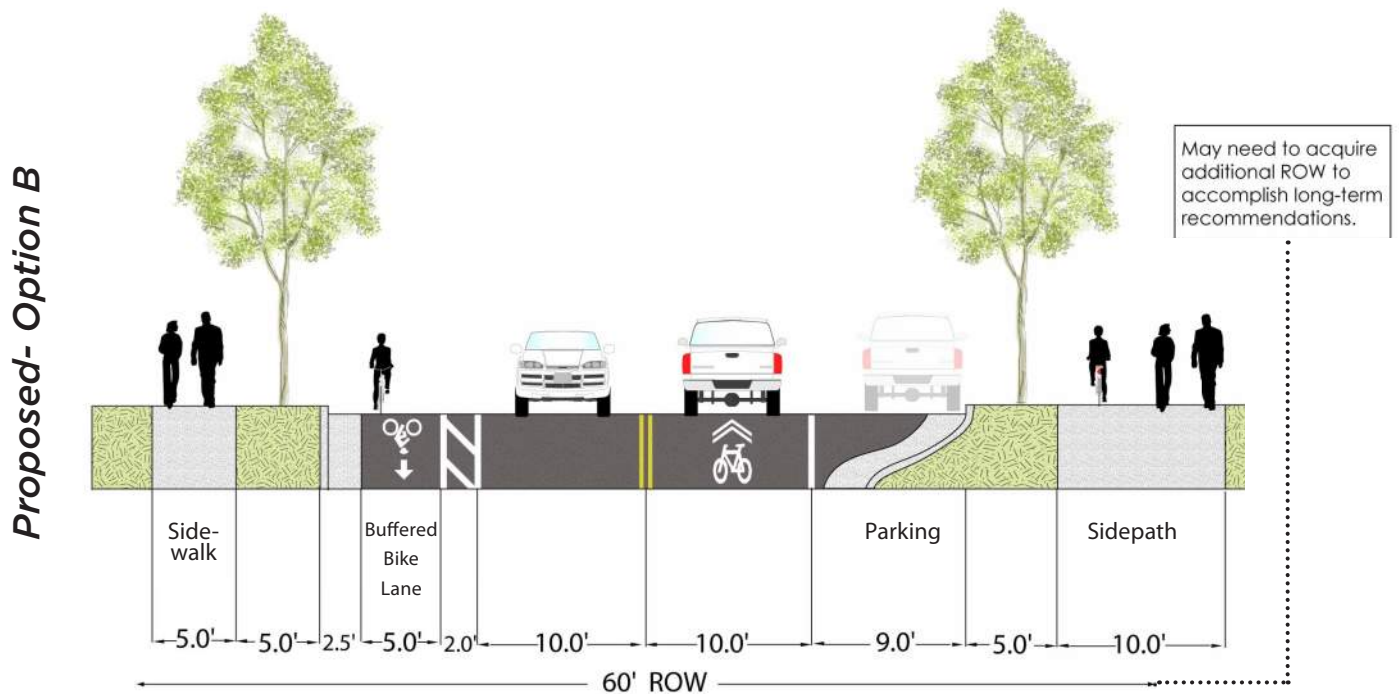


FIGURE 3.24. JETTON ROAD EXTENSION RECONFIGURATION CONCEPT - OPTION B WITH SIDE PATH, ONE-WAY PROTECTED BICYCLE LANE, AND 1 PARKING LANE

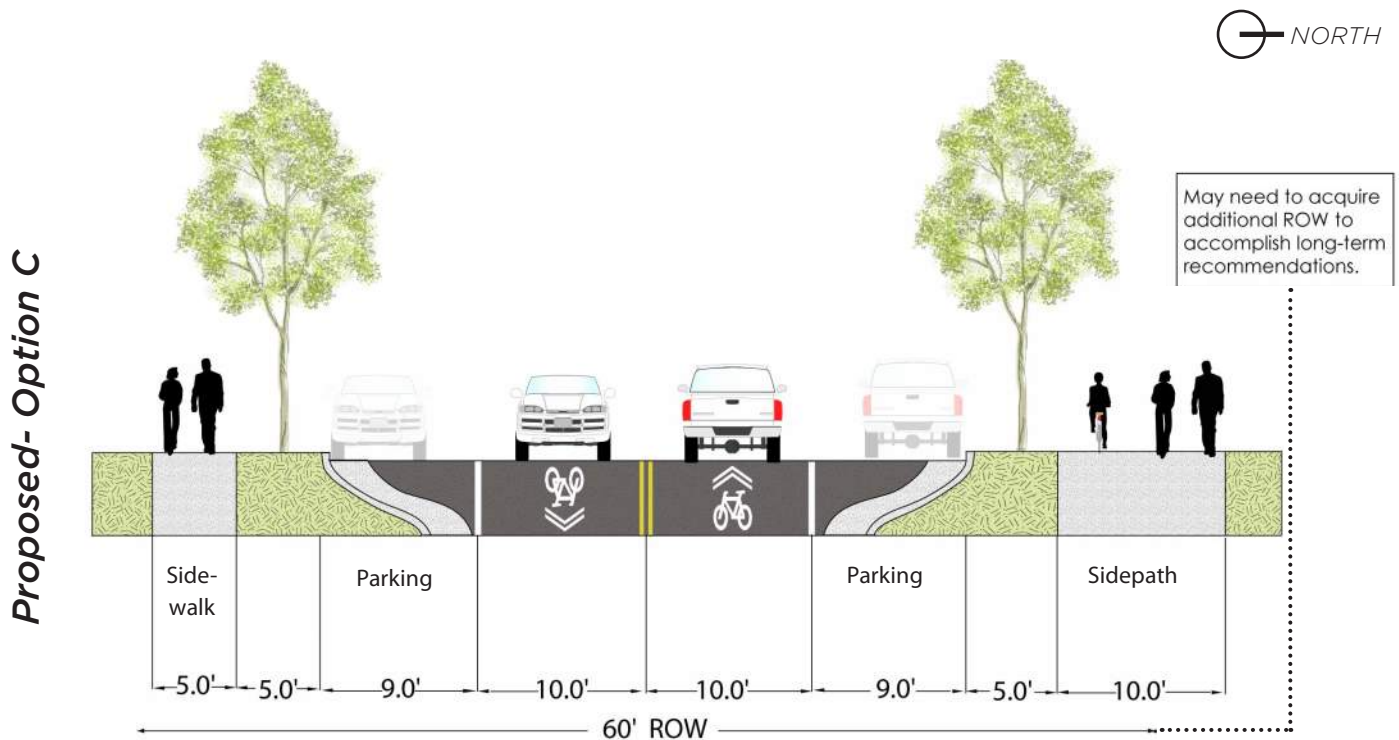


Figure 3.25. Jetton Road Extension Reconfiguration Concept- Option C with Sidepath and Shared-Lane Markings

*Liverpool Parkway (between W. Catawba Ave. and Sefton Park Rd.)*

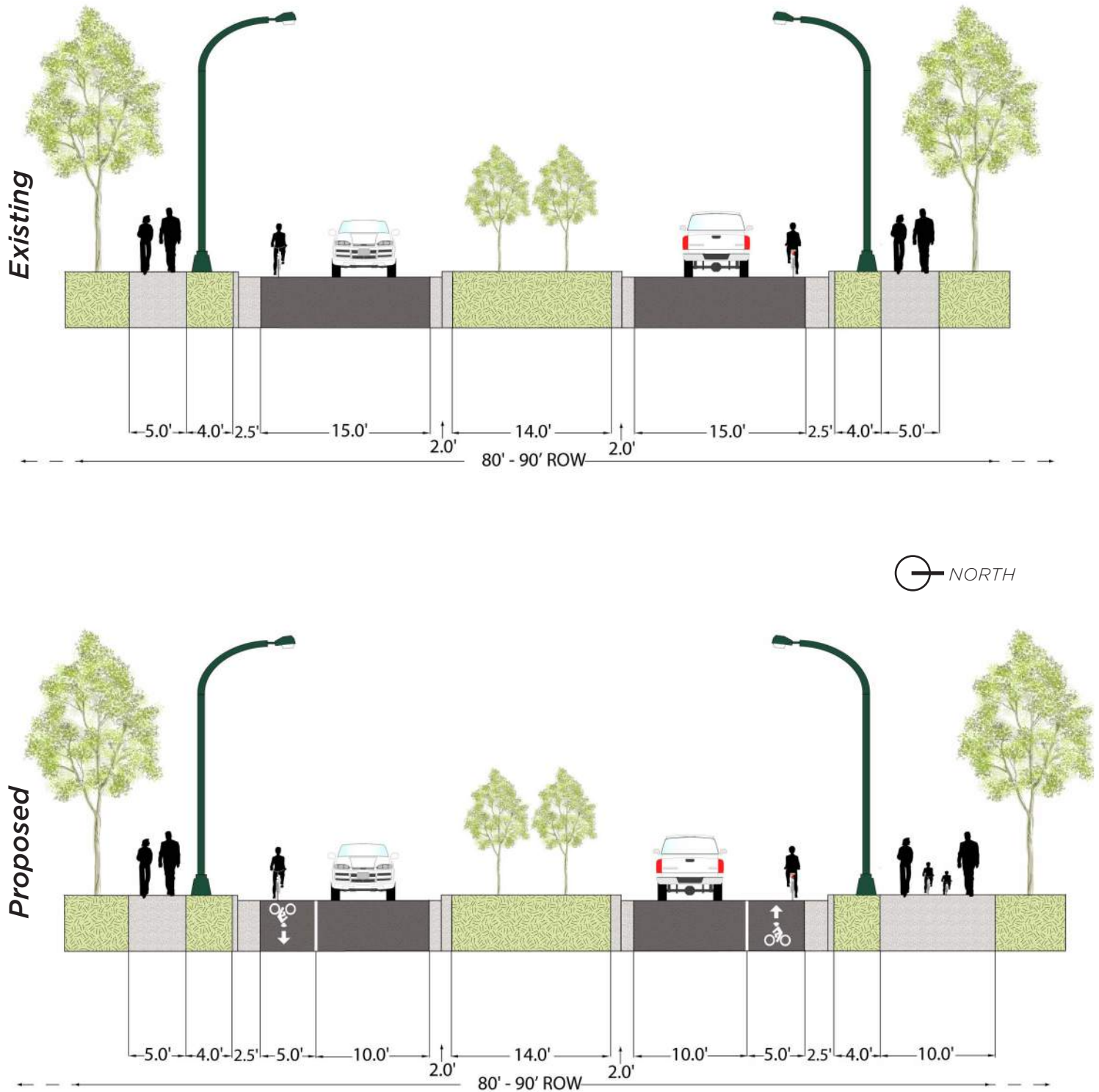


Figure 3.26. Liverpool Parkway existing divided 2-lane to proposed 2-lane Reconfiguration Concept with Bicycle Lanes and Sidepath

*Statesville Road (between Westmoreland Rd. and Huntersville town line)*

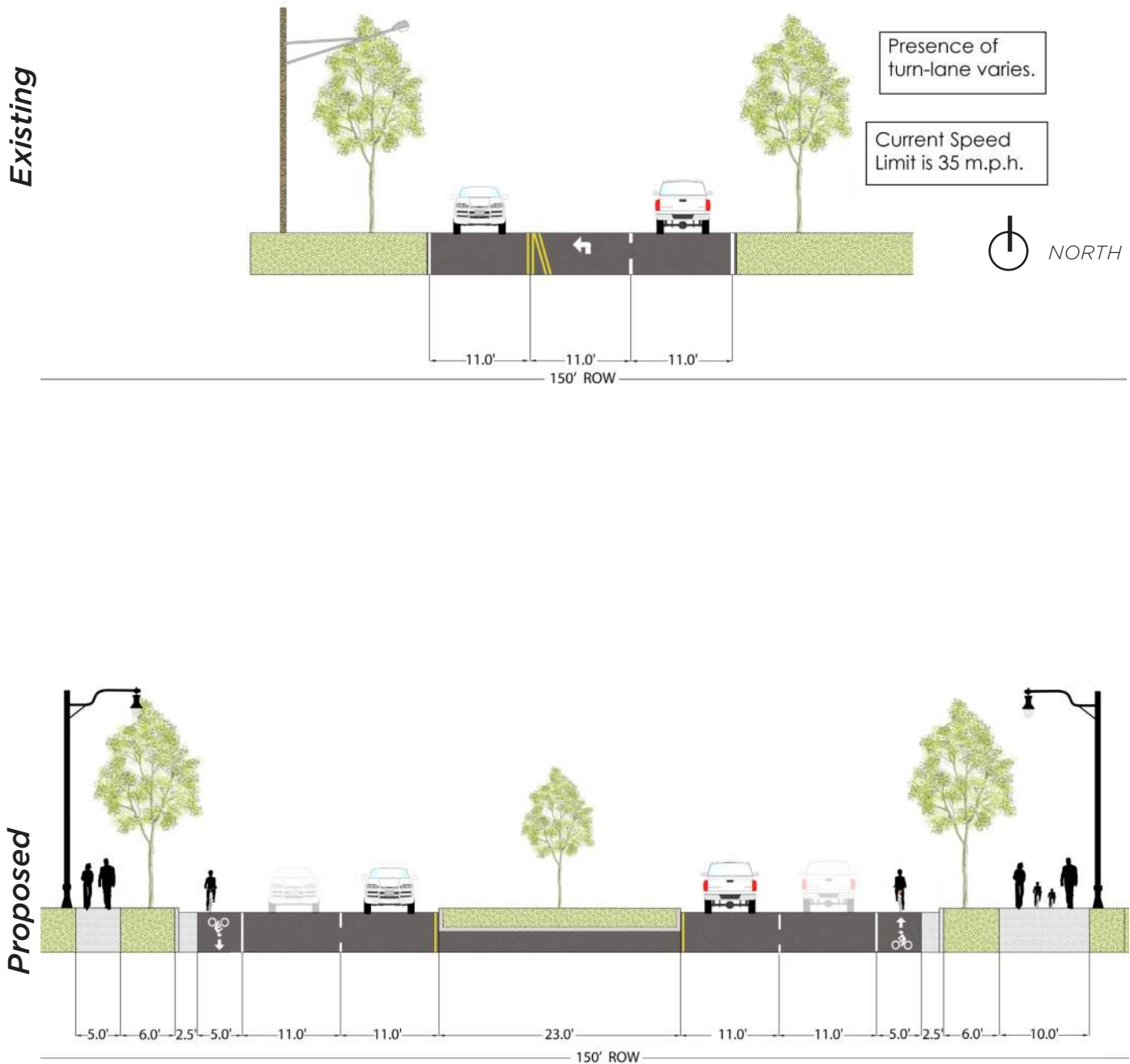


Figure 3.27. Statesville Road existing undivided 2-lane Road with Turning Lane and proposed Reconfiguration Concept with Sidepath, Sidewalk, and Bike Lanes. Note that Statesville Road is scheduled for widening.

## Westmoreland Road Bridge over I-77 Existing

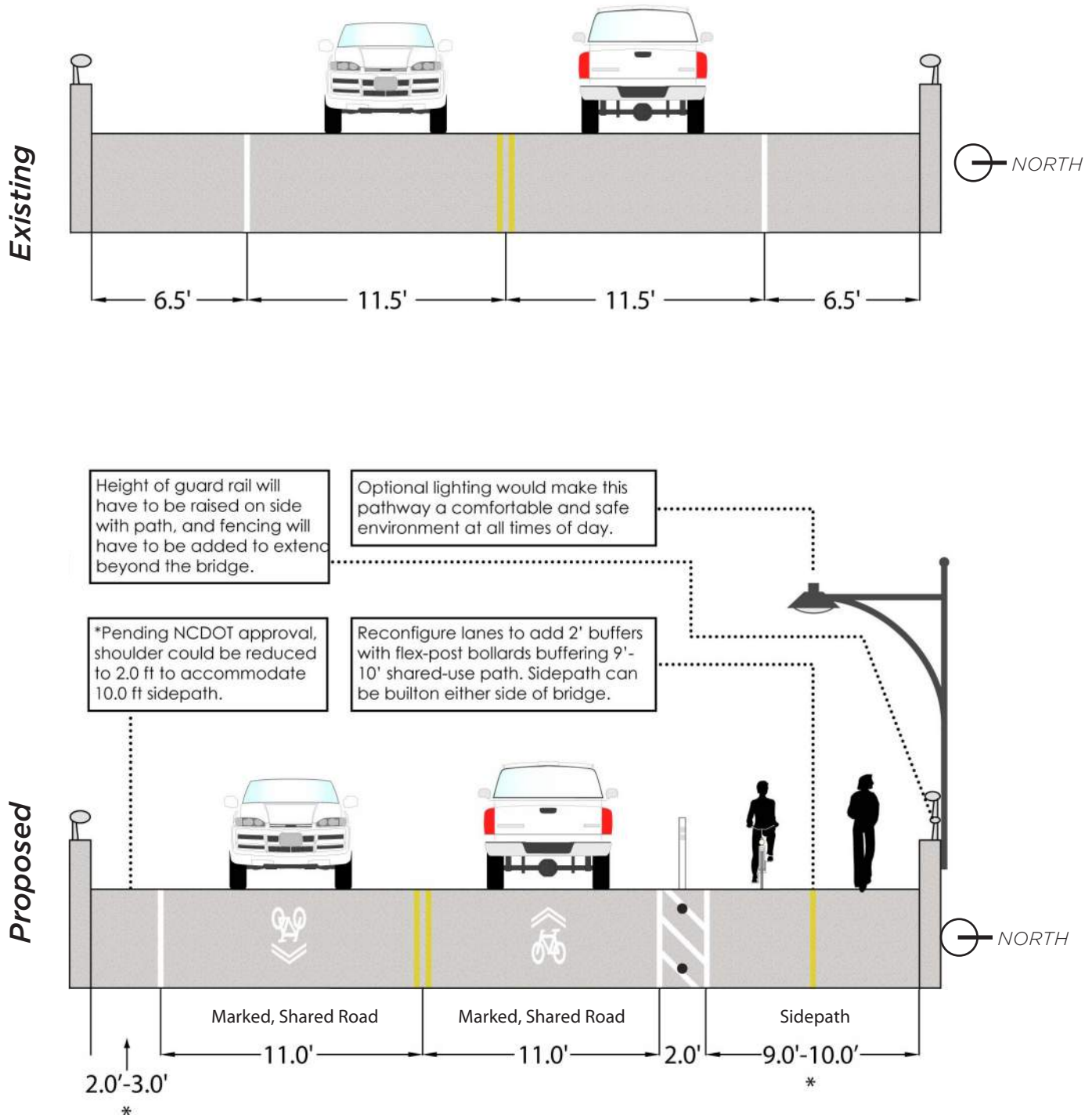
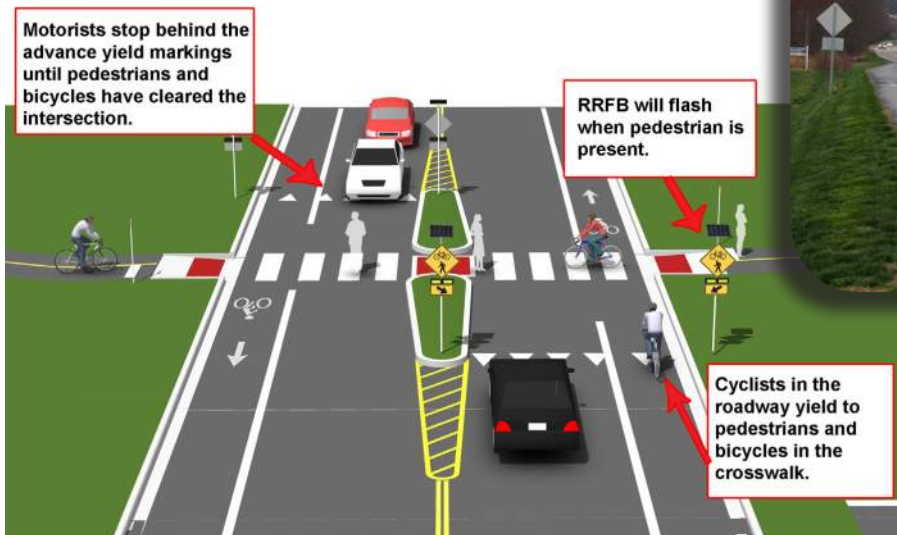


Figure 3.28. Westmoreland Road bridge Reconfiguration Concept includes a 2-way Sidepath



## Westmoreland Road Greenway Crossing Options



Above: Existing conditions on Westmoreland Road, looking east toward the I-77 bridge.

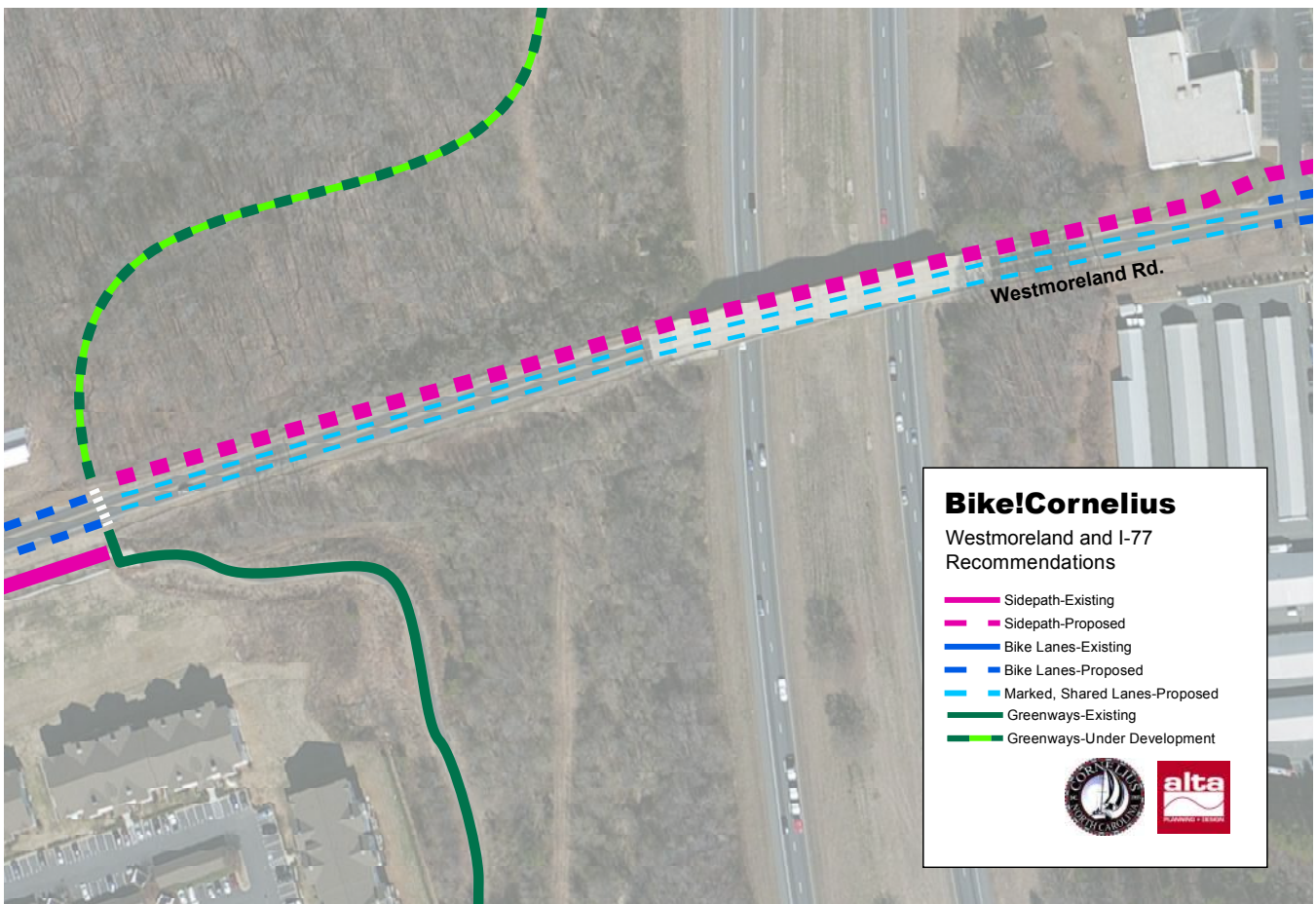


Figure 3.29. Existing View and Proposed Schematic Plan View of Westmoreland Road Bridge Reconfiguration and Sidepath

Westmoreland Road (between W. Catawba Ave. and Lake Pines Rd.)

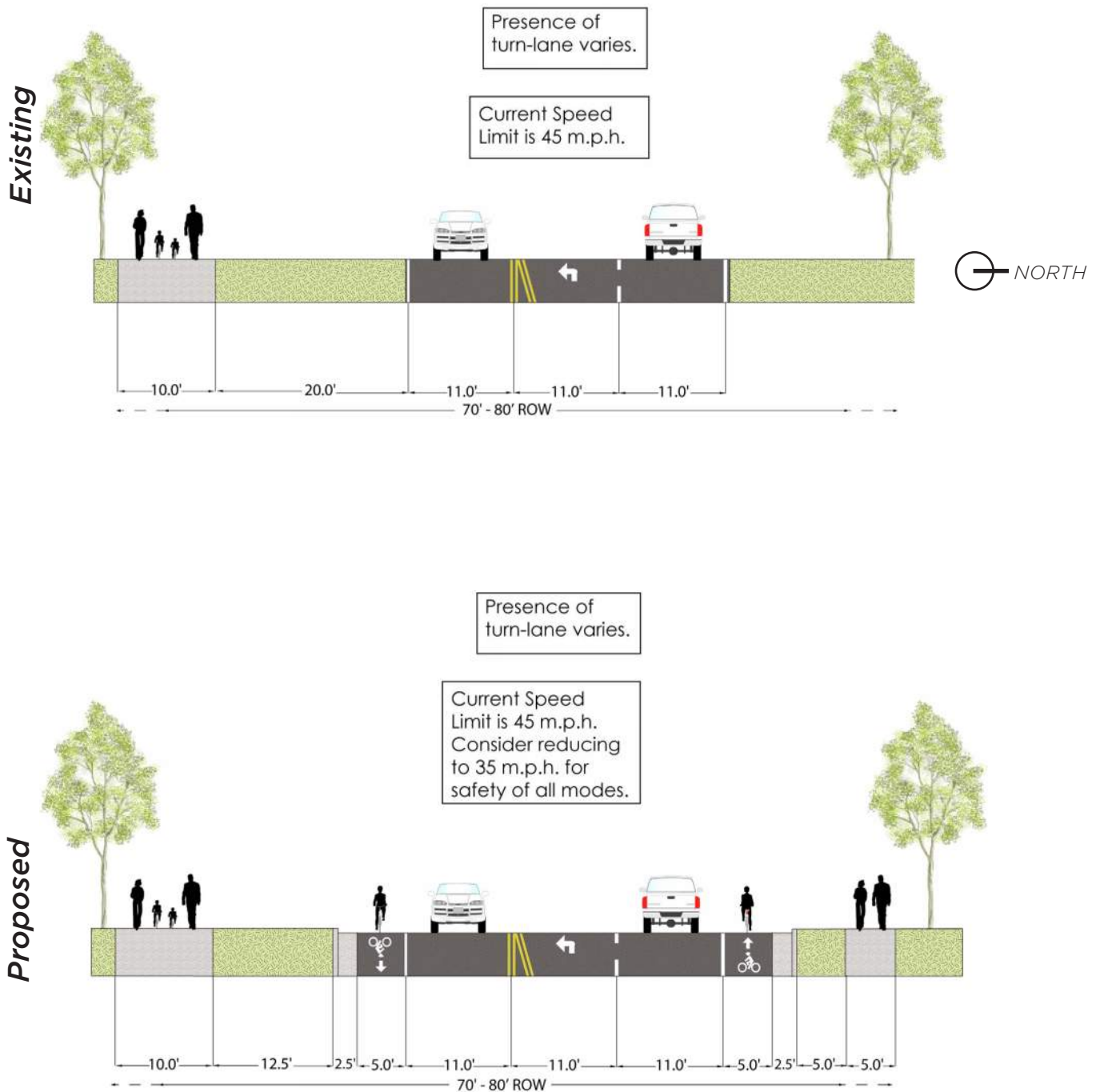


Figure 3.30. Westmoreland Road existing undivided 2-lane road with Turning Lane and proposed Reconfiguration Concept with Sidepath, Sidewalk, and Bike Lanes

West Catawba Avenue (between Magnolia Estates Dr. and Sam Furr Rd.)

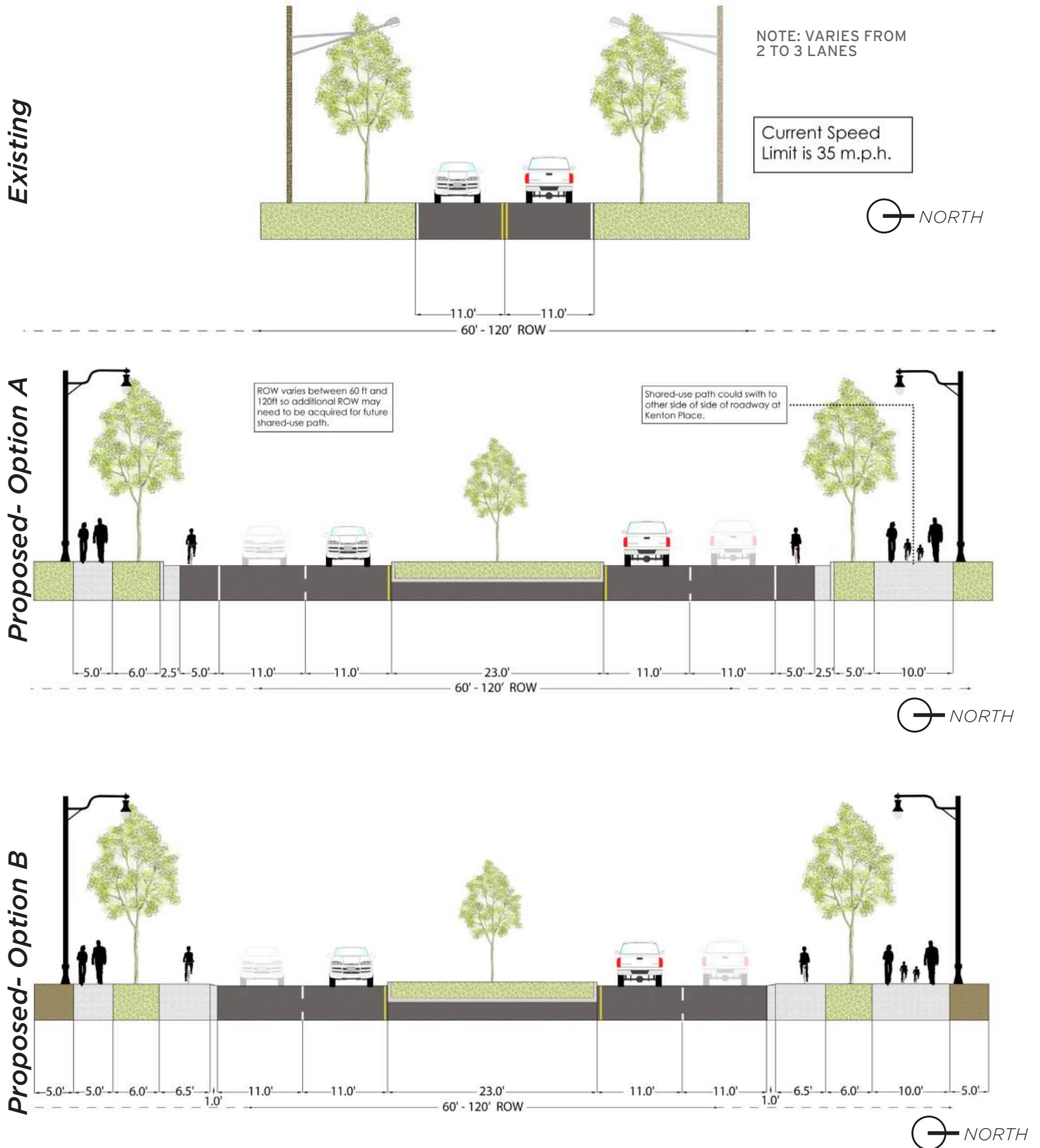


Figure 3.31. West Catawba Avenue Super Street Reconfiguration Concept. Note that West Catawba is scheduled for widening.



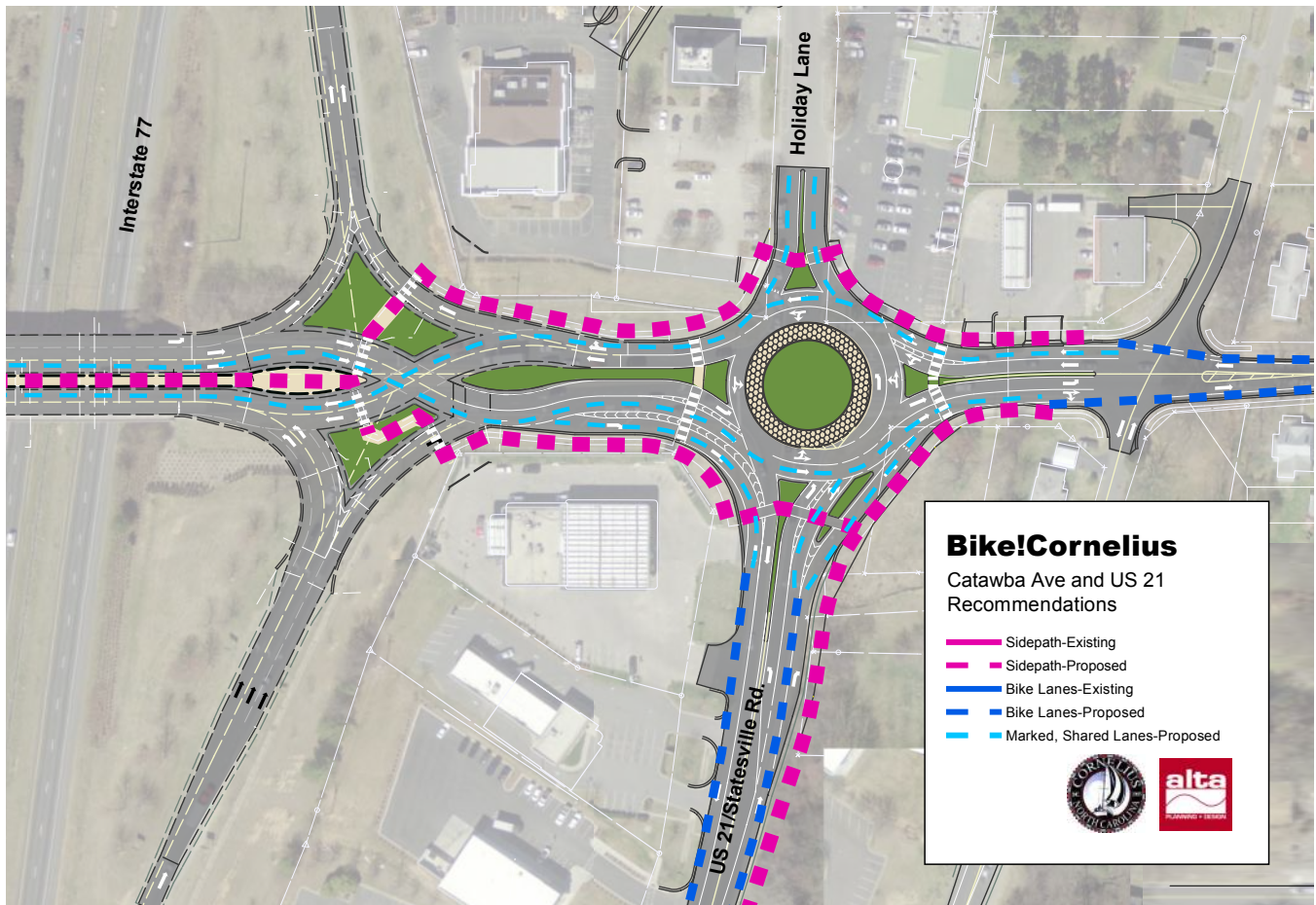


Figure 3.32. Catawba Avenue and Statesville Road/US 21 Intersection Recommendations



*Catawba Avenue (between Meridian Street and Oak Street)*

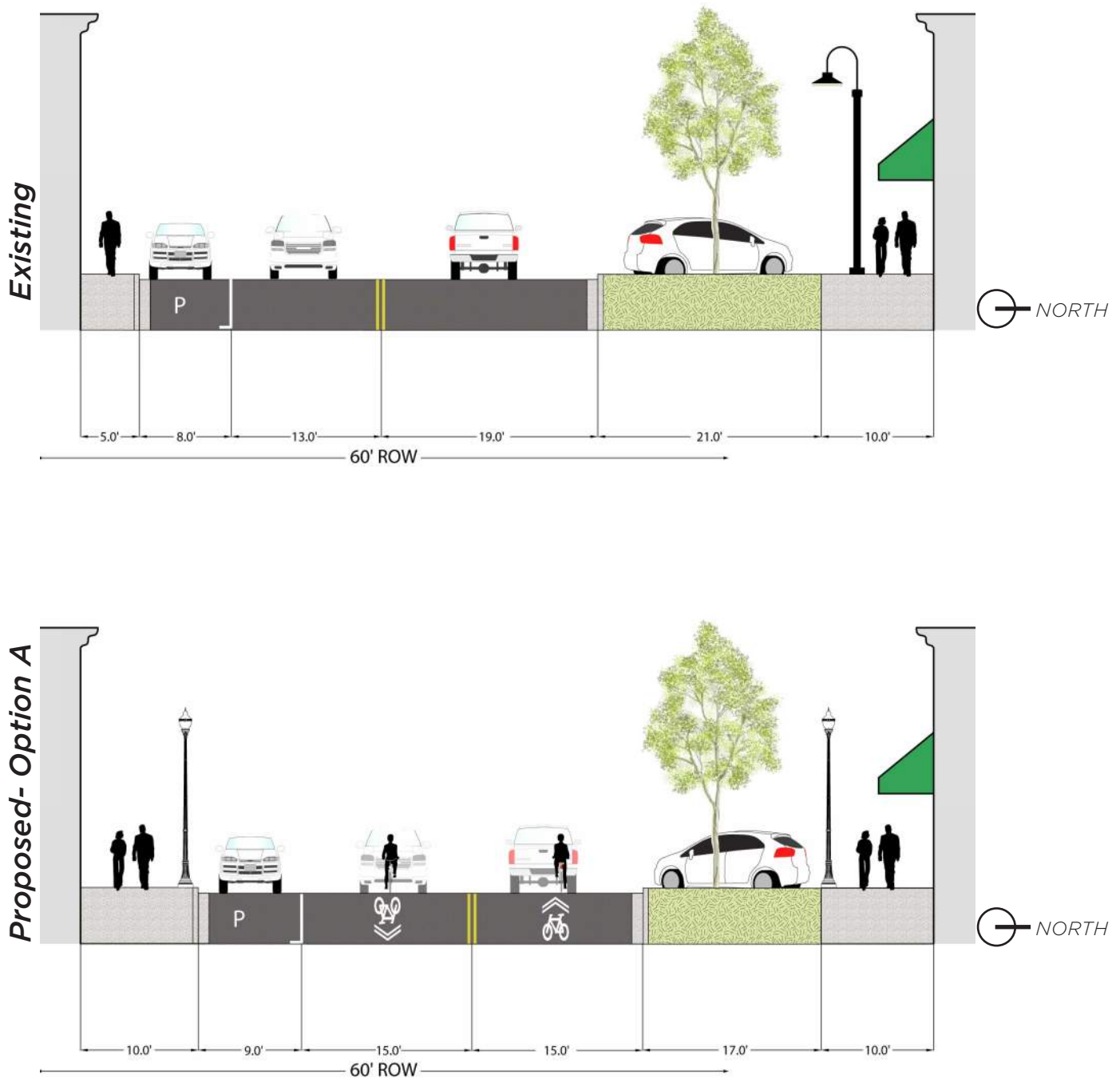


Figure 3.33. Catawba Avenue Commercial District Reconfiguration Concept with expanded Sidewalk, Shared-Lane Markings and reverse angled parking

*Catawba Avenue (between Meridian Street and Oak Street)*

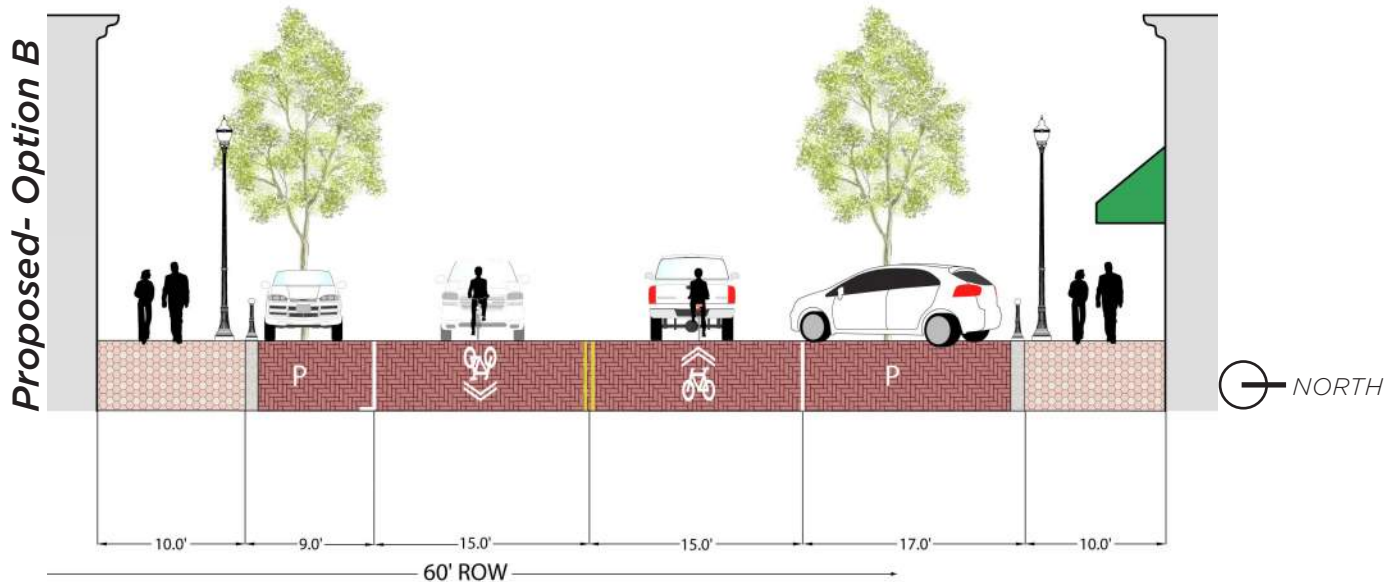


Figure 3.34. Catawba Commercial District Reconfiguration Concept with Festival Street, including level street and Sidewalk, specialty paving, Shared-Lane Markings, and reverse angle parking

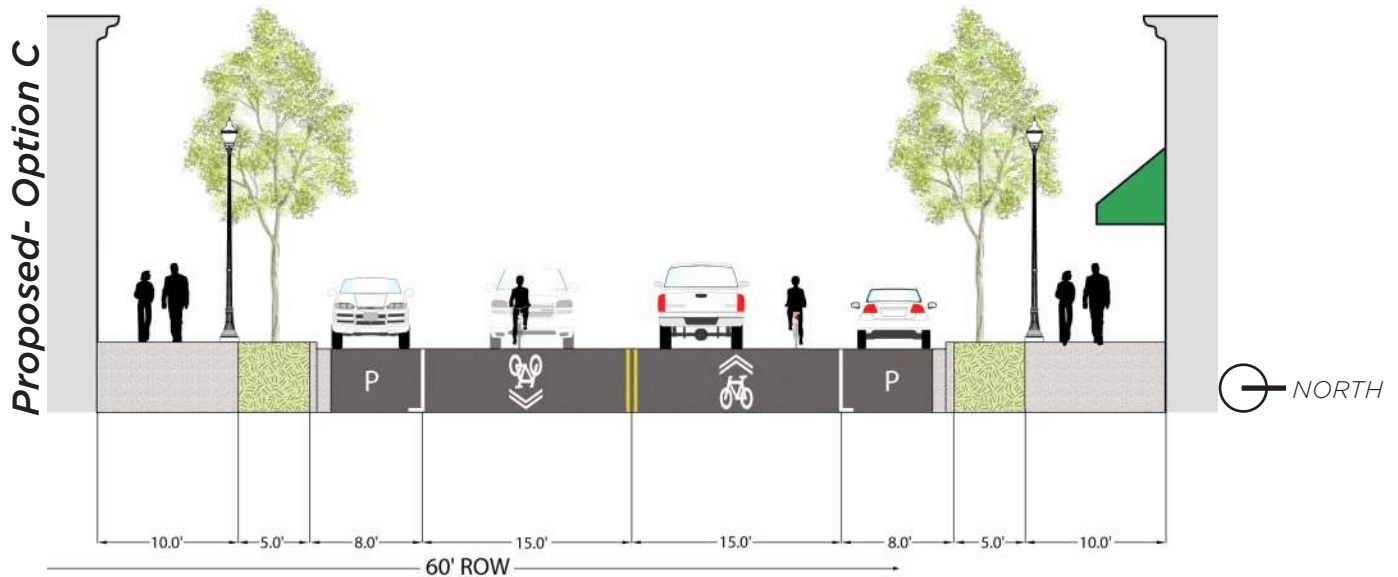


Figure 3.35. Catawba Avenue Commercial District Reconfiguration Concept with expanded Sidewalk, Shared-Lane Markings and 2-way parallel parking



Source: Ramblin' with Chuck and Pam Blog

*Festival Street Precedent: Wall Street in Asheville, NC.*



Source: John GreenfieldBlog

*Festival Street Precedent: River Street in Batavia, IL*

## V. IMPLEMENTATION STRATEGIES

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*It requires really hard work to get beyond the dashboard view of our streets...The new blueprint is not anti-car. It is pro-choice.*

*-- Janette Sadik-Khan, Former NYC DOT Commissioner*

### Introduction

Implementing the recommendations of this Plan is essential to improving Cornelius's bicycle friendliness, both in the short- and long-term. Together, infrastructure and non-infrastructure recommendations address all of the five E's of bicycle planning (Engineering, Education, Encouragement, Enforcement, and Evaluation) and are equally crucial to realizing the vision of this Plan. This chapter outlines action steps for developing the bicycle network and implementing bicycle policies and programs including implementation priorities, staffing partners in implementation, facility development methods, project prioritization, and a programmatic timeline.



## Implementation Agencies and Groups

### TOWN OF CORNELIUS

The Town's Planning Director, PARC Director, Public Works, and City Manager's office are responsible for leading the implementation of this plan. The Town will continue to spearhead initiatives to manifest tangible results based on the recommendations of this plan.

### NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

NCDOT Division 10 maintains most of the major roadways in Cornelius. Recommendations for bicycle facilities on NCDOT roads will have to be carried out through a coordinated effort between the Town of Cornelius and NCDOT Division 10. Some technical assistance can be provided through NCDOT's Division of Bicycle and Pedestrian Transportation (the Town should be proactive in seeking such assistance, and should refer NCDOT to this plan whenever possible).

### CORNELIUS BICYCLE ADVISORY COMMITTEE

As recommended in the Evaluation Section, on page 131 of Chapter 4, Cornelius should convene an official Bicycle Advisory Committee, to advise the town on bicycling issues.

### POLICE DEPARTMENT

The Cornelius Police Department plays a vital role in bicycle safety. All local police officers should be knowledgeable about North Carolina's bicycle laws to promote positive interactions between bicyclists and motorists. Local law enforcement should be familiar with The Guide to North Carolina Bicycle and Pedestrian Laws, written by the NCDOT Division of Bicycle and Pedestrian Transportation. The Police Department should continue to specifically target any known areas of bicycle use and motor vehicle speeding, such as along Bailey Road and Jetton Road.

### VOLUNTEERS

Services from volunteers, students, local non-profits, and seniors, or donations of material and equipment provided in-kind are particularly beneficial for trail development and program implementation. Such contributions may offset construction and maintenance costs of trails. Formalized maintenance agreements, such as adopt-a-trail/greenway or adopt-a-highway can be used to provide a regulated service agreement with volunteers. Other efforts and projects can be coordinated with senior class projects, scout projects, interested organizations, clubs or a neighborhood's community service to provide for many of the program ideas outlined in Chapter 4 of this Plan. Advantages of utilizing volunteers include reduced or donated planning and construction costs, community pride and personal connections to the Town's trail and bike facility networks.

## Priorities

### ADOPT THIS PLAN

Through adoption, this Plan becomes an official planning document of the Town. Adoption shows that the Town of Cornelius has undergone a successful, supported planning process. The Town can then use this document to apply implementation funding through NCDOT and other sources. The Town staff, elected and appointed officials should be made aware of this Plan and support bicycle-related projects and policies. Finally, this Plan's recommendations should be integrated into existing and future Town of Cornelius policy and planning documents.

**Primary Responsible Agency: Town of Cornelius**

Additional Partners: Bicycle Advisory Committee (BAC)

### BEGIN BUILDING PROJECTS

Project Steering Committee input, public input, existing plans, connectivity, and other factors were used to develop the recommended bicycle network (see Chapter 3). These projects should be implemented using a combination of grants, local funding, private and non-profit sector support, and state funding, and should be constructed in coordination with local development and state transportation projects.

**Primary Responsible Agency: Town of Cornelius**

Additional Partners: North Carolina Department of Transportation (NCDOT)

### IMPROVE AND ENFORCE BICYCLE-RELATED REGULATIONS

Regulations and development standards should be enforced to ensure that future development provides for bicycle facilities in approved development plans, including development of adopted cross-sections or greenways and provision of bicycle parking. For State roadways (which comprise much of Cornelius's recommended bicycle network) see the **"Complete Streets"** policy that was adopted by NCDOT in 2009 and Complete Street Guidelines that were developed by NCDOT in 2012. The policy directs the Department to consider and incorporate all modes of transportation when building new projects or making improvements to existing infrastructure. Under the policy, the Department will collaborate with cities, towns and communities during the planning and design phases of projects. Together, they will decide how to provide the transportation options needed to serve the community and complement the context of the area. More information about the Complete Streets Policy, as well as other state and federal policies that are applicable to implementation of Cornelius's bicycle network, is included below:

- Complete Streets Policy – <http://www.completestreetsnc.org/> and [http://www.bytrain.org/fra/general/ncdot\\_streets\\_policy.pdf](http://www.bytrain.org/fra/general/ncdot_streets_policy.pdf)
- NCDOT Complete Streets Guidelines -- <http://www.completestreetsnc.org/resources/>
- NCDOT Bicycle Policy Guidelines [http://www.ncdot.gov/bikeped/download/bikeped\\_laws\\_Bicycle\\_Policy.pdf](http://www.ncdot.gov/bikeped/download/bikeped_laws_Bicycle_Policy.pdf)
- NCDOT Greenway Policy [http://www.ncdot.gov/\\_templates/download/external.html?pdf=http%3A//www.ncdot.gov/bikeped/](http://www.ncdot.gov/_templates/download/external.html?pdf=http%3A//www.ncdot.gov/bikeped/)

download/bikeped\_laws\_Greenway\_Admin\_Action.pdf

- NCDOT Board of Transportation Resolution for Bicycling and Walking - [http://www.ncdot.gov/bikeped/download/bikeped\\_laws\\_BOT\\_Mainstreaming\\_Resolution.pdf](http://www.ncdot.gov/bikeped/download/bikeped_laws_BOT_Mainstreaming_Resolution.pdf)
- TND Guidelines - <http://ntl.bts.gov/lib/22000/22600/22616/tnd.pdf>
- Bridge Policy - <https://connect.ncdot.gov/projects/Roadway/RoadwayDesignAdministrativeDocuments/Bridge%20Policy.pdf>

**Primary Responsible Agency: Town of Cornelius**

Additional Partners: NCDOT, BAC

## TAKE ADVANTAGE OF ALL OPPORTUNITIES

Some of the most cost-effective opportunities to provide bicycle facilities are routine roadway construction, reconstruction, and repaving projects. A new commercial development or a roadway widening project, for instance, would provide an opportunity to add shoulder width or paint shared lane markings as part of an existing effort, potentially saving costs. One role of the Permanent Bicycle Advisory Committee and the designated Bicycle Staff Position recommended on page 131 in Chapter 4 is to stay aware of upcoming roadway construction, reconstruction, and repaving projects and commercial development projects and identify opportunities for bicycle facility development. This requires ongoing communication with NCDOT and local developers.

**Primary Responsible Agency: Town of Cornelius**

Additional Partners: BAC, developers

## SEEK MULTIPLE FUNDING SOURCES AND FACILITY DEVELOPMENT OPTIONS

Multiple approaches should be taken to support bicycle facility development and programming. It is important to secure the funding necessary to undertake short-term projects but also to develop a long term funding strategy to allow continued development of the overall system. A variety of local, state, and federal options and sources exist and should be pursued. Other methods of bicycle facility development that are efficient and cost-effective are described in the Design Guidelines Appendix and later in this chapter.

**Primary Responsible Agency: Town of Cornelius**

Additional Partners to consider: Charlotte Regional Transportation Planning Organization (CRTPO)

## DEVELOP BICYCLE ENCOURAGEMENT AND EDUCATION PROGRAMS

It is important that implementation of bicycling programs occur in conjunction with implementation of bicycling infrastructure improvements. Cornelius can consider hosting public events and media outreach in conjunction with announcements for new bike facility and trail projects. Ensuring that these projects include wayfinding signage with known lengths and travel times will further encourage riders of all abilities. Refer to Chapter 4 of this Plan for a comprehensive list of program ideas.

**Primary Responsible Agency: Town of Cornelius (Police Department & PARC)**

Additional Partners to consider: BAC, Region 4 Active Routes to School (ARTS) Coordinator

## ENSURE PLANNING EFFORTS ARE INTEGRATED REGIONALLY

Combining resources and efforts for bicycle planning and trail planning with surrounding municipalities, regional entities, and stakeholders is beneficial to all parties involved. Regional, long-distance trails often spark the most excitement, use, and tourism. The Town should continue to coordinate with NCDOT, Mecklenburg County and neighboring municipalities on regional bicycle route and trail initiatives, including the Carolina Thread Trail, the Mooresville to Charlotte Trail, the Lake Norman Bike Route and similar efforts. It is important to remain aware of other municipal, county, state, and NCDOT efforts to ensure the Town takes advantage of funding opportunities and support. After adoption by the Town, the Town should ensure that this document is recognized and utilized by regional transportation planning agencies, such as NCDOT Division 10 and CRTPO. The plan's recommendations should be programmed into the official work schedule and planning of these organizations.

### **Primary Responsible Agency: Town of Cornelius**

Additional Partners to consider: CRTPO, Carolina Thread Trail

## BECOME DESIGNATED AS A BICYCLE FRIENDLY COMMUNITY

This Bicycle Plan will help to transform Cornelius into a "Bicycle Friendly Community" (BFC). As described in Chapter 2, the Bicycle Friendly Community Campaign is an awards program that recognizes municipalities that actively support bicycling. The development and implementation of this Plan is an essential first step in becoming a Bicycle Friendly Community. Having a citizen's board officially dedicated to these issues, such as the Permanent Bicycle Advisory Committee recommended in Chapter 4, also helps tremendously. Cornelius should make progress in accomplishing the goals of this Plan, and then apply for BFC status.

### **Primary Responsible Agency: Town of Cornelius**

Additional Partners: BAC



## Performance Measures (Evaluation and Monitoring)

The Town of Cornelius should establish performance measures to benchmark progress towards implementing this plan. These performance measures should be stated in an official report within two years after the Plan is adopted. Establishing, tracking, and documenting progress is a task the Permanent Bicycle Advisory Committee can lead with support from staff, particularly the Bicycle Staff Position (see Chapter 4). Performance measures could address the following aspects of bicycle transportation and recreation in Cornelius:

- Measures of bicycle crashes and injuries or speeding in the Town.
  - Measures of how many bicycle facilities have been funded and constructed since the Plan's adoption and the numbers of people using the facilities (bicycle and pedestrian counts of bike facilities and greenways).
  - Measures of existing bicycle facility deficiency or maintenance needs.
  - Measures of the number of people who have participated in part of a bicycle program since the Plan's adoption.
  - Ensure that every residence and business is within 1/4 mile distance from a safe bike facility.
  - Increase the number of dedicated bike facilities to 10 miles by 2025.
  - Ensure that all funded road projects (new and widening projects) include bike/pedestrian facilities.
  - Improve and expand current wayfinding signs for cycling by 2017.
- Adopt a policy for bicycle design in Cornelius using guidance from NCDOT Urban Street Design Guidelines and NACTO.
  - Conduct bicycle counts to get a baseline of bicycle activity and repeat annually.
  - Apply for BFC status by 2017.
  - Achieve Silver status by 2025

## Program & Policy Implementation

The Cornelius Bicycle Plan's program and policy recommendations are designed for implementation within three years of adoption of the Plan. While the vast majority of infrastructure and policy recommendations fall within the exclusive jurisdiction of the Town of Cornelius and its governing authority, many program recommendations can, and should, fall under the banner of outside agencies, private sector partners, and nonprofit organizations including Mecklenburg County's Safe Routes to School Program, NC Region 4 Active Routes to Schools program, the Carolina Thread Trail, Mecklenburg County Park and Recreation, and others. More information on Program & Policy Development can be found in Chapter IV, pages 117 and 127, respectively.

### POLICY DEVELOPMENT

Following the establishment of a Permanent Bicycle Advisory Committee, the committee should work with Town of Cornelius staff to prioritize and advance the policy recommendations of the Plan. This Plan recommends allowing three to five months for policy research, development, stakeholder input, and formal adoption of program initiatives. While prioritization of policies is driven by local political will, the table below provides a guide for moving forward with policy adoption:

*Table 5.1 Policy Development Strategies*

STRATEGY	TARGET ADOPTION TIME-FRAME
Update Speed Limit Policy	Summer 2017
Update Bicycle Operations Ordinances	Summer 2017
Update Bicycle Parking Ordinance	Summer 2017

## PROGRAM DEVELOPMENT

A collaborative approach to implementing and sustaining bicycling programs contributes to the broader vision of fostering a strong bicycle advocacy community and bicycle culture. Additionally, the minimal expense associated with most programs offers the unique opportunity for multiple, varied sectors of the community to contribute to the larger bicycle friendly community campaign.

For each of non-infrastructure recommendation of the Plan, Table 5.12 on the following page outlines the timeline for implementation and the frequency of the program's occurrence. The final column in the table provides a relative cost scale for implementing the program based on experiences in other communities.



*Raised Cycle Track: Bend, OR.*

Table 5.2 Program Development Strategies

STRATEGY	TIMELINE FOR COMMENCEMENT	DURATION/LEAD DEPARTMENTS	COST RANGE
Bicycle/Greenway Route Maps	Fall 2016	On-going (hard copy and on-line maps; update every 2 years). Planning & PARC	\$\$
Bicycle Staff Position	Fall 2016	Ongoing. Planning & Administration	\$
Speed Feedback Signs & Trailers	Fall 2016	On-going. Police	\$\$\$
NCDOT Watch for Me Campaign	Fall 2016	On-going. Police & Planning	\$
Permanent Bicycle Committee	Winter 2016	Ongoing. Planning & Administration	\$
Commuter Incentives	Spring 2017	On-going, Planning & Administration	\$
Traffic Studies	Spring 2017	On-going, Planning	\$\$
Safe Routes to School Committee	Spring 2017	On-going. Planning, Police, Mecklenburg County SRTS Program, Schools	\$
Open Street Events	Spring 2017	Bi-annually to monthly; Occurring Annually (2 months planning). PARC & Planning	\$\$
Positive Media Campaign	Spring 2017	1-2 months; Every Two Years (3 months planning). Planning & Administration	\$\$
Police Training Program	Spring 2017	Every Three Years. Police	\$\$\$
Bicycle Law Citation and Waiver Program	Spring 2017	On-going. Police	\$
Bike Month Activities	May 2017	Month of May; Occurring Annually (4 months planning). Planning & PARC	\$-\$\$
Campaign for Rights and Responsibilities of Motorists and Bicyclists	May 2017	1-2 months; Every Two Years (3 months planning). Police & Planning	\$\$
Family Biking Classes	Spring/Summer 2017	Occurring bi-annually (2 months planning). PARC, Planning, Mecklenburg County SRTS Program	\$
Youth Bicycle Safety Education Classes	Spring/Summer 2017	Bi-annually (2 months planning). PARC, Planning, Mecklenburg County SRTS Program	\$



## REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: January 3, 2017

To: Mayor and Board of Commissioners

From: Julie Niswonger, Finance Director

**Action Requested:**

This amendment includes 2 items:

1. The Town authorized the purchase of the Art Center land in FY 2016, however, the negotiation process took longer than anticipated and the closing date is now expected to take place on January 10, 2017. This amendment authorizes the use of \$1,500,000 from fund balance to purchase the Art Center land.
2. This amendment also allocates a grant award of \$94,340 from the NC Department of Commerce for downtown revitalization. These funds will be utilized to complete surveying and detailed design for streetscape improvements (also known as a festival street) to Catawba Avenue in front of the new Art Center site.

**Manager's Recommendation:**

Approve an Ordinance to amend the FY17 budget.

**ATTACHMENTS:**

Name:	Description:	Type:
 <a href="#">Amendment_3-JM.pdf</a>	FY 2017 Budget Amendment	Cover Memo

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**TOWN OF CORNELIUS**  
**AN ORDINANCE AMENDING**  
**THE OPERATING BUDGET FOR**  
**FISCAL YEAR 2016-2017**

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF  
COMMISSIONERS OF THE TOWN OF CORNELIUS:**

**SECTION 1.** The following amounts are hereby authorized for all appropriations, expenditures and inter-fund transfers necessary for the administration and operation of the Town of Cornelius for the fiscal year beginning July 1, 2016 and ending June 30, 2017 in accordance with the following schedule of accounts heretofore established for this Town:

SCHEDULE A: GENERAL FUND

	Original Budget	Previous Amendment 10/17/2016	This Amendment 1/3/2017	Change
<b>General Fund Revenues</b>				
Ad Valorem Taxes	\$ 13,569,495	13,569,495	13,569,495	-
Local Option Sales Tax	2,976,700	2,976,700	2,976,700	-
Utility Franchise Tax	1,747,600	1,747,600	1,747,600	-
Powell Bill Allocation	760,000	760,000	760,000	-
Other Taxes and Licenses	552,200	552,200	552,200	-
Unrestricted Intergovernmental	990,100	990,100	990,100	-
Restricted Intergovernmental	733,770	733,770	828,110	94,340
Permits and Fees	708,288	708,288	708,288	-
Sales and Services	140,000	140,000	140,000	-
Investment earnings	45,500	45,500	45,500	-
Donations	20,000	20,000	20,000	-
Micellaneous	10,100	10,100	10,100	-
Debt Issued	442,600	442,600	442,600	-
Appropriated Fund Balance	29,500	186,778	1,686,778	1,500,000
<b>Total General Fund Revenues</b>	<b>\$22,725,853</b>	<b>\$22,883,131</b>	<b>\$24,477,471</b>	<b>\$ 1,594,340</b>
<b>General Fund Expenditures</b>				
Governing Board	\$ 80,702	80,702	80,702	-
General Government	1,524,073	1,524,073	1,524,073	-
General Services	372,030	372,030	372,030	-
Police	6,222,376	6,222,376	6,222,376	-
Communications	590,324	590,324	590,324	-
Fire Operations	1,500,559	1,500,559	1,500,559	-
Animal Control	173,361	173,361	173,361	-
Public Works	1,706,935	1,714,213	1,714,213	-
Powell Bill	924,000	924,000	924,000	-
Solid Waste/Recycling	2,034,404	2,034,404	2,034,404	-
Stormwater	220,000	220,000	220,000	-
Planning / Land Development	620,857	620,857	715,197	94,340
Tourism	558,601	558,601	558,601	-
Art Center	352,980	352,980	1,852,980	1,500,000
Parks, Arts, Recreation, and Culture	2,075,222	2,225,222	2,225,222	-
Transfer to Capital Project Funds/ 911 Fund	765,000	765,000	765,000	-
Debt Service	3,004,429	3,004,429	3,004,429	-
<b>Total General Fund Expenditures</b>	<b>\$22,725,853</b>	<b>\$22,883,131</b>	<b>\$24,477,471</b>	<b>\$ 1,594,340</b>

SCHEDULE B: ELECTRIC FUND

	Original Budget	Previous Amendment 10/17/2016	This Amendment 1/3/2017	Change
<b>Electric Fund Revenues</b>				
Sales and Services	\$ 5,928,239	5,928,239	5,928,239	-
Fund Balance	467,657	467,657	467,657	-
Miscellaneous	10,000	75,692	75,692	-
<b>Total Electric Fund Revenues</b>	<b>\$ 6,405,896</b>	<b>\$ 6,471,588</b>	<b>\$ 6,471,588</b>	<b>\$ -</b>

<b>Electric Fund Expenditures</b>				
Electric Department	\$6,405,896	\$6,471,588	\$6,471,588	-
<b>Total Electric Fund Expenditures</b>	<b>\$ 6,405,896</b>	<b>\$ 6,471,588</b>	<b>\$ 6,471,588</b>	<b>\$ -</b>

SCHEDULE C: 911 FUND

<b>911 Fund Revenues:</b>				
911 Fee Revenue	\$141,796	141,796	141,796	-
Fund Interest Earnings	1,200	1,200	1,200	-
911 Appropriated Fund Balance	51,489	51,489	51,489	-
<b>Total 911 Fund Revenues</b>	<b>\$ 194,485</b>	<b>\$ 194,485</b>	<b>\$ 194,485</b>	<b>\$ -</b>

<b>911 Fund Expenditures:</b>				
911 Department	\$194,485	194,485	194,485	-
<b>Total 911 Fund Expenditures</b>	<b>\$ 194,485</b>	<b>\$ 194,485</b>	<b>\$ 194,485</b>	<b>\$ -</b>



**SECTION 2.** An ad valorem tax rate of \$.255 per \$100 of assessed valuation is hereby established as the official tax rate for the Town of Cornelius for the fiscal year 2016-17. This rate is based on an estimated valuation of \$5,258,437,557 and an estimated 98.6% percent collection rate, which is at least the collection rate expected during the 2015-16 fiscal year.

**SECTION 3.** In accordance with G.S. §159-9 and G.S. §159-15, the Town Manager shall serve as the budget officer and is hereby authorized to reallocate appropriations among the objects of expenditure under the following conditions:

- a. The Town Manager may transfer amounts between line-item expenditures even among departments as believed to be necessary and prudent.
- b. He may not transfer any amounts between funds, except as approved by the Board of Commissioners in the Budget Ordinance as amended.

Adopted this the 3rd day of January, 2017.

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Charles L. Travis III, Mayor

SEAL

ATTEST:

APPROVED AS TO FORM:

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Lori A. Harrell, Town Clerk

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Karen Wolter, Town Attorney

## REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: January 3, 2017

**To:** Mayor and Board of Commissioners

**From:** Julie Niswonger, Finance Director

**Action Requested:**




The FY 2017 budget approved financing for 5 police vehicles, 2 park trucks, and 1 public works truck. The Finance Department requested proposals from banks to finance the vehicles; a summary of those proposals is attached. Staff recommends the low bid proposal of BB&T Bank.

There is one resolution attached to authorize staff to negotiate final terms.

**Manager's Recommendation:**

Approve a resolution approving financing terms with BB&T Bank to borrow \$412,000 for FY2017 vehicle purchases and authorize the Town Manager to execute the financing documents.

**ATTACHMENTS:**

Name:	Description:	Type:
 <a href="#">Bid Tab Vehicles FY 17-1.pdf</a>	BB&T Bid Tab	Cover Memo
 <a href="#">Cornelius 12-13-16 (003).pdf</a>	BB&T Bid	Cover Memo
 <a href="#">BBT_Draft_Docs.pdf</a>	BB&T Draft Financing Documents	Cover Memo

**Town of Cornelius  
Municipal Vehicles  
Bid opening 12/14/2016**

[illegible]



## BB&T Governmental Finance

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5130 Parkway Plaza Boulevard  
Charlotte, North Carolina 28217  
(704) 954-1700  
Fax (704) 954-1799

December 13, 2016

Ms. Julie Niswonger  
Accountant  
Town of Cornelius

Dear Ms. Niswonger:

Branch Banking and Trust Company ("BB&T") is pleased to offer this proposal for vehicles, as requested by the Town of Cornelius, North Carolina (the "Town").

- (1) **Project:** Vehicles
- (2) **Amount to be Financed:** \$412,000.00
- (3) **Interest Rates, Financing Terms and Corresponding Payments:**

Term	Rate
3 years	1.58%
4 years	1.70%
5 years	1.81%

Payments shall be semi-annual in arrears, or as requested. See the attached amortization schedule(s) for information on payments.

The financing proceeds may be deposited on behalf of the Town in a project fund account with Branch Banking & Trust. Earnings on the project fund shall accrue to the benefit of the Town for use on Project costs or interest payments.

The interest rate stated above is valid for a closing not later than February 13, 2017. A convenient date and time shall be mutually agreed upon for closing. Closing is contingent upon completing documentation acceptable to BB&T and upon the condition of the equipment acceptable to BB&T. BB&T shall provide a list of required documentation for closing should we be the successful proposer. Additionally, we shall review your most recent financial statements before funding this transaction and the closing shall be in person with the Town determined by BB&T and its counsel.

All applicable taxes, permits, costs of counsel for the Town and any other costs shall be the Town's responsibility and separately payable by the Town. The financing documents shall allow prepayment of the principal balance in whole on any date with a 1% prepayment premium.



The stated interest rate assumes that the Town expects to borrow less than \$10,000,000 in calendar year 2016 and 2017 and that the Town shall comply with IRS Code Sections 141, 148, 149(e) and Section 265(b)(3). BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not a qualified tax-exempt financing.

**(4) Financing Documents:**

BB&T and its counsel shall prepare all documentation for the Town. We shall provide a sample of those documents to you should BB&T be the successful proposer. This financing shall be secured by a first lien security interest in all personal property acquired with proceeds.

\* \* \* \* \*

BB&T appreciates the opportunity to provide this financing proposal and requests to be notified within ten days of this proposal should BB&T be the successful proposer.

BB&T shall have the right to cancel this offer by notifying the Town of its election to do so (whether or not this offer has previously been accepted by the Town) if at any time prior to the closing there is a material adverse change in the Town's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the Town or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T. We reserve the right to negotiate and/or terminate our interest in this transaction should we be the successful proposer.

Should we become the successful proposer, we have attached the form of a resolution that your governing board can use to award the financing to BB&T. If your board adopts this resolution, then BB&T shall not require any further board action prior to closing the transaction.

Please call me at (336) 376-0254 or with your questions and comments. We look forward to hearing from you.

Sincerely,

BRANCH BANKING AND TRUST COMPANY



Alison W. Peeler  
Senior Vice President

Enclosure

**Resolution Approving Financing Terms**

**WHEREAS:** The Town of Cornelius ("Town") has previously determined to undertake a project for the financing of vehicles, (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

**BE IT THEREFORE RESOLVED, as follows:**

1. The Town hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated December 13, 2016. The amount financed shall not exceed \$412,000.00, and the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.58%, and the financing term shall not exceed 3 years from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The Town shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The Town intends that funds that have been advanced, or that may be advanced, from the Town's general fund, or any other Town fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

By: \_\_\_\_\_  
(Clerk)

By: \_\_\_\_\_  
(Mayor)

SEAL

Cornelius			DRAFT			
Compound Period:			Semiannual			
Nominal Annual Rate:			1.580%			
CASH FLOW DATA						
	Event	Date	Amount	Number	Period	End Date
	1 Loan	12/13/2016	412,000.00	1		
	2 Payment	6/13/2017	70,577.75	6	Semiannual	12/13/2019
AMORTIZATION SCHEDULE - Normal Amortization						
	Date	Payment	Interest	Principal	Balance	
Loan	12/13/2016				412,000.00	
1	6/13/2017	70,577.75	3,254.80	67,322.95	344,677.05	
2017 Totals		70,577.75	3,254.80	67,322.95		
2	12/13/2017	70,577.75	2,722.95	67,854.80	276,822.25	
3	6/13/2018	70,577.75	2,186.90	68,390.85	208,431.40	
2018 Totals		141,155.50	4,909.85	136,245.65		
4	12/13/2018	70,577.75	1,646.61	68,931.14	139,500.26	
5	6/13/2019	70,577.75	1,102.05	69,475.70	70,024.56	
2019 Totals		141,155.50	2,748.66	138,406.84		
6	12/13/2019	70,577.75	553.19	70,024.56	0.00	
2020 Totals		70,577.75	553.19	70,024.56		
Grand Totals		423,466.50	11,466.50	412,000.00		

Cornelius			DRAFT			
Compound Period:			Semiannual			
Nominal Annual Rate:			1.700%			
CASH FLOW DATA						
	Event	Date	Amount	Number	Period	End Date
1	Loan	12/13/2016	412,000.00	1		
2	Payment	6/13/2017	53,489.33	8	Semiannual	12/13/2020
AMORTIZATION SCHEDULE - Normal Amortization						
	Date	Payment	Interest	Principal	Balance	
Loan	12/13/2016				412,000.00	
1	6/13/2017	53,489.33	3,502.00	49,987.33	362,012.67	
2017 Totals		53,489.33	3,502.00	49,987.33		
2	12/13/2017	53,489.33	3,077.11	50,412.22	311,600.45	
3	6/13/2018	53,489.33	2,648.60	50,840.73	260,759.72	
2018 Totals		106,978.66	5,725.71	101,252.95		
4	12/13/2018	53,489.33	2,216.46	51,272.87	209,486.85	
5	6/13/2019	53,489.33	1,780.64	51,708.69	157,778.16	
2019 Totals		106,978.66	3,997.10	102,981.56		
6	12/13/2019	53,489.33	1,341.11	52,148.22	105,629.94	
7	6/13/2020	53,489.33	897.85	52,591.48	53,038.46	
2020 Totals		106,978.66	2,238.96	104,739.70		
8	12/13/2020	53,489.33	450.87	53,038.46	0.00	
2021 Totals		53,489.33	450.87	53,038.46		
Grand Totals		427,914.64	15,914.64	412,000.00		



Cornelius			DRAFT			
Compound Period:			Semiannual			
Nominal Annual Rate:			1.810%			
CASH FLOW DATA						
	Event	Date	Amount	Number	Period	End Date
1	Loan	12/13/2016	412,000.00	1		
2	Payment	6/13/2017	43,278.44	10	Semiannual	12/13/2021
AMORTIZATION SCHEDULE - Normal Amortization						
	Date	Payment	Interest	Principal	Balance	
Loan	12/13/2016				412,000.00	
1	6/13/2017	43,278.44	3,728.60	39,549.84	372,450.16	
2017 Totals		43,278.44	3,728.60	39,549.84		
2	12/13/2017	43,278.44	3,370.67	39,907.77	332,542.39	
3	6/13/2018	43,278.44	3,009.51	40,268.93	292,273.46	
2018 Totals		86,556.88	6,380.18	80,176.70		
4	12/13/2018	43,278.44	2,645.07	40,633.37	251,640.09	
5	6/13/2019	43,278.44	2,277.34	41,001.10	210,638.99	
2019 Totals		86,556.88	4,922.41	81,634.47		
6	12/13/2019	43,278.44	1,906.28	41,372.16	169,266.83	
7	6/13/2020	43,278.44	1,531.86	41,746.58	127,520.25	
2020 Totals		86,556.88	3,438.14	83,118.74		
8	12/13/2020	43,278.44	1,154.06	42,124.38	85,395.87	
9	6/13/2021	43,278.44	772.83	42,505.61	42,890.26	
2021 Totals		86,556.88	1,926.89	84,629.99		
10	12/13/2021	43,278.44	388.18	42,890.26	0.00	
2022 Totals		43,278.44	388.18	42,890.26		
Grand Totals		432,784.40	20,784.40	412,000.00		

5130 Parkway Plaza Boulevard  
Charlotte, North Carolina 28217  
(704) 954-1700  
Fax (704) 954-1799

VIA ELECTRONIC DELIVERY  
jniswonger@cornelius.org

apeeler@bbandt.com  
direct dial: 336-376-0254

mcomstock@bbandt.com  
direct dial: 704-954-1752

December 27, 2016

Ms. Julie Niswonger  
Accountant  
Town of Cornelius  
P.O. Box 399  
Cornelius, NC 28031

Dear Ms. Niswonger:

We at Branch Banking and Trust Company are pleased that we will be working with you to provide financing for various vehicles and a police boat for the Town of Cornelius. By this letter we want to provide you with our proposed draft financing documents (please forward these to your attorney for review, also), and to outline the additional documentation we will need from you to close the financing.

We have enclosed the following draft documents for this financing:

1. **Financing Agreement.** This is the main document for the financing. The Financing Agreement sets out the loan and repayment terms, provides for the security interest that secures the loan and contains other provisions related to the Town's care and use of the property being financed.
2. **Project Fund Agreement.** The Project Fund Agreement provides for the custody of financing proceeds pending their use on project costs. At closing, we will deposit the loan proceeds into a project fund escrow account, from which the Town may draw down funds as needed. In conjunction with closing by mail, we will e-mail to you a requisition form and instructions for requesting funds.
3. **Closing Certificate.** This certificate, among other things, identifies the officials authorized to sign financing documents. **At your earliest convenience prior to closing, please e-mail to us a copy of the Resolution the Town passed approving this financing** (our suggested Resolution template was included in our proposal to you).
4. **Use of Proceeds Certificate.** This certificate provides information regarding the Town's planned use and expenditure of financing proceeds, to document compliance with federal rules for tax-exempt financing. *The federal tax rules applicable to local government*

*financings can be tricky and technical; please let us know if you want to discuss any aspect of the applicable tax rules.*

5. **Attorney's legal opinion.** The attorney's opinion must be on his or her letterhead, dated the day of closing and delivered at closing. **The opinion will not be valid if it is dated prior to the closing.**
6. **IRS Form 8038-G.** This form is used to provide the required notification to the IRS regarding the tax-exempt financing. We have partially completed this form based on information currently in our file. Please review this form and the companion instructions with your attorney and complete the remainder of the form, as well as make any required revisions.
7. **Invoicing Information Sheet.** We have also enclosed a form requesting invoicing instructions. Please complete and return this form along with the other documents so that we will know where to send reminder invoices for your payments.

**Please scan and e-mail to me a copy of the Town's insurance certificate that evidences general liability insurance coverage is currently in place.**

We appreciate your attention to these items. After reviewing the enclosed documents, please do not hesitate to contact me at 704-954-1752 with any questions or concerns. We will closet this financing by mail; please contact me and I can walk you through the signing process. The documents may be dated the same date they are signed, and the attorney opinion letter may bear that same date. Please scan and e-mail the signed documents to me for review prior to putting them in the overnight delivery. That way, if anything needs tweaking, that can be handled prior to overnight the package. I will update the amortization schedule and the 8038-G form to reflect the actual date the loan closes after I receive you original signed document package.

Sincerely,

**BB&T GOVERNMENTAL FINANCE**



Documentation Specialist

Attachments

**Branch Banking and Trust Company**

**Financing for the Town of Cornelius, North Carolina -- Document Checklist**

1.     Financing Agreement, with Exhibits:
  - A)     Project /Equipment description
  - B)     Payment schedule
2.     Project Fund Agreement
3.     Closing Certificate
4.     Copy of Resolution approving financing
5.     Use of Proceeds Certificate
6.     Copy of General Liability Insurance Certificate
7.     Town Attorney's closing opinion
8.     Internal Revenue Service Form 8038-G
9.     Invoicing Information Sheet

Note: Copies of Certificate of Insurance, Invoices and vehicle Certificates of Origin listing BB&T Governmental Finance as 1<sup>st</sup> lienholder to be provided by the Town post-closing with requisitions for funds from project fund escrow account.



## **FINANCING AGREEMENT**

**THIS FINANCING AGREEMENT** (this "Agreement") is dated as of January \_\_, 2017, and is between the **TOWN OF CORNELIUS, NORTH CAROLINA**, a public body of the State of North Carolina (the "Town"), and **BRANCH BANKING AND TRUST COMPANY ("BB&T")**.

### **RECITALS:**

The Town has the power, pursuant to Section 160A-20 of the North Carolina General Statutes, to enter into installment contracts to finance the purchase or improvement of personal property and to secure its obligations under such contracts by security interests in all or a portion of the property purchased or improved. This Agreement provides for BB&T to advance \$412,000.00 to the Town to enable the Town to acquire and install the Equipment (as defined below), and provides for securing the Town's obligations under this Agreement by creating certain security interests in favor of BB&T.

**NOW THEREFORE**, for and in consideration of the mutual promises in this Agreement, and other good and valuable consideration, the parties hereby agree as follows:

## **ARTICLE I**

### **DEFINITIONS; INTERPRETATION**

Unless the context clearly requires otherwise, capitalized terms used in this Agreement and not otherwise defined shall have the following meanings:

"Additional Payments" means any of BB&T's reasonable and customary fees and expenses related to the transactions contemplated by this Agreement, any of BB&T's expenses (including attorneys' fees) in prosecuting or defending any action or proceeding in connection with this Agreement, any required license or permit fees, state and local sales and use or ownership taxes or property taxes which BB&T is required to pay as a result of this Agreement, inspection and re-inspection fees, and any other amounts payable by the Town (or paid by BB&T on the Town's behalf) as a result of its covenants under this Agreement (together with interest that may accrue on any of the above if the Town shall fail to pay the same, as set forth in this Agreement).

"Amount Advanced" has the meaning assigned in Section 2.02.

"Bond Counsel Opinion" means a written opinion (in form and substance acceptable to BB&T) of an attorney or firm of attorneys acceptable to BB&T.

"Budget Officer" means the Town officer from time to time charged with preparing the Town's draft budget as initially submitted to the Governing Board for its consideration.

"Business Day" means any day on which banks in the State are not by law authorized or required to remain closed.

"Closing Date" means the date on which this Agreement is first executed and delivered by the parties.

"Code" means the Internal Revenue Code of 1986, as amended, including regulations, rulings and revenue procedures promulgated thereunder or under the Internal Revenue Code of 1954, as amended, as applicable to the Town's obligations under this Agreement and all proposed (including temporary) regulations which, if adopted in the form proposed, would apply to such obligations. Reference to any specific Code provision shall be deemed to include any successor provisions thereto.

"Equipment" has the meaning assigned in Section 2.03, and is generally expected to include the personal property described in Exhibit A.

"Event of Default" means one or more events of default as defined in Section 6.01.

"Event of Nonappropriation" means any failure by the Governing Board to adopt, by the first day of any Fiscal Year, a budget for the Town that includes an appropriation for Required Payments as contemplated by Section 3.05.

"Fiscal Year" means the Town's fiscal year beginning July 1, or such other fiscal year as the Town may later lawfully establish.

"Governing Board" means the Town's governing board as from time to time constituted.

"Installment Payments" means the payments payable by the Town pursuant to Section 3.01.

"LGC" means the North Carolina Local Government Commission.

"Net Proceeds," when used with respect to any amounts derived from claims made on account of insurance coverages required under this Agreement, any condemnation award arising out of the condemnation of all or any portion of the Equipment, or any amounts received in lieu or in settlement of any of the foregoing, means the amount remaining after deducting from the gross proceeds thereof all expenses (including attorneys' fees and costs) incurred in the collection of such proceeds, and after reimbursement to the Town or BB&T for amounts previously expended to remedy the event giving rise to such payment or proceeds.

"Payment Dates" means the dates indicated in Exhibit B.

"Prime Rate" means the interest rate so denominated and set by Branch Banking & Trust Company of North Carolina (whether or not such Bank, or any affiliate thereof, is at any time the counterparty to this Agreement) as its "Prime Rate," as in effect from time to time.

"Project Costs" means all costs of the design, planning, acquiring and installing the Equipment as determined in accordance with generally accepted accounting principles and that

will not adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Base Payments payable by the Town under this Agreement, including (a) sums required to reimburse the Town or its agents for advances for any such costs, (b) interest during the period of the acquisition and installation of the Equipment and for up to six months thereafter, and (c) all costs related to the financing of the Equipment through this Agreement and all related transactions.

"Project Fund" has the meaning assigned in Section 2.02.

"Project Fund Agreement" has the meaning assigned in Section 2.02.

"Required Payments" means Installment Payments and Additional Payments.

"Section 160A-20" means Section 160A-20 of the North Carolina General Statutes, as amended, or any successor provision of law.

"Security Property" means the Equipment and all amounts on deposit from time to time in the Project Fund.

"State" means the State of North Carolina.

"Town" means the Town of Cornelius, North Carolina.

"Town Representative" means the Town's Finance Officer or such other person or persons at the time designated, by a written certificate furnished to BB&T and signed on the Town's behalf by the presiding officer of the Town's Governing Board, to act on the Town's behalf for any purpose (or any specified purpose) under this Agreement.

"UCC" means the Uniform Commercial Code or any successor law as in effect from time to time in the State, currently Chapter 25 of the North Carolina General Statutes.

All references in this Agreement to designated "Sections" and other subdivisions are to the designated sections and other subdivisions of this Agreement. The words "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision unless the context indicates otherwise. Words importing the singular number shall include the plural number and vice versa.

## ARTICLE II

### SECURITY PROVIDED BY THIS AGREEMENT; ADVANCE

**2.01. Security for Payment and Performance.** This Agreement secures the Town's payment, as and when the same shall become due and payable, of all Required Payments and the Town's timely compliance with all terms, covenants and conditions of this Agreement.

**2.02. Advance.** BB&T advances \$412,000.00 (the "Amount Advanced") to the Town on the Closing Date, and the Town hereby accepts the Amount Advanced from BB&T. BB&T is

advancing the Amount Advanced by making a deposit to a Project Fund (the "Project Fund") as provided in a Project Fund Agreement of even date (the "Project Fund Agreement") between the Town and BB&T. All amounts on deposit from time to time in the Project Fund, including the Amount Advanced and all investment earnings, shall be used only for Project Costs until the Project Fund is terminated as provided under the Project Fund Agreement.

**2.03. UCC Security Agreement.**

(a) This Agreement is intended as and constitutes a security agreement pursuant to the UCC with respect to the following:

- (i) all moneys on deposit from time to time in the Project Fund; and
- (ii) all property acquired by the Town with funds advanced by BB&T pursuant to this Agreement, all personal property obtained in substitution or replacement therefore, and all personal property obtained in substitution or replacement for any portion of the Security Property, and all proceeds of the foregoing (collectively, the "Equipment").

The Town hereby grants to BB&T a security interest in the Equipment and in the moneys on deposit from time to time in the Project Fund to secure the Required Payments.

(b) The Town shall allow BB&T to deliver and file, or cause to be filed, in such place or places as may be required by law, financing statements (including any continuation statements required by the UCC or determined by BB&T) in such form as BB&T may reasonably require to perfect and continue the security interest in the Equipment and in the moneys on deposit from time to time in the Project Fund.

**2.04. Town's Limited Obligation.** (a) THE PARTIES INTEND THAT THIS TRANSACTION COMPLY WITH SECTION 160A-20. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE TOWN'S FAITH AND CREDIT WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS AN IMPROPER DELEGATION OF GOVERNMENTAL POWERS OR AS A DONATION OR A LENDING OF THE TOWN'S CREDIT WITHIN THE MEANING OF THE STATE CONSTITUTION. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE TOWN IN VIOLATION OF SECTION 160A-20. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of the Town's moneys (other than the funds held under the Project Fund Agreement or this Agreement), nor shall any provision of this Agreement restrict the future issuance of any of the Town's bonds or obligations payable from any class or source of the Town's moneys (except to the extent this Agreement restricts the incurrence of additional obligations secured by the Security Property). To the extent of any conflict between this Section and any other provision of this Agreement, this Section shall take priority.

(b) Nothing in this Section is intended to impair or prohibit execution on the Security Property if the Required Payments are not paid when due or otherwise upon the occurrence of an Event of Default under this Agreement or the Project Fund Agreement.

**2.05. Town's Continuing Obligations.** The Town shall remain liable for full performance of all its covenants under this Agreement (subject to the limitations described in Section 2.04), including payment of all Required Payments, notwithstanding the occurrence of any event or circumstances whatsoever, including any of the following:

- (a) BB&T's waiver of any right granted or remedy available to it;
- (b) The forbearance or extension of time for payment or performance of any obligation under this Agreement, whether granted to the Town, a subsequent owner of the Equipment or any other person;
- (c) The release of all or part of the Security Property or the release of any party who assumes all or any part of such performance;
- (d) Any act or omission by BB&T (but this provision does not relieve BB&T of any of its obligations under this Agreement or the Project Fund Agreement);
- (e) The sale of all or any part of the Security Property; or
- (f) Another party's assumption of the Town's obligations under this Agreement.

### **ARTICLE III**

#### **TOWN'S PAYMENT OBLIGATION AND RELATED MATTERS**

**3.01. Installment Payments.** The Town shall repay the Amount Advanced by making Installment Payments to BB&T in lawful money of the United States at the times and in the amounts set forth in Exhibit B, except as otherwise provided in this Agreement. As indicated in Exhibit B, the Installment Payments reflect the repayment of the Amount Advanced and include designated interest components.

**3.02. Additional Payments.** The Town shall pay all Additional Payments on a timely basis directly to the person or entity to which such Additional Payments are owed in lawful money of the United States.

**3.03. Prepayment.** The Town may prepay the outstanding principal component of the Amount Advanced, at its option at any time, in whole but not in part, by paying (a) all Additional Payments then due and payable, (b) all interest accrued and unpaid to the prepayment date, and (c) 101% of the outstanding principal amount.

**3.04. Late Payments.** If the Town fails to pay any Installment Payment when due, the Town shall pay additional interest on the principal component of the late Installment Payment (as permitted by law) at an annual rate equal to the Prime Rate from the original due date.

**3.05. Appropriations.**

- (a) The Budget Officer shall include in the initial proposal for each of the Town's



annual budgets the amount of all Installment Payments and estimated Additional Payments coming due during the Fiscal Year to which such budget applies. Notwithstanding that the Budget Officer includes such an appropriation for Required Payments in a proposed budget, the Governing Board may determine not to include such an appropriation in the Town's final budget for such Fiscal Year.

(b) The Budget Officer shall deliver to BB&T, within 15 days after the beginning of each Fiscal Year, a certificate stating whether an amount equal to the Installment Payments and estimated Additional Payments coming due during the next Fiscal Year has been appropriated by the Town in such budget for such purposes. If such amount has not been so appropriated, the Budget Officer shall send a copy of such certificate to the LGC, to the attention of its Secretary, at 3200 Atlantic Avenue, Raleigh NC 27604.

(c) The actions required of the Town and its officers pursuant to this Section shall be deemed to be and shall be construed to be in fulfillment of ministerial duties, and it shall be the duty of each and every Town official to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the Town to carry out and perform the actions required pursuant to this Section and the remainder of this Agreement to be carried out and performed by the Town.

(d) The Town reasonably believes that it can obtain funds sufficient to pay all Required Payments when due.

**3.06. No Abatement.** There shall be no abatement or reduction of the Required Payments for any reason, including, but not limited to, any defense, recoupment, setoff, counterclaim, or any claim (real or imaginary) arising out of or related to the Equipment, except as expressly provided in this Agreement. The Town assumes and shall bear the entire risk of loss and damage to the Equipment from any cause whatsoever. The Installment Payments shall be made in all events unless the Town's obligation to make Installment Payments is terminated as otherwise provided in this Agreement.

**3.07. Interest Rate and Payment Adjustment.**

(a) "Rate Adjustment Event" means any action by the Internal Revenue Service (including the delivery of a deficiency notice) or any other federal court or administrative body determining (i) that the interest component of Installment Payments, or any portion thereof, is includable in any counterparty's gross income for federal income tax purposes or (ii) that the Town's obligations under this Agreement are not "qualified tax-exempt obligations" within the meaning of Code Section 265 (a "265 Event"), in any case as a result of any misrepresentation by the Town or as a result of any action the Town takes or fails to take.

(b) Upon any Rate Adjustment Event, (i) the unpaid principal portion of the Amount Advanced shall continue to be payable on dates and in amounts as set forth in Exhibit B, but (ii) the interest components of the Installment Payments shall be recalculated, at an interest rate equal to an annualized interest rate equal to the Prime Rate plus 2% (200 basis points), to the date (retroactively, if need be) determined pursuant to the Rate Adjustment Event to be the date interest became includable in any counterparty's gross income for federal income tax purposes (in the case of a 265 Event, retroactively to the Closing Date).

(c) The Town shall pay interest at such adjusted rate (subject to credit for interest previously paid) to each affected counterparty, notwithstanding the fact that any particular counterparty may not be a counterparty to this Agreement on the date of a Rate Adjustment Event. The Town shall additionally pay to all affected counterparties any interest, penalties or other charges assessed against or payable by such counterparty and attributable to a Rate Adjustment Event notwithstanding the prior repayment of the entire Amount Advanced or any transfer to another counterparty.

## **ARTICLE IV**

### **TOWN'S COVENANTS, REPRESENTATIONS AND WARRANTIES**

**4.01. Indemnification.** To the extent permitted by law, the Town shall indemnify, protect and save BB&T and its officers and directors, and the LGC's members and employees, harmless from all liability, obligations, losses, claims, damages, actions, suits, proceedings, costs and expenses, including attorneys' fees, arising out of, connected with, or resulting directly or indirectly from the Security Property or the transactions contemplated by this Agreement, including without limitation the possession, condition or use of the Equipment. The indemnification arising under this Section shall survive the Agreement's termination.

**4.02. Covenant as to Tax Exemption.**

(a) The Town shall not take or permit, or omit to take or cause to be taken, any action that would cause its obligations under this Agreement to be "arbitrage bonds" or "private activity bonds" within the meaning of the Code, or otherwise adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Installment Payments to which such components would otherwise be entitled. If the Town should take or permit, or omit to take or cause to be taken, any such action, the Town shall take or cause to be taken all lawful actions within its power necessary to rescind or correct such actions or omissions promptly upon having knowledge thereof.

(b) In particular, the Town covenants that it shall not permit the Amount Advanced, plus the investment earnings thereon (the "Proceeds"), to be used in any manner that would result in 5% or more of the Installment Payments being directly or indirectly secured by an interest in property, or derived from payments in respect of property or borrowed money, being in either case used in a trade or business carried on by any person other than a governmental unit, as provided in Code Section 141(b), or result in 5% or more of the Proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Code Section 141(c); provided, however, that if the Town receives a Bond Counsel Opinion that compliance with any such covenant is not required to prevent the interest components of Installment Payments from being includable in the counterparty's gross income for federal income tax purposes under existing law, the Town need not comply with such covenant.

(c) Unless the Town qualifies for one or more exceptions to the arbitrage rebate requirement with respect to this financing, the Town shall provide for the rebate to the United States of (i) at least 90% of the required rebate amount (A) on or before 60 days after the date that is

five years from the Closing Date, and (B) at least once during each five years thereafter while the Obligations remain outstanding, and (ii) the entire required rebate amount on or before 60 days after the date of final payment of the Obligations. Payments shall be made in the manner prescribed by the Internal Revenue Service. The Town shall cause the required rebate amount to be recomputed as of each fifth anniversary of the Closing Date, and again as of the date of final payment of the Obligations. The Town shall provide BB&T with a copy of the results of such computation within 20 days after the end of each computation period or final payment of the Obligations. Each computation shall be prepared or approved, at the Town's expense, by a person with experience in matters of accounting for federal income tax purposes, a bona fide arbitrage rebate calculating and reporting service, or nationally-recognized bond counsel, in any case reasonably acceptable to BB&T. The Town shall engage such rebate consultant to perform the necessary calculations not less than 60 days prior to the date of the required payment.

(d) The Town acknowledges that its personnel must be familiar with the arbitrage rebate rules, because the tax-exempt status of the interest on the Obligations depends upon continuing compliance with such rules. The Town therefore covenants to take all reasonable action to assure that Town personnel responsible for the investment of and accounting for financing proceeds comply with such rules.

**4.03. Validity of Organization and Acts.** The Town is validly organized and existing under State law, has full power to enter into this Agreement and has duly authorized and has obtained all required approvals and all other necessary acts required prior to the execution and delivery of this Agreement. This Agreement is a valid, legal and binding obligation of the Town.

**4.04. Maintenance of Existence.** The Town shall maintain its existence, shall continue to be a local governmental unit of the State, validly organized and existing under State law, and shall not consolidate with or merge into another local governmental unit of the State, or permit one or more other local governmental units of the State to consolidate with or merge into it, unless the local governmental unit thereby resulting assumes the Town's obligations under this Agreement.

**4.05. Acquisition of Permits and Approvals.** All permits, consents, approvals or authorizations of all governmental entities and regulatory bodies, and all filings and notices required on the Town's part to have been obtained or completed as of today in connection with the authorization, execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the acquisition and installation of the Equipment have been obtained and are in full force and effect, and there is no reason why any future required permits, consents, approvals, authorizations or orders cannot be obtained as needed.

**4.06. No Breach of Law or Contract.** Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated by this Agreement, nor the fulfillment of or compliance with the terms and conditions of this Agreement, (a) to the best of the Town's knowledge, constitutes a violation of any provision of law governing the Town or (b) results in a breach of the terms, conditions or provisions of any contract, agreement or instrument or order, rule or regulation to which the Town is a party or by which the Town is bound.

**4.07. No Litigation.** There is no litigation or any governmental administrative proceeding to which the Town (or any official thereof in an official capacity) is a party that is pending or, to the

best of the Town's knowledge after reasonable investigation, threatened with respect to (a) the Town's organization or existence, (b) its authority to execute and deliver this Agreement or to comply with the terms of this Agreement, (c) the validity or enforceability of this Agreement or the transactions contemplated by this Agreement, (d) the title to office of any Governing Board member or any other Town officer, (e) any authority or proceedings relating to the Town's execution or delivery of this Agreement, or (f) the undertaking of the transactions contemplated by this Agreement.

**4.08. No Current Default or Violation.** (a) The Town is not in violation of any existing law, rule or regulation applicable to it, (b) the Town is not in default under any contract, other agreement, order, judgment, decree or other instrument or restriction of any kind to which the Town is a party or by which it is bound or to which any of its assets are subject, including this Agreement, and (c) no event or condition has happened or existed, or is happening or existing, under the provisions of any such instrument, including this Agreement, which constitutes or which, with notice or lapse of time, or both, would constitute an event of default hereunder or thereunder.

**4.09. No Misrepresentation.** No representation, covenant or warranty by the Town in this Agreement is false or misleading in any material respect.

**4.10. Environmental Warranties and Indemnification.**

(a) The Town warrants and represents to BB&T that, to the best of the Town's knowledge after thorough investigation, the Equipment is not now and has not ever been used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials.

(b) The Town covenants that the Equipment shall be kept free of Hazardous Materials and shall not be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, except in connection with the normal maintenance and operation of the Equipment, and the Town shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of the Town or any lessee, the release of Hazardous Materials onto the Equipment or suffer the presence of Hazardous Materials on the Equipment, except in connection with the normal maintenance and operation of the Equipment.

(c) The Town shall comply with, and ensure compliance by all users and lessees with, all applicable federal, State and local laws, ordinances, rules and regulations with respect to Hazardous Materials and shall keep the Equipment free and clear of any liens imposed pursuant to such laws, ordinances, rules and regulations. If the Town receives any notices from any governmental agency or any lessee with regard to Hazardous Materials on, from or affecting the Equipment, the Town shall immediately notify BB&T. The Town shall conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials on, from or affecting the Equipment in accordance with all applicable federal, State and local laws, ordinances, rules, regulations and policies and to BB&T's satisfaction.

(d) "Hazardous Materials" means any explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials, asbestos or any

materials containing asbestos, or any other substance or material as defined by any federal, State or local environmental law, ordinance, rule or regulation including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. sections 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. sections 1801 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. sections 9601 et seq.), and the regulations adopted and publications promulgated pursuant thereto.

(e) To the extent permitted by law, the Town shall indemnify and hold BB&T harmless from and against (i) any and all damages, penalties, fines, claims, liens, suits, liabilities, costs (including clean-up costs), judgments and expenses (including attorneys', consultants' or experts' fees and expenses) of every kind and nature suffered by or asserted against BB&T as a direct or indirect result of any warranty or representation made by the Town in subsections (a) through (c) above being false or untrue in any material respect, or (ii) any requirement under any law, regulation or ordinance, local, State or federal, which requires the elimination or removal of any hazardous materials, substances, wastes or other environmentally regulated substances by BB&T or the Town or any transferee or assignee BB&T or the Town.

(f) The Town's obligations under this Section shall continue in full force and effect notwithstanding full payment of the Required Payments or execution on the security interests created under this Agreement.

**4.11. Further Instruments.** Upon BB&T's request, the Town shall execute, acknowledge and deliver such further instruments reasonably necessary or desired by BB&T to carry out more effectively the purposes of this Agreement or any other document related to the transactions contemplated by this Agreement, and to subject to the liens and security interests hereof and thereof all or any part of the Security Property intended to be given or conveyed hereunder or thereunder, whether now given or conveyed or acquired and conveyed subsequent to the date of this Agreement.

**4.12. BB&T's Advances for Performance of Town's Obligations.** If the Town fails to perform any of its obligations under this Agreement, BB&T is hereby authorized, but not obligated, to perform such obligation or cause it to be performed. All expenditures incurred by BB&T (including any advancement of funds for payment of taxes, insurance premiums or other costs of maintaining the Security Property, and any associated legal or other expenses), together with interest thereon at the Prime Rate, shall be secured as Additional Payments under this Agreement. The Town promises to pay all such amounts to BB&T immediately upon demand.

**4.13. Equipment Will Be Used and Useful.** The acquisition and installation of the Equipment is necessary and expedient for the Town, and will perform essential functions of the Town appropriate for units of local government. The Town has an immediate need for, and expects to make immediate use of, all of the Equipment, and does not expect such need or use to diminish in any material respect during the term of the Agreement. The Equipment will not be used in any private business or put to any private business use.

**4.14. Financial Information.**

(a) The Town shall send to BB&T a copy of the Town's audited financial statements



for each Fiscal Year within 30 days of the Town's acceptance of such statements, but in any event within 270 days of the completion of such Fiscal Year.

(b) The Town shall furnish BB&T, at such reasonable times as BB&T shall request, all other financial information (including, without limitation, the Town's annual budget as submitted or approved) as BB&T may reasonably request. The Town shall permit BB&T or its agents and representatives to inspect the Town's books and records and make extracts therefrom.

**4.15. Taxes and Other Governmental Charges.** The Town shall pay, as Additional Payments, the full amount of all taxes, assessments and other governmental charges lawfully made by any governmental body during the term of this Agreement. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the Town shall be obligated to provide for Additional Payments only for such installments as are required to be paid during the Agreement term. The Town shall not allow any liens for taxes, assessments or governmental charges with respect to the Security Property or any portion thereof to become delinquent (including, without limitation, any taxes levied upon the Security Property or any portion thereof which, if not paid, will become a charge on any interest in the Security Property, including BB&T's interest, or the rentals and revenues derived therefrom or hereunder).

**4.16. Town's Insurance.**

(a) The Town shall, at its own expense, acquire, carry and maintain broad-form extended coverage property damage insurance with respect to all Equipment in an amount equal to the actual cash value of the Equipment. Such property damage insurance shall include BB&T as loss payee. The Town shall provide evidence of such coverage to BB&T promptly upon installation of the Equipment. Any Net Proceeds of the insurance required by this subsection (a) shall be payable as provided in Section 5.15.

(b) The Town shall, at its own expense, acquire, carry and maintain comprehensive general liability insurance and automobile liability insurance, as applicable, in an amount not less than \$1,000,000 for personal injury or death and \$1,000,000 for property damage.

(c) The Town shall also maintain workers' compensation insurance issued by a responsible carrier authorized under State law to insure the Town against liability for compensation under applicable State law as in effect from time to time.

(d) All insurance shall be maintained with generally recognized responsible insurers and may carry reasonable deductible or risk-retention amounts. All such policies shall be deposited with BB&T, provided that in lieu of such policies there may be deposited with BB&T a certificate or certificates of the respective insurers attesting the fact that the insurance required by this Section is in full force and effect. Prior to the expiration of any such policy, the Town shall furnish BB&T evidence satisfactory to BB&T that the policy has been renewed or replaced or is no longer required by this Agreement.

(e) No Town agent or employee shall have the power to adjust or settle any property damage loss greater than \$50,000 with respect to the Equipment, whether or not covered by insurance, without BB&T's prior written consent.

(f) BB&T shall not be responsible for the sufficiency or adequacy of any required insurance and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by BB&T.

(g) The Town shall deliver to BB&T annually by June 30 of each year a certificate stating that the risk coverages required by this Agreement are in effect, and stating the carriers, policy numbers, coverage limits and deductible or risk-retention amounts for all such coverages.

## ARTICLE V

### THE EQUIPMENT

**5.01. Acquisition and Installation.** The Town shall comply with the provisions of Article 8 of Chapter 143 of the North Carolina General Statutes, accept all portions of the Equipment when properly delivered, provide for the proper installation thereof and thereafter promptly place each such portion in service.

**5.02. Changes in Location.** The Town shall promptly inform BB&T if any component of the Equipment shall be moved from the location designated for such Equipment at the time of its acquisition.

**5.03. Acquisition and Installation within Funds Available.** The Town represents that, based upon its examination of the plans and specifications for the Equipment, estimated installation costs and the Equipment's anticipated configuration, the Equipment can be acquired and installed for a total price within the total amount of funds to be available therefore in the Project Fund, income anticipated to be derived from the investment thereof and other funds previously identified and designated for such purposes. If the total amount available for such purposes in the Project Fund shall be insufficient to pay the entire cost of acquiring and installing the Equipment, the Town promises to pay any such excess costs, with no resulting reduction or offset in the amounts otherwise payable by the Town under this Agreement.

**5.04. Disclaimer of Warranties.** The Town agrees that BB&T has not designed the Equipment, that BB&T has not supplied any plans or specifications with respect thereto and that BB&T (a) is not a manufacturer of, nor a dealer in, any of the component parts of the Equipment or similar Equipment, (b) has not made any recommendation, given any advice nor taken any other action with respect to (i) the choice of any supplier, vendor or designer of, or any other contractor with respect to, the Equipment or any component part thereof or any property or rights relating thereto, or (ii) any action taken or to be taken with respect to the Equipment or any component part thereof or any property or rights relating thereto at any stage of the acquisition, installation and equipping thereof, (c) has not at any time had physical possession of the Equipment or any component part thereof or made any inspection thereof or of any property or rights relating thereto, and (d) has not made any warranty or other representation, express or implied, that the Equipment or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly designed, or will accomplish the results which the Town intends therefor, or (iii) is safe in any manner or respect.

BB&T MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT OR ANY COMPONENT PART THEREOF, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE, and further including the design or condition thereof; the safety, quality or capacity thereof; compliance thereof with the requirements of any law, rule, specification or contract pertaining thereto; any latent defect; the Equipment's ability to perform any function; that the Amount Advanced will be sufficient to pay all costs of the acquisition and installation of the Equipment; or any other characteristic of the Equipment; it being agreed that the Town is to bear all risks relating to the Equipment, the installation thereof and the transactions contemplated by this Agreement, and the Town hereby waives the benefits of any and all implied warranties and representations of BB&T.

The provisions of this Section shall survive the Agreement's termination.

**5.05. Right of Entry and Inspection.** BB&T and its representatives and agents shall have the right to enter upon the Town's property and inspect the Equipment from time to time during installation and after the completion of installation, and the Town shall cause any vendor, contractor or sub-contractor to cooperate with BB&T and its representatives and agents during such inspections.

No right of inspection or approval granted in this Section shall be deemed to impose upon BB&T any duty or obligation whatsoever to undertake any inspection or to make any approval. No inspection made or approval given by BB&T shall be deemed to impose upon BB&T any duty or obligation whatsoever to identify or correct any defects in the Equipment or to notify any person with respect thereto, and no liability shall be imposed upon BB&T, and no warranties (either express or implied) are made by BB&T as to the quality or fitness of any improvement, any such inspection and approval being made solely for BB&T's benefit.

**5.06. Compliance with Requirements.**

(a) The Town shall cause the Equipment to be installed in a careful manner and in compliance with all applicable legal requirements.

(b) The Town shall observe and comply promptly with all current and future requirements relating to the Equipment's use or condition imposed by (i) any judicial, governmental or regulatory body having jurisdiction over the Equipment or any portion thereof or (ii) any insurance company writing a policy covering the Equipment or any portion thereof, whether or not any such requirement shall necessitate structural changes or improvements or interfere with the use or enjoyment of the Equipment.

(c) The Town shall obtain and maintain in effect all licenses and permits required for the Equipment's operation.

(d) The Town shall in no event use the Equipment or any part thereof, nor allow the same to be used, for any unlawful purpose, or suffer any act to be done or any condition to exist with respect to the Equipment or any part thereof, nor any article to be brought thereon, which may

be dangerous, unless safeguarded as required by law, or which may, in law, constitute a nuisance, public or private, or which may make void or voidable any insurance then in force with respect thereto.

**5.07. Use and Operation.** The Town shall use and operate the Equipment and related property as set forth on Exhibit A hereto, and for no other purpose unless required by law. The Town shall be solely responsible for the Equipment's operation, and shall not contract with any other person or entity for the Equipment's operation.

**5.08. Maintenance and Repairs; Additions.**

(a) The Town shall keep the Equipment in good order and repair (reasonable wear and tear excepted) and in good operating condition, shall not commit or permit any waste or any other thing to occur whereby the value or usefulness of the Equipment might be impaired, and shall make from time to time all necessary or appropriate repairs, replacements and renewals.

(b) The Town may, also at its own expense, make from time to time any additions, modifications or improvements to the Equipment that it may deem desirable for its governmental or proprietary purposes and that do not materially impair the effective use, nor materially decrease the value or substantially alter the intended use, of the Equipment. The Town shall do, or cause to be done, all such things as may be required by law in order fully to protect the security of and all BB&T's rights under this Agreement.

(c) Any and all additions to or replacements of the Equipment and all parts thereof shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the "Equipment" for the purposes of this Agreement.

(d) Notwithstanding the provisions of subsection (c) above, however, the Town may, from time to time in its sole discretion and at its own expense, install machinery, equipment and other tangible property in or on the Equipment. All such property shall remain the Town's sole property in which BB&T shall have no interest; provided, however, that any such property which becomes permanently affixed to the Equipment shall be subject to the lien and security interest arising under this Agreement if BB&T shall reasonably determine that the Equipment would be damaged or impaired by the removal of such machinery, equipment or other tangible property.

**5.09. Security.** The Town shall take all reasonable steps necessary to safeguard the Equipment against theft. The security afforded the Equipment shall at all times be equal to or better than the security afforded the Town's personal property that is not subject to this Agreement.

**5.10. Utilities.** The Town shall pay all charges for utility services furnished to or used on or in connection with the Equipment.

**5.11. Risk of Loss.** The Town shall bear all risk of loss to and condemnation of the Equipment.

**5.12. Condemnation.**

(a) The Town shall immediately notify BB&T if any governmental authority shall institute, or shall notify the Town of any intent to institute, any action or proceeding for the taking

of, or damages to, all or any part of the Equipment or any interest therein under the power of eminent domain, or if there shall be any damage to the Equipment due to governmental action, but not resulting in a taking of any portion of the Equipment. The Town shall file and prosecute its claims for any such awards or payments in good faith and with due diligence and cause the same to be collected and paid over to BB&T, and to the extent permitted by law hereby irrevocably authorizes and empowers BB&T, in the Town's name or otherwise, to collect and receipt for any such award or payment and to file and prosecute such claims. If the Town receives any Net Proceeds arising from any such action, the Town shall apply such Net Proceeds as provided in Section 5.15.

(b) If any of the real or personal property acquired or improved by the Town (in whole or in part) using any portion of the Amount Advanced consists of or is located on any real property acquired by the Town through the exercise of the power of eminent domain, or through the threat of the exercise of the power of eminent domain, then during the term of this Agreement the Town may not transfer any interest in such real property to any entity other than a local governmental unit without BB&T's prior express written consent.

**5.13. Title.** Title to the Equipment and any and all additions, repairs, replacements or modifications thereto shall at all times be in the Town, subject to the lien of this Agreement. Upon the Town's payment in full of all Required Payments, BB&T, at the Town's expense and request, shall cancel this Agreement.

**5.14. No Encumbrance, Mortgage or Pledge of Equipment.**

(a) The Town shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics' and materialmen's liens), charge, encumbrance or other claim in the nature of a lien on or with respect to the Equipment. The Town shall promptly, at its own expense, take such action as may be duly necessary to discharge any such mortgage, pledge, lien, charge, encumbrance or claim not excepted above which it shall have created, incurred or suffered to exist.

(b) The Town shall reimburse BB&T for any expense incurred by BB&T to discharge or remove any such mortgage, pledge, lien, security interest, encumbrance or claim, with interest thereon at the Prime Rate.

**5.15. Damage and Destruction; Use of Net Proceeds.**

(a) The Town shall promptly notify BB&T if (i) the Security Property or any portion thereof is stolen or is destroyed or damaged by fire or other casualty, (ii) a material defect in the installation of the Equipment shall become apparent, or (iii) title to or the use of all or any portion of the Equipment shall be lost by reason of a defect in title. Each notice shall describe generally the nature and extent of such damage, destruction or taking.

(b) If the Net Proceeds arising from any single event, or any single substantially related sequence of events, is not more than \$50,000, the Town shall retain such Net Proceeds and apply the same to the prompt completion, repair or restoration of the Equipment, and shall promptly thereafter report to BB&T regarding the use of such Net Proceeds.

(c) If the Net Proceeds arising from any single event, or any single substantially related sequence of events, is more than \$50,000, then the Town shall cause such Net Proceeds to be paid to an escrow agent (which shall be a bank, trust company or similar entity exercising fiduciary responsibilities) designated by BB&T for deposit in a special escrow fund to be held by such escrow agent. The Town shall thereafter provide for the application of all Net Proceeds to the prompt completion, repair or restoration of the Equipment, as the case may be. The escrow agent shall disburse Net Proceeds for the payment of such costs upon receipt of requisitions in substantially the form of Exhibit A to the Project Fund Agreement. If the Net Proceeds shall be insufficient to pay in full the cost of completion, repair or restoration, the Town shall either (i) complete the work and pay any cost in excess of the Net Proceeds, or (ii) not carry out such completion, repair or restoration, and instead apply the Net Proceeds, together with other available funds as may be necessary, to the prepayment of all outstanding Required Payments pursuant to Section 3.03.

(d) Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of Net Proceeds shall be the Town's property and shall be part of the Equipment.

## ARTICLE VI

### DEFAULTS AND REMEDIES; EXECUTION

**6.01. Events of Default.** An "Event of Default" is any of the following:

- (a) The Town's failing to make any Installment Payment when due.
- (b) The occurrence of an Event of Nonappropriation.
- (c) The Town's breaching or failing to perform or observe any term, condition or covenant of this Agreement or of the Project Fund Agreement on its part to be observed or performed, other than as provided in subsections (a) or (b) above, including payment of any Additional Payment, for a period of 15 days after written notice specifying such failure and requesting that it be remedied shall have been given to the Town by BB&T, unless BB&T shall agree in writing to an extension of such time prior to its expiration.
- (d) The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law by or against the Town as a debtor, or the appointment of a receiver, custodian or similar officer for the Town or any of its property, and the failure of such proceedings or appointments to be vacated or fully stayed within 30 days after the institution or occurrence thereof.
- (e) Any warranty, representation or statement made by the Town in this Agreement or the Project Fund Agreement is found to be incorrect or misleading in any material respect on the Closing Date (or, if later, on the date made).
- (f) Any lien, charge or encumbrance prior to the security interest created under Section 2.03, or affecting the validity of this Agreement, is found to exist, or proceedings are instituted against the Town to enforce any lien, charge or encumbrance against the Equipment and such lien,



charge or encumbrance would be prior to the lien of this Agreement.

(g) The Town's failing to pay when due any principal of or interest on any of its general obligation debt.

**6.02. Remedies on Default.** Upon the continuation of any Event of Default, BB&T may, without any further demand or notice, exercise any one or more of the following remedies:

(a) Declare the unpaid principal components of the Installment Payments immediately due and payable;

(b) Proceed by appropriate court action to enforce the Town's performance of the applicable covenants of this Agreement or to recover for the breach thereof;

(c) As provided in the Project Fund Agreement, require BB&T to pay over any balance remaining in the Project Fund to be applied against outstanding Required Payments in any manner BB&T may reasonably deem appropriate; and

(d) Avail itself of all available remedies under this Agreement, including execution as provided in Section 6.03, and recovery of attorneys' fees and other expenses.

Notwithstanding any other provision of this Agreement, the Town and BB&T intend to comply with Section 160A-20. No deficiency judgment may be entered against the Town in violation of Section 160A-20.

**6.03. Execution on Personal Property.** Upon the continuation of any Event of Default and in addition to all other remedies granted in this Agreement, BB&T shall have all the rights and remedies of a secured party under the UCC and may proceed to execute upon the Security Property.

**6.04. Possession of Equipment.** After a foreclosure sale, the Town shall immediately lose the right to possess, use and enjoy the Equipment (but may remain in possession of the Equipment as a lessee at will of BB&T), and thereupon the Town (a) shall pay monthly in advance to BB&T a fair and reasonable rental value for the use and possession of the Equipment (in an amount BB&T shall determine in its reasonable judgment), and (b) upon BB&T's demand, shall deliver possession of the Equipment to BB&T or, at BB&T's direction, to any purchaser of the Equipment after an execution sale.

In addition, upon the continuation of any Event of Default, BB&T, to the extent permitted by law, is hereby authorized to (i) take possession of the Equipment, with or without legal action, (ii) lease the Equipment, (iii) collect all rents and profits therefrom, with or without taking possession of the Equipment, and (iv) after deducting all costs of collection and administration expenses, apply the net rents and profits first to the payment of necessary maintenance and insurance costs, and then to the Town's account and in reduction of the Town's corresponding Required Payments in such fashion as BB&T shall reasonably deem appropriate. BB&T shall be liable to account only for rents and profits it actually receives.

**6.05. No Remedy Exclusive; Delay Not Waiver.** All remedies under this Agreement are cumulative and may be exercised concurrently or separately. The exercise of any one remedy shall not be deemed an election of such remedy or preclude the exercise of any other remedy. If any Event of Default shall occur and thereafter be waived by BB&T, such waiver shall be limited to the particular breach so waived and shall not be deemed a waiver of any other breach under this Agreement.

**6.06. Payment of Costs and Attorney's Fees.** If BB&T employs an attorney to assist in the enforcement or collection of Required Payments, or if BB&T voluntarily or otherwise shall become a party to any suit or legal proceeding (including a proceeding conducted under any state or federal bankruptcy or insolvency statute) to protect the Equipment, to protect the lien of this Agreement, to enforce collection of the Required Payments or to enforce compliance by the Town with any of the provisions of this Agreement, the Town agrees to pay reasonable attorneys' fees and all of the costs that may reasonably be incurred (whether or not any suit or proceeding is commenced), and such fees and costs (together with interest at the Prime Rate) shall be secured as Required Payments.

## **ARTICLE VII**

### **MISCELLANEOUS**

**7.01. Notices.**

- (a) Any communication required or permitted by this Agreement must be in writing.
- (b) Any communication under this Agreement shall be sufficiently given and deemed given when delivered by hand or five days after being mailed by first-class mail, postage prepaid, addressed as follows:
  - (i) If to the Town, to P.O. Box 399 Cornelius, North Carolina 28031, Attention: Finance Officer; or
  - (ii) If to BB&T, to BB&T Governmental Finance, 5130 Parkway Plaza Boulevard, Charlotte, North Carolina 28217, Attention: Account Administration/Municipal.
- (c) Any addressee may designate additional or different addresses for communications by notice given under this Section to each of the others.

**7.02. No Assignments by Town.** The Town shall not sell or assign any interest in this Agreement.

**7.03. Assignments by BB&T.** BB&T may, at any time and from time to time, assign all or any part of its interest in the Security Property or this Agreement, including, without limitation, BB&T's rights to receive Required Payments. Any assignment made by BB&T or any subsequent assignee shall not purport to convey any greater interest or rights than those held by BB&T pursuant to this Agreement.

The Town agrees that this Agreement may become part of a pool of obligations at BB&T's or its assignee's option. BB&T or its assignees may assign or reassign all or any part of this Agreement, including the assignment or reassignment of any partial interest through the use of certificates evidencing participation interests in this Agreement. Any assignment by BB&T may be only to a bank, insurance company, or similar financial institution or any other entity approved by the LGC. Notwithstanding the foregoing, no assignment or reassignment of BB&T's interest in the Equipment or this Agreement shall be effective unless and until the Town shall receive a duplicate original counterpart of the document by which such assignment or reassignment is made disclosing the name and address of each such assignee.

The Town further agrees that BB&T's interest in this Agreement may be assigned in whole or in part upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for any holders of certificates of participation in this Agreement, provided the Town receives a copy of such agency contract and such collection and paying agent covenants and agrees to maintain for the full remaining term of this Agreement a written record of each assignment and reassignment of such certificates of participation.

The Town agrees to execute any document reasonably required in connection with any assignment. Any assignor must provide notice of any assignment to the Town, and the Town shall keep a complete and accurate record of all assignments as required by the Code. After the giving of any such notice, the Town shall thereafter make all payments in accordance with the notice to the assignee named therein and shall, if so requested, acknowledge such assignment in writing, but such acknowledgment shall in no way be deemed necessary to make the assignment effective.

**7.04. Amendments.** No term or provision of this Agreement may be amended, modified or waived without the prior written consent of the Town and BB&T.

**7.05. Governing Law.** The Town and BB&T intend that State law shall govern this Agreement.

**7.06. Liability of Officers and Agents.** No officer, agent or employee of the Town shall be subject to any personal liability or accountability by reason of the execution of this Agreement or any other documents related to the transactions contemplated by this Agreement. Such officers or agents shall be deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section shall not relieve an officer, agent or employee of the Town from the performance of any official duty provided by law.

**7.07. Severability.** If any provision of this Agreement shall be determined to be unenforceable, that shall not affect any other provision of this Agreement.

**7.08. Non-Business Days.** If the date for making any payment or the last day for performance of any act or the exercising of any right shall not be a Business Day, such payment shall be made or act performed or right exercised on or before the next preceding Business Day.

**7.09. Entire Agreement.** This Agreement constitutes the Town's entire agreement with respect to the general subject matter covered by this Agreement.

**7.10. Binding Effect.** Subject to the specific provisions of this Agreement, and in particular Section 7.03, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

*The remainder of this page left blank intentionally; signature page follows.*

**IN WITNESS WHEREOF**, the parties have duly signed, sealed and delivered this Agreement by duly authorized officers, all as of the date first above written.

**(SEAL)**

**ATTEST:**

**TOWN OF CORNELIUS,  
NORTH CAROLINA**

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**BRANCH BANKING AND  
TRUST COMPANY**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act.

By: \_\_\_\_\_  
Finance Officer  
Town of Cornelius, North Carolina

*[Financing Agreement between the Town of Cornelius, North Carolina, and Branch Banking and Trust Company]*

## **EXHIBIT A -- PROJECT AND EQUIPMENT DESCRIPTION**

Various vehicles and a Lifeproof boat, as may be more particularly described in documentation submitted with requisitions pursuant to the Project Fund Agreement.

It is anticipated that the collateral will be as set forth below, however, similar assets are acceptable.

Four (4) 2017 Ford police interceptor vehicles;

One (1) Inventech Marine Lifeproof boat;

One (1) 2017 Ford F-650 crew cab truck;

Two (2) 2016 Chevrolet Silverado 2500 trucks.



## **EXHIBIT B -- PAYMENT SCHEDULE**

**Payment Schedule to Financing Agreement dated as of January \_\_, 2017 (the "Financing Agreement"), between the Town of Cornelius, North Carolina, and Branch Banking and Trust Company**

Contract Number: 9933000939-00006

The payments required to repay the advance made pursuant to the Financing Agreement call for an amortization period of approximately three (3) years. Payments are semi-annual in arrears in the amount of \$70,577.75. A portion of each payment is paid as and represents payment of interest at an annual interest rate of 1.58%.

Payments are due beginning on July \_\_, 2017, and semi-annually thereafter, with a final payment of all outstanding principal and accrued and unpaid interest due on January \_\_, 2020, all as set forth in the attached amortization schedule.

Town of Cornelius, North Carolina  
 \$412,000.00 Various Vehicles  
 9933000939-00006

**DRAFT AMORITZATION SCHEDULE-TO BE UPDATED TO REFLECT FUNDING DATE**

Compound Period: Semiannual

Nominal Annual Rate: 1.580 %

**CASH FLOW DATA**

	<b>Event</b>	<b>Date</b>	<b>Amount</b>	<b>Number</b>	<b>Period</b>	<b>End Date</b>
1	Loan	01/11/2017	412,000.00	1		
2	Payment	07/11/2017	70,577.75	6	Semiannual	01/11/2020

**AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year**

	<b>Date</b>	<b>Payment</b>	<b>Interest</b>	<b>Principal</b>	<b>Balance</b>
Loan	01/11/2017				412,000.00
2017 Totals		0.00	0.00	0.00	
1	07/11/2017	70,577.75	3,254.80	67,322.95	344,677.05
2	01/11/2018	70,577.75	2,722.95	67,854.80	276,822.25
2018 Totals		141,155.50	5,977.75	135,177.75	
3	07/11/2018	70,577.75	2,186.90	68,390.85	208,431.40
4	01/11/2019	70,577.75	1,646.61	68,931.14	139,500.26
2019 Totals		141,155.50	3,833.51	137,321.99	
5	07/11/2019	70,577.75	1,102.05	69,475.70	70,024.56
6	01/11/2020	70,577.75	553.19	70,024.56	0.00
2020 Totals		141,155.50	1,655.24	139,500.26	
Grand Totals		423,466.50	11,466.50	412,000.00	

## **PROJECT FUND AGREEMENT**

**THIS PROJECT FUND AGREEMENT** is dated as of January \_\_\_, 2017, and is by and between the **TOWN OF CORNELIUS, NORTH CAROLINA**, a public body of the State of North Carolina (the "Town"), and **BRANCH BANKING AND TRUST COMPANY ("BB&T")**.

### **RECITALS**

The Town is, simultaneously with the execution and delivery of this Project Fund Agreement, executing and delivering a Financing Agreement dated as of January \_\_\_, 2017 (the "Financing Agreement"), by and between the Town and BB&T. The purpose of the Financing Agreement is to provide for BB&T's advance of \$412,000.00 to the Town to finance the Town's acquisition of equipment, as defined in the Financing Agreement. In partial consideration for BB&T's entering into the Financing Agreement, the Town has agreed to provide for financing proceeds to be deposited and disbursed pursuant to this Project Fund Agreement.

**NOW, THEREFORE**, the parties agree as follows:

### **SECTION 1. DEFINITIONS**

In this Project Fund Agreement, the term "***Project Costs***" means all costs of the design, planning, acquiring, installing of the Equipment as determined in accordance with generally accepted accounting principles and that will not adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Installment Payments payable by the Town under the Financing Agreement, including (a) sums required to reimburse the Town or its agents for advances made for any such costs, (b) interest during the installation process and for up to six months thereafter, and (c) all costs related to the financing of the Equipment through the Financing Agreement and all related transactions.

In addition, any capitalized terms used in this Project Fund Agreement and not otherwise defined shall have the meanings assigned thereto in the Financing Agreement.

### **SECTION 2. PROJECT FUND.**

**2.1. Project Fund.** On the Closing Date, BB&T will deposit \$412,000.00 into a special account of the Town at Branch Banking and Trust Company to be designated "2017-00006 Town of Cornelius Project Fund" (the "Project Fund"). This account shall be held separate and apart from all other funds of the Town. The Project Fund is the Town's property, but the Town will withdraw amounts on deposit in the Project Fund only as provided in the Project Fund Agreement and only for application from time to time to the payment of Project Costs. Pending such application, such amounts shall be subject to a lien and charge in favor of BB&T to secure the Town's obligations under the Financing Agreement.

**2.2. Requisitions from Project Fund.** The Town may withdraw funds from the Project Fund only after authorization from BB&T. BB&T will disburse funds from the Project Fund only to the Town and only upon its receipt of written requisitions from one of the designated Town Representatives named

in the Certificate of Authorized Representatives contained herein and substantially in the form of Exhibit A attached hereto.

### **2.3. Disposition of Project Fund Balance.**

(a) ***Upon completion*** -- Promptly after the acquisition and installation of the Equipment has been completed, the Town shall deliver to BB&T a certificate to such effect signed by a Town Representative.

(b) ***Upon default*** -- Upon the occurrence of an Event of Default, BB&T may withdraw any balance remaining in the Project Fund and apply such balance against outstanding Required Payments.

(c) ***After delay or inactivity*** -- If (i) more than two years have elapsed from the Closing Date or (ii) at least six months has passed from BB&T's most recent receipt of a requisition for Project Costs, then BB&T, upon 30 days' notice from BB&T to the Town, may withdraw any balance remaining in the Project Fund and apply such balance against outstanding Required Payments.

(d) ***Application of Project Fund balance*** -- BB&T will apply any amounts paid to it pursuant to this section (i) first against all Additional Payments then due and payable, (ii) then to interest accrued and unpaid to the prepayment date, and (iii) then to the prepayment, in inverse order of maturity and without premium (notwithstanding any contrary provisions of Section 3.03 of the Financing Agreement), of the outstanding principal components of Installment Payments. Such prepayment, however, will not affect any other City payment obligation under the Financing Agreement. BB&T will notify the City of any withdrawal from the Project Fund made under this Section 2.3, and in the notice will describe its application of the funds withdrawn.

**2.4. Investment.** (a) The Town and BB&T agree that money in the Project Fund will be continuously invested and reinvested in a public funds money rate savings account.

(b) From and after the date that is three years from the Closing Date, the Town will not purchase or hold any investment which has a "yield," as determined under the Code, in excess of the "yield" on the Town's obligations under the Financing Agreement, unless the Town has supplied BB&T with a Bond Counsel Opinion to the effect that such investment will not adversely affect the exclusion from gross income for federal income tax purposes to which the interest components of Installment Payments would otherwise be entitled.

(c) Investment obligations acquired with money in the Project Fund shall be deemed at all times to be part of the Project Fund. The interest accruing thereon and any profit or loss realized upon the disposition or maturity of any such investment shall be credited to or charged against the Project Fund.

(d) All earnings on moneys in the Project Fund must be used for Project Costs.

### **SECTION 3. MISCELLANEOUS.**

**3.1. Notices.** Any notice or other communication required or contemplated by this Project Fund Agreement shall be deemed to be delivered if in writing, addressed as provided below and if (a) actually received by such addressee, or (b) in the case of mailing, when indicated to have been delivered

by a signed receipt returned by the United States Postal Service after deposit in the United States mails, postage and registry fees prepaid, and clearly directed to be transmitted as registered or certified mail:

(i) If intended for the Town, addressed to it at the following address: Town of Cornelius, Attention: Finance Officer, P.O. Box 399 Cornelius, North Carolina 28031;

(ii) If intended for BB&T, addressed to it at the following address: BB&T Governmental Finance, Attention: Account Administration/Municipal – Project Fund Agreement Notice, 5130 Parkway Plaza Boulevard, Charlotte, North Carolina 28217.

Any party may designate a different or alternate address for notices by notice given under this Project Fund Agreement.

**3.2. Survival of Covenants and Representations.** All covenants, representations and warranties made by the Town in this Project Fund Agreement and in any certificates delivered pursuant to this Project Fund Agreement shall survive the delivery of this Project Fund Agreement.

**3.3. Choice of Law.** The parties intend that North Carolina law shall govern this Project Fund Agreement.

**3.4. Amendments.** This Project Fund Agreement may not be modified or amended unless such amendment is in writing and signed by BB&T and the Town.

**3.5. No Third-Party Beneficiaries.** There are no parties intended to be or which shall be deemed to be third-party beneficiaries of this Project Fund Agreement.

**3.6. Successors and Assigns.** All of the covenants and conditions of this Project Fund Agreement shall be binding upon and inure to the benefit of the parties to this Project Fund Agreement and their respective successors and assigns.

**3.7. Severability.** If any court of competent jurisdiction shall hold any provision of this Project Fund Agreement invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision of this Project Fund Agreement.

**3.8. Counterparts.** This Project Fund Agreement may be executed in any number of counterparts, including separate counterparts, each executed counterpart constituting an original but all together only one agreement.

**3.9. Termination.** Except as otherwise provided in this Project Fund Agreement, this Project Fund Agreement shall cease and terminate upon payment of all funds (including investment proceeds) from the Project Fund.

CERTIFICATE DESIGNATING TOWN REPRESENTATIVES

In accordance with the terms herein, the Town designates the following persons as Town Representatives authorized to sign requisitions to withdraw funds from the Project Fund account:

Printed Name:

Signature:


The Town may designate additional Representatives to sign requisitions upon written notification to BB&T.

**IN WITNESS WHEREOF**, each of the parties has caused this Project Fund Agreement to be signed and delivered by a duly authorized officer, all as of the date first above written.

**ATTEST:**

**TOWN OF CORNELIUS,  
NORTH CAROLINA**

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

SEAL

**BRANCH BANKING AND TRUST COMPANY**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

*[Project Fund Agreement dated as of January \_\_\_, 2017]*



## EXHIBIT A

*[To Be Prepared on Town's Letterhead for Submission]*

### PROJECT FUND REQUISITION

[Date] \_\_\_\_\_

E-MAIL REQUISITIONS TO: GFProjectfunds@bbandt.com

Mr. Phillip Hardy direct dial: 252-296-0653  
BB&T Governmental Finance

RE: Request for disbursement of funds from the Project Fund related to Contract No. 9933000939-00006 by the Town of Cornelius, dated January \_\_\_, 2017.

Dear Mr. Hardy:

Pursuant to the terms and conditions of the Project Fund Agreement dated as of January \_\_\_, 2017, the Town of Cornelius (the "Town"), requests the disbursement of funds from the Project Fund established under the Project Fund Agreement for the following Project Costs:

This is requisition number \_\_\_\_ from the Project Fund.

#### **Disbursements will be to the Town of Cornelius**

Amount: \$\_\_\_\_\_

**For the vehicles, attach the following to this requisition**

- Copies of vendor invoices;
- Copies of the certificates of origin listing *BB&T Governmental Finance, 5130 Parkway Plaza Blvd., Charlotte, NC 28217* as 1<sup>st</sup> lienholder OR a copy of the lien recording application listing *BB&T Governmental Finance, 5130 Parkway Plaza Blvd., Charlotte, NC 28217* as 1<sup>st</sup> lienholder and a copy of the vehicle title
- Certificate of Insurance showing:
  - automobile liability and property coverage with BB&T Governmental Finance listed as loss payee and certificate holder;
  - year, make model, VIN number of vehicles;
  - loan contract number 9933000939-00006.

**For the police boat, attach the following to this requisition:**

- Copies of vendor invoices;
- Certificate of Insurance showing:

- **and property coverage with BB&T Governmental Finance listed as loss payee and certificate holder;**
- **serial number (if serial number is not applicable, then reference “Police Boat” on the certificate). ;**
- **loan contract number 9933000939-00006.**

Project Description: Various vehicles and a police boat.

Location of Equipment:

To receive funds via wire transfer please include:

ABA Routing Number:

Account Number:

Physical address of Town:

The Town of Cornelius makes this requisition pursuant to the following representations:

1. The Town has appropriated in its current fiscal year funds sufficient to pay the Installment Payments and estimated Additional Payments due in the current fiscal year.
2. The purpose of this disbursement is for partial payment on the project provided for under the Contract referenced above.
3. The requested disbursement has not been subject to any previous requisition.
4. No notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable herein to any of the persons, firms or corporations named herein has been received, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this requisition.
5. This requisition contains no items representing payment on account of any percentage entitled to be retained on the date of this requisition.
6. No Event of Default is continuing under the Financing Agreement, and no event or condition is existing which, with notice or lapse of time or both, would become an Event of Default.
7. The Town will execute any Uniform Commercial Code financing statements with respect to this portion of the Equipment that BB&T may request to evidence its security interest.
8. The Town has in place insurance on this portion of the Equipment that complies with the insurance provisions of the above-referenced Contract.

Each amount requested for payment in this requisition either (a) represents reimbursement to the Town for a Project Cost expenditure previously made, or (b) will be used by the Town promptly upon the receipt of funds from BB&T to make the payments to third parties described in this requisition.

Attached is evidence that the amounts shown in this requisition are properly payable at this time, such as bills, receipts, invoices, architects' payment certifications or other appropriate documents.

**TOWN OF CORNELIUS, NORTH CAROLINA**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

## **CLOSING CERTIFICATE**

The undersigned officers of the Town of Cornelius, North Carolina (the "Town"), hereby certify as follows:

1. The Town's governing board (the "Board") adopted the attached resolution (the "Resolution"), authorizing and providing for an installment financing with Branch Banking and Trust Company. The Resolution was duly adopted at a meeting duly called and held at which a quorum was present and acting throughout. The Resolution has not been repealed, revoked, rescinded or amended, but remains in full effect as of today. Pursuant to N.C. Gen. Stat. § 143-318.12(a), a current copy of the Board's regular meeting schedule was on file with the Clerk for at least seven days prior to the date of the meeting.

2. The signatures set forth below are the true and genuine signatures of the persons holding the indicated offices. The indicated persons have held such offices at all times since the Resolution was adopted.

<u><b>Printed Name</b></u>	<u><b>Title</b></u>	<u><b>Signature</b></u>
_____	Mayor or Town Manager	_____
_____	Finance Director	_____
_____	Clerk	_____

3. The Town has duly authorized, executed and delivered the Financing Agreement and the Project Fund Agreement provided for by the Resolution. We have reviewed the Town's representations as set forth in such Agreements, and all of such representations are correct and complete in all material respects as if made today.

4. The seal impressed below is the Town's official seal, and has been the Town's official seal since prior to the adoption of the Resolution.

**WITNESS** our signatures and the seal of the Town of Cornelius, North Carolina, this \_\_\_\_ day of January, 2017.

(SEAL)

By: _____	By: _____	By: _____
Mayor or Town Manager	Finance Director	Clerk

## **USE OF PROCEEDS CERTIFICATE**

The undersigned Finance Director of the Town of Cornelius, North Carolina (the "Town"), is among the Town officers charged with responsibility for the Town's entering into a Financing Agreement dated as of January \_\_, 2017 (the "Agreement"), with Branch Banking and Trust Company ("BB&T"). This Certificate is delivered as part of the official record of the proceedings for the delivery of the Agreement. I am executing and delivering this Certificate on behalf of the Town to set forth in good faith the Town's reasonable expectations concerning the use and investment of financing proceeds and other related matters, in order to assure that interest on the Obligations, as defined below, will be excluded from gross income for federal income tax purposes. I understand that I have an obligation to make the representations in this Certificate both correct and complete.

All capitalized terms used in this Certificate and not otherwise defined have the meanings assigned to such terms under the Treasury Regulations applicable to tax-exempt bonds.

### **PURPOSE OF AGREEMENT**

1. The Town is executing and delivering the Agreement today to provide funds to finance the acquisition (the "Project") of the equipment set forth in the Agreement (the "Equipment"), and to pay certain financing costs. BB&T will advance funds to the Town pursuant to the Agreement for the Project. BB&T is entering into the Agreement for its own account with no current intention of reselling its rights under the Agreement or any interest therein, except that BB&T may make an assignment of payment rights to an affiliate, in whole, at par and without recourse.

### **PROCEEDS; PAYMENT OBLIGATIONS**

2. (a) BB&T will today advance the full principal amount to be advanced under the Agreement of \$412,000.00 (the "Proceeds") by making a deposit into a Project fund created under a Project Fund Agreement between the Town and BB&T.

(b) Under the Agreement, the Town is obligated to pay Installment Payments, as defined in the Agreement, on the dates and in the amounts set forth in the Agreement (the Town's obligations to pay Installment Payments are referred to in this Certificate as the "Obligations"), subject to prepayment as provided in the Agreement.

(c) The Installment Payments reflect the repayment of the Proceeds and include a designated interest component corresponding to an annual interest rate as set forth in the Agreement. The Town does not expect to prepay any of the Obligations prior to the scheduled payment dates.

### **USE OF PROCEEDS; REIMBURSEMENT**

3. (a) All of the Proceeds and all investment earnings thereon will be used to pay Project Costs, including costs incurred in connection with the execution and delivery of the Agreement and interest on the Obligations during the Project period.

(b) All of such costs will be incurred and expenditures made subsequent to today, except for reimbursement to the Town for amounts (i) paid not more than 60 days prior to today, (ii) representing engineering, design and similar preliminary expenses in an aggregate amount not exceeding 20% of the principal amount of the Obligations, or (iii) otherwise in an amount not exceeding 5% percent of the Proceeds.

(c) All expenditures to be reimbursed occurred not more than 18 months prior to today. None of the Financed Equipment was placed in service more than one year before today.

(d) All of the costs to be paid or reimbursed from Proceeds will be Capital Expenditures, and none will be Working Capital Expenditures. No portion of the Gross Proceeds will be used, directly or indirectly, to make or finance loans to two or more ultimate borrowers.

### **QUALIFICATION FOR TEMPORARY PERIOD**

4. The Equipment will be placed in service beginning on or about \_\_\_\_\_. Within 90 days of today (if it has not already done so), the Town will enter into substantial binding obligations to third parties to spend Proceeds on Project Costs that are Capital Expenditures in an amount exceeding 5% of the amount financed. The Town estimates that all the Proceeds and all the investment earnings thereon will be fully expended within \_\_\_\_\_ months from today.

### **INVESTMENT PROCEEDS**

5. (a) Any earnings or net profit derived from the investment of the Proceeds will be used to pay additional Project Costs or interest on the Obligations not later than the date that is the later of (i) three years from today or (ii) twelve months from the date of the receipt of such earnings.

(b) After the date that is three years from today, the Town will not invest any of the Gross Proceeds at a Yield in excess of the Yield on the Obligations.

(c) No investment will be acquired or disposed of at a cost or price that exceeds its Fair Market Value as of the acquisition date, or which is less than its Fair Market Value as of the disposition date. No portion will be invested in any investment as to which the economic return is substantially guaranteed for more than three years.

(d) No portion of the Gross Proceeds will be used, directly or indirectly, to replace funds that the Town used (directly or indirectly) to acquire securities or obligations producing (or expected to produce) a Yield higher than the Yield on the Obligations.

### **NO OVER-ISSUANCE OR EXCESSIVE MATURITY**

6. (a) The sum of the Proceeds and the reasonably expected investment earnings thereon does not exceed the amount reasonably expected to be required to pay Project Costs, including interest on the Obligations during the Project period and financing costs.



(b) The term of the Obligations is not longer than reasonably necessary for the governmental purposes thereof, and is not longer than the expected useful life of the Equipment.

(c) In connection with the issuance of the Obligations, the Town has not utilized any device (not described in this Certificate) which attempts to circumvent the restrictions of the Code to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage. The Town has not attempted to increase improperly the burden on the market for tax-exempt securities (for example, by selling its obligations in larger amounts or with longer maturities, or selling them sooner, than would otherwise be necessary).

### **COMPLIANCE WITH REBATE REQUIREMENT**

7. In the Agreement, the Town has agreed to comply with provisions of the Code which in some circumstances require the Town to pay some of its investment earnings to the United States, as provided in Code Section 148.

### **PRIVATE ACTIVITY TESTS**

8. No payment on the Obligations is secured by property to be used in any private business. None of the Proceeds are to be used for any such private business use. The Town has no leases, management contracts or other agreements with private entities or the federal government for either (a) management or operation of the Equipment, or (b) the use of designated portions of the Equipment.

### **QUALIFIED TAX-EXEMPT OBLIGATIONS**

9. (a) None of the Obligations are "private activity bonds" within the meaning of Code Section 141. The aggregate amount of tax-exempt obligations, including the Obligations, issued and reasonably expected as of today to be issued in calendar year 2017 by (i) the Town, (ii) all entities on behalf of which the Town issues tax-exempt obligations, (iii) all governmental units that are "subordinate" to the Town, within the meaning of Code Section 265(b)(3), and (iv) all entities that issue tax-exempt obligations on behalf of the same such entities, does not exceed \$10,000,000. The Town has no reason to believe that the Town and such other entities will issue tax-exempt obligations in 2017 in an aggregate amount that will exceed such \$10,000,000 limit.

(b) In making the statements in subparagraph (a) above, I have taken into account (i) all the Town's departments and agencies and (ii) all political subdivisions or other entities (x) which have the power to borrow money or enter into contracts and (y) of which the Town is a member or over which it has legal or practical control. For all of such entities, I have taken into account all bonds, bond anticipation notes, installment or lease-purchase contracts and all other obligations to pay money (excluding only current accounts payable and private activity bonds) issued or to be issued or contracted by such entities in calendar year 2017. I have not included those private activity bonds or those refunding obligations excluded from the annual \$10,000,000 calculation by Code Section 265(b)(3).

## **INVESTED SINKING FUNDS**

10. There are no funds (a) to be held under the Agreement or (b) which are pledged as security for the Obligations (including by way of negative pledges), or which will be used to pay the Obligations, or which could be reasonably be expected to be available to pay the Obligations if the Town were to encounter financial difficulty, other than the Project Fund referenced above. The Town will pay the Obligations from its general funds, with there being no obligation (or expectation) on the part of the Town or any other entity to segregate or identify any particular funds or accounts for the payment of or security for the Obligations.

## **MISCELLANEOUS**

11. (a) No substantial part of the Equipment will be sold, no arrangement has been or will be entered into with respect to the Equipment that would be treated as a sale for federal income tax purposes, and the Town expects to use the Equipment for its currently-intended purpose at least until the stated date for final payment of the Obligations, in all cases other than such insubstantial portions as may be disposed of in the ordinary course of business due to normal wear or obsolescence.

(b) There are no other tax-exempt bonds, notes or obligations of the Town which have been or are expected to be issued or contracted within 20 days before or after today.

(c) None of the Proceeds will be used to make any payment on any other Town obligation that was contracted in the exercise of the Town's borrowing power.

(d) No portion of the Obligations is Federally Guaranteed.

## **REASONABLENESS; BINDING EFFECT**

12. To the best of my knowledge and belief, the expectations set forth above are reasonable and the statements set forth above are correct. The Town's covenants made as described in this Certificate are intended as binding covenants of the Town.

**WITNESS** my signature this \_\_\_\_ day of January, 2017.

---

Finance Director  
Town of Cornelius, North Carolina

# Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)  
► See separate instructions.  
**Caution:** If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

<b>Part I Reporting Authority</b>		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name		2 Issuer's employer identification number (EIN)	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	5 Report number (For IRS Use Only)	
6 City, town, or post office, state, and ZIP code		7 Date of issue	
8 Name of issue		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)		10b Telephone number of officer or other employee shown on 10a	

<b>Part II Type of Issue (enter the issue price).</b> See the instructions and attach schedule.			
11 Education . . . . .		11	
12 Health and hospital . . . . .		12	
13 Transportation . . . . .		13	
14 Public safety . . . . .		14	
15 Environment (including sewage bonds) . . . . .		15	
16 Housing . . . . .		16	
17 Utilities . . . . .		17	
18 Other. Describe ►		18	
19 If obligations are TANs or RANs, check only box 19a . . . . .	► <input type="checkbox"/>		
If obligations are BANs, check only box 19b . . . . .	► <input type="checkbox"/>		
20 If obligations are in the form of a lease or installment sale, check box . . . . .	► <input type="checkbox"/>		

<b>Part III Description of Obligations.</b> Complete for the entire issue for which this form is being filed.					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21		\$	\$	years	%

<b>Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)</b>				
22	Proceeds used for accrued interest . . . . .		22	
23	Issue price of entire issue (enter amount from line 21, column (b)) . . . . .		23	
24	Proceeds used for bond issuance costs (including underwriters' discount) . . . . .	24		
25	Proceeds used for credit enhancement . . . . .	25		
26	Proceeds allocated to reasonably required reserve or replacement fund . . . . .	26		
27	Proceeds used to currently refund prior issues . . . . .	27		
28	Proceeds used to advance refund prior issues . . . . .	28		
29	Total (add lines 24 through 28) . . . . .		29	
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) . . . . .		30	

<b>Part V Description of Refunded Bonds.</b> Complete this part only for refunding bonds.			
31	Enter the remaining weighted average maturity of the bonds to be currently refunded . . . . .	►	years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded . . . . .	►	years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) . . . . .	►	
34	Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)		

**Part VI Miscellaneous**

- |            |  |  |
|------------|--|--|
| <b>35</b>  |  |  |
| <b>36a</b> |  |  |
| <b>37</b>  |  |  |
- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . .
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions) . . . . .
- b** Enter the final maturity date of the GIC ▶ \_\_\_\_\_
- c** Enter the name of the GIC provider ▶ \_\_\_\_\_
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . .
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ☐ and enter the following information:
- b** Enter the date of the master pool obligation ▶ \_\_\_\_\_
- c** Enter the EIN of the issuer of the master pool obligation ▶ \_\_\_\_\_
- d** Enter the name of the issuer of the master pool obligation ▶ \_\_\_\_\_
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . . ☐
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . ☐
- 41a** If the issuer has identified a hedge, check here ☐ and enter the following information:
- b** Name of hedge provider ▶ \_\_\_\_\_
- c** Type of hedge ▶ \_\_\_\_\_
- d** Term of hedge ▶ \_\_\_\_\_
- 42** If the issuer has superintegrated the hedge, check box . . . . . ☐
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . ☐
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ☐
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ☐ and enter the amount of reimbursement . . . . . ▶ \_\_\_\_\_
- b** Enter the date the official intent was adopted ▶ \_\_\_\_\_

**Signature and Consent**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

▶ \_\_\_\_\_ Date \_\_\_\_\_ ▶ \_\_\_\_\_  
Signature of issuer's authorized representative Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶ _____			Firm's EIN ▶ _____	
Firm's address ▶ _____			Phone no. ▶ _____	

# Instructions for Form 8038-G

(Rev. September 2011)

## Information Return for Tax-Exempt Governmental Obligations



Department of the Treasury  
Internal Revenue Service

Section references are to the Internal Revenue Code unless otherwise noted.

### General Instructions

#### Purpose of Form

Form 8038-G is used by issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

#### Who Must File

IF the issue price (line 21, column (b)) is...	THEN, for tax-exempt governmental obligations issued after December 31, 1986, issuers must file...
\$100,000 or more	A <b>separate</b> Form 8038-G for <b>each</b> issue
Less than \$100,000	Form 8038-GC, Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales



**CAUTION** For all build America bonds and recovery zone economic development bonds use Form 8038-B, Information Return for Build America Bonds and Recovery Zone Economic Development Bonds. For tax credit bonds and specified tax credit bonds use Form 8038-TC, Information Return for Tax Credit Bonds and Specified Tax Credit Bonds.

#### When To File

File Form 8038-G on or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the bond is issued. Form 8038-G may not be filed before the issue date and must be completed based on the facts as of the issue date.

**Late filing.** An issuer may be granted an extension of time to file Form 8038-G under Section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file timely is not due to willful neglect. Type or print at the top of the form "Request for Relief under section 3 of Rev. Proc. 2002-48" and attach a letter explaining why Form 8038-G was not submitted to the IRS on time. Also indicate whether the bond issue in question is under examination by the IRS. Do not submit copies of the trust

indenture or other bond documents. See *Where To File* next.

#### Where To File

File Form 8038-G, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

**Private delivery services.** You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

#### Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate.

For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For build America bonds (Direct Pay), build America bonds (Tax Credit), and recovery zone economic development bonds, complete Form 8038-B, Information Return for Build America Bonds and Recovery Zone Economic Development Bonds.

For qualified forestry conservation bonds, new clean renewable energy bonds, qualified energy conservation bonds, qualified zone academy bonds, qualified school construction bonds, clean renewable energy bonds, Midwestern tax credit bonds, and all other qualified tax credit bonds (except build America bonds), file Form 8038-TC, Information Return for Tax Credit Bonds and Specified Tax Credit Bonds.

#### Rounding to Whole Dollars

You may show amounts on this return as whole dollars. To do so, drop amounts less than 50 cents and increase amounts from 50 cents through 99 cents to the next higher dollar.

#### Questions on Filing Form 8038-G

For specific questions on how to file Form 8038-G send an email to the IRS at [TaxExemptBondQuestions@irs.gov](mailto:TaxExemptBondQuestions@irs.gov) and put "Form 8038-G Question" in the subject line. In the email include a description of your question, a return email address, the name of a contact person, and a telephone number.

#### Definitions

**Tax-exempt obligation.** This is any obligation, including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

**Tax-exempt governmental obligation.** A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

**Private activity bond.** This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, **and**
- More than 10% of the payment of principal or interest of the issue is **either (a)** secured by an interest in property to be used for a private business use (or payments for such property) **or (b)** to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which **(a)** are to be used directly or indirectly to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and **(b)** exceeds the lesser of 5% of the proceeds **or** \$5 million.

**Issue price.** The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the first price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

**Issue.** Generally, obligations are treated as part of the same issue if they are issued by the same issuer, on the same date, and in a single transaction, or a series of related transactions. However, obligations issued during the same calendar year **(a)** under a loan agreement under which amounts are to be advanced periodically (a “draw-down loan”) or **(b)** with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meet the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

**Arbitrage rebate.** Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

**Construction issue.** This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds are to be used for construction expenditures with respect to property to be owned by a governmental unit or a section 501(c)(3) organization, **and**
2. All the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a section 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1½% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

## Specific Instructions

### Part I—Reporting Authority

**Amended return.** An issuer may file an amended return to change or add to the information reported on a previously filed

return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the *Amended Return* box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new or corrected information. Attach an explanation of the reason for the amended return and write across the top, “Amended Return Explanation.” Failure to attach an explanation may result in a delay in processing the form.

**Line 1.** The issuer’s name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. For a lease or installment sale, the issuer is the lessee or the purchaser.

**Line 2.** An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

**Line 3a.** If the issuer wishes to authorize a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) to communicate with the IRS and whom the IRS may contact about this return (including in writing or by telephone), enter the name of such person here. The person listed in line 3a must be an individual. Do not enter the name and title of an officer or other employee of the issuer here (use line 10a for that purpose).

**Note.** By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual entered on line 3a and consents to disclose the issuer’s return information to that individual, as necessary, to process this return.

**Lines 4 and 6.** If you listed an individual on line 3a to communicate with the IRS and whom the IRS may contact about this return, enter the number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code of that person. Otherwise, enter the issuer’s number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code.

**Note.** The address entered on lines 4 and 6 is the address the IRS will use for all written communications regarding the processing of this return, including any notices.

**Line 5.** This line is for IRS use only. Do not make any entries in this box.

**Line 7.** The date of issue is generally the date on which the issuer physically

exchanges the bonds that are part of the issue for the underwriter’s (or other purchaser’s) funds. For a lease or installment sale, enter the date interest starts to accrue in a MM/DD/YYYY format.

**Line 8.** If there is no name of the issue, please provide other identification of the issue.

**Line 9.** Enter the CUSIP (Committee on Uniform Securities Identification Procedures) number of the bond with the latest maturity. If the issue does not have a CUSIP number, write “None.”

**Line 10a.** Enter the name and title of the officer or other employee of the issuer whom the IRS may call for more information. If the issuer wishes to designate a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) whom the IRS may call for more information about the return, enter the name, title, and telephone number of such person on lines 3a and 3b.



Complete lines 10a and 10b even if you complete lines 3a and 3b.

### Part II—Type of Issue



Elections referred to in Part II are made on the original bond documents, not on this form.

Identify the type of obligations issued by entering the corresponding issue price (see *Issue price* under *Definitions* earlier). Attach a schedule listing names and EINs of organizations that are to use proceeds of these obligations, if different from those of the issuer, include a brief summary of the use and indicate whether or not such user is a governmental or nongovernmental entity.

**Line 18.** Enter a description of the issue in the space provided.

**Line 19.** If the obligations are short-term tax anticipation notes or warrants (TANs) or short-term revenue anticipation notes or warrants (RANs), check box 19a. If the obligations are short-term bond anticipation notes (BANs), issued with the expectation that they will be refunded with the proceeds of long-term bonds at some future date, check box 19b. Do not check both boxes.

**Line 20.** Check this box if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a “municipal lease.”) Also check this box if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal. **Do not** check this box if the proceeds of the obligation are received in the form of cash, even if the term “lease” is used in the title of the issue.

### Part III—Description of Obligations

**Line 21.** For column (a), the final maturity date is the last date the issuer must redeem the entire issue.

For column (b), see *Issue price* under *Definitions* earlier.

For column (c), the stated redemption price at maturity of the entire issue is the sum of the stated redemption prices at maturity of each bond issued as part of the issue. For a lease or installment sale, write "N/A" in column (c).

For column (d), the weighted average maturity is the sum of the products of the issue price of each maturity and the number of years to maturity (determined separately for each maturity and by taking into account mandatory redemptions), divided by the issue price of the entire issue (from line 21, column (b)). For a lease or installment sale, enter instead the total number of years the lease or installment sale will be outstanding.

For column (e), the yield, as defined in section 148(h), is the discount rate that, when used to compute the present value of all payments of principal and interest to be paid on the obligation, produces an amount equal to the purchase price, including accrued interest. See Regulations section 1.148-4 for specific rules to compute the yield on an issue. If the issue is a variable rate issue, write "VR" as the yield of the issue. For other than variable rate issues, carry the yield out to four decimal places (for example, 5.3125%). If the issue is a lease or installment sale, enter the effective rate of interest being paid.

### Part IV—Uses of Proceeds of Bond Issue

For a lease or installment sale, write "N/A" in the space to the right of the title for Part IV.

**Line 22.** Enter the amount of proceeds that will be used to pay interest from the date the bonds are dated to the date of issue.

**Line 24.** Enter the amount of the proceeds that will be used to pay bond issuance costs, including fees for trustees and bond counsel. If no bond proceeds will be used to pay bond issuance costs, enter zero. Do not leave this line blank.

**Line 25.** Enter the amount of the proceeds that will be used to pay fees for credit enhancement that are taken into account in determining the yield on the issue for purposes of section 148(h) (for example, bond insurance premiums and certain fees for letters of credit).

**Line 26.** Enter the amount of proceeds that will be allocated to such a fund.

**Line 27.** Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds within 90 days of the date of issue.

**Line 28.** Enter the amount of the proceeds that will be used to pay

principal, interest, or call premium on any other issue of bonds after 90 days of the date of issue, including proceeds that will be used to fund an escrow account for this purpose.

### Part V—Description of Refunded Bonds

Complete this part only if the bonds are to be used to refund a prior issue of tax-exempt bonds. For a lease or installment sale, write "N/A" in the space to the right of the title for Part V.

**Lines 31 and 32.** The remaining weighted average maturity is determined without regard to the refunding. The weighted average maturity is determined in the same manner as on line 21, column (d).

**Line 34.** If more than a single issue of bonds will be refunded, enter the date of issue of each issue. Enter the date in an MM/DD/YYYY format.

### Part VI—Miscellaneous

**Line 35.** An allocation of volume cap is required if the nonqualified amount for the issue is more than \$15 million but is not more than the amount that would cause the issue to be private activity bonds.

**Line 36.** If any portion of the gross proceeds of the issue is or will be invested in a guaranteed investment contract (GIC), as defined in Regulations section 1.148-1(b), enter the amount of the gross proceeds so invested, as well as the final maturity date of the GIC and the name of the provider of such contract.

**Line 37.** Enter the amount of the proceeds of this issue used to make a loan to another governmental unit, the interest of which is tax-exempt.

**Line 38.** If the issue is a loan of proceeds from another tax-exempt issue, check the box and enter the date of issue, EIN, and name of issuer of the master pool obligation.

**Line 40.** Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of arbitrage rebate with this form. See Rev. Proc. 92-22, 1992-1 C.B. 736 for rules regarding the "election document."

**Line 41a.** Check this box if the issuer has identified a hedge on its books and records according to Regulations sections 1.148-4(h)(2)(viii) and 1.148-4(h)(5) that permit an issuer of tax-exempt bonds to identify a hedge for it to be included in yield calculations for computing arbitrage.

**Line 42.** In determining if the issuer has super-integrated a hedge, apply the rules of Regulations section 1.148-4(h)(4). If the hedge is super-integrated, check the box.

**Line 43.** If the issuer takes a "deliberate action" after the issue date that causes

the conditions of the private business tests or the private loan financing test to be met, then such issue is also an issue of private activity bonds. Regulations section 1.141-2(d)(3) defines a deliberate action as any action taken by the issuer that is within its control regardless of whether there is intent to violate such tests. Regulations section 1.141-12 explains the conditions to taking remedial action that prevent an action that causes an issue to meet the private business tests or private loan financing test from being treated as a deliberate action. Check the box if the issuer has established written procedures to ensure timely remedial action for all nonqualified bonds according to Regulations section 1.141-12 or other remedial actions authorized by the Commissioner under Regulations section 1.141-12(h).

**Line 44.** Check the box if the issuer has established written procedures to monitor compliance with the arbitrage, yield restriction, and rebate requirements of section 148.

**Line 45a.** Check the box if some part of the proceeds was used to reimburse expenditures. Figure and then enter the amount of proceeds that are used to reimburse the issuer for amounts paid for a qualified purpose prior to the issuance of the bonds. See Regulations section 1.150-2.

**Line 45b.** An issuer must adopt an official intent to reimburse itself for preissuance expenditures within 60 days after payment of the original expenditure unless excepted by Regulations section 1.150-2(f). Enter the date the official intent was adopted. See Regulations section 1.150-2(e) for more information about official intent.

### Signature and Consent

An authorized representative of the issuer must sign Form 8038-G and any applicable certification. Also print the name and title of the person signing Form 8038-G. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that have been designated in Form 8038-G.

**Note.** If the issuer in Part 1, lines 3a and 3b authorizes the IRS to communicate (including in writing and by telephone) with a person other than an officer or other employee of the issuer, by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

### Paid Preparer

If an authorized officer of the issuer filled in this return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the



return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature (a facsimile signature is acceptable),
- Enter the preparer information, and
- Give a copy of the return to the issuer.

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**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us

the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form varies depending on individual circumstances. The estimated average time is:

<b>Learning about the law or the form</b> . . . . .	2 hr., 41 min.
<b>Preparing, copying, assembling, and sending the form to the IRS</b> . . . . .	3 hr., 3 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. **Do not** send the form to this office. Instead, see *Where To File*.

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**TOWN OF CORNELIUS, NORTH CAROLINA**  
**INVOICING INFORMATION SHEET**

CONTRACT NUMBER: 9933000939-00006

CONTRACT DATE: January \_\_, 2017

INVOICING ADDRESS:

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CONTACT PERSON: \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_

FAX NUMBER: \_\_\_\_\_

CONTACT PERSON'S E-MAIL ADDRESS: \_\_\_\_\_

Please complete this form to indicate the address where we should mail reminder invoices for loan payments, and to provide contact information should we have questions.

## REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: January 3, 2017

To: Mayor and Board of Commissioners

From: Lori Harrell, Town Clerk


**Action Requested:**

Approve the December 19th Closed Session minutes.

**Manager's Recommendation:**

Approve minutes.

**ATTACHMENTS:**

Name:	Description:	Type:
 <a href="#">12-19-16_Closed_Session_draft.docx</a>	12/19 Closed Session	Backup Material

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## REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: January 3, 2017

To: Mayor and Board of Commissioners

From: Lori Harrell, Town Clerk



**Action Requested:**

Approve the December 5th and 19th Regular Meeting minutes.

**Manager's Recommendation:**

Approve minutes.

**ATTACHMENTS:**

Name:	Description:	Type:
 <a href="#">12-05-16_Regular_Meeting_draft.docx</a>	12/5 Regular Meeting	Backup Material
 <a href="#">12-19-16_Regular_Meeting_draft.docx</a>	12/19 Regular Meeting	Backup Material

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## BOARD OF COMMISSIONERS

December 5, 2016  
Minutes

### PRE-MEETING – 5:45PM

#### ❖ Closed Session – Real Estate Matter

Mayor Pro-Tem Washam called for a motion to go into Closed Session to discuss a real estate matter.

*Commissioner Ross made a motion to go into Closed Session at 5:51PM. Commissioner Duke seconded the motion and it passed unanimously, 3-0. Commissioner Miltich arrived late and Mayor Travis and Commissioner Gilroy were absent.*

Mayor Pro-Tem Washam reconvened the Pre-meeting at 6:09PM and Manager Roberts gave an overview of the 7:00PM agenda.

### REGULAR MEETING – 7:00PM

#### 1. CALL TO ORDER

Mayor Pro-Tem Washam called the meeting to order at 7:01PM.

#### 2. DETERMINATION OF QUORUM

All commissioners were present with the exception of Commissioner Gilroy and Mayor Travis. Commissioner Ross arrived at 7:21PM.

#### 3. APPROVAL OF AGENDA

*Commissioner Miltich made a motion to approve the agenda as presented. Commissioner Duke seconded the motion and it passed unanimously, 3-0.*

#### 4. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE

Mac McAlpine led the pledge after a moment of silence was observed.

#### 5. CITIZEN CONCERNS/COMMENTS

Ralph Gettings – Schooner Drive, expressed his concerns with the discussion during the Nov. 21<sup>st</sup> pre-meeting in regards to proposed changes to the Code of Ordinances (lake views). He also distributed copies of police activity along Nantz Road for the Board members to review before the Nantz Road report on Dec. 19<sup>th</sup>.

The following citizens expressed their concerns with NCDOT's improvement options for Torrence Chapel/West Catawba intersection:

- Rick Monroe – 20328 Christofle Drive
- Mac McAlpine – 21124 Crealock Place
- Charlene Walsh – 21336 Blakley Shores

## 6. MAYOR/COMMISSIONERS/MANAGER REPORTS

Commissioner Miltich reported on the following:

- Participated in the Christmas parade on Dec. 3<sup>rd</sup>
- Cornelius Corner will be held on Dec. 6<sup>th</sup> at Brooklyn South

Commissioner Duke reported on the following:

- Attended the PARC Commission meeting where Scott Higgins was nominated to be the next PARC chairman and Denis Bilodeau as vice-chairman
- Attended the coffee chat held at Acropolis
- Jetton Road Safety Study community meeting will be held on Dec. 20<sup>th</sup> at the Peninsula Club

Mayor Pro-Tem Washam reported on the following:

- Coffee chat with Kurt Naas and John Hettwer discussing the I-77 toll lanes was well attended
- EDC has 15 active projects in Cornelius; Pactiv is celebrating their expansion in Commerce Station; preliminary studies are being conducted on the Curtis Screw property

Commissioner Ross reported on the following:

- Walking the local businesses with Bill Russell from the Chamber

## 7. PRESENTATIONS

### A. 9/11 Monument Donation

Mayor Pro-Tem Washam recognized Sarah Wilson and members of the Antiquity Ladies Circle who collected \$650 at their Christmas party and wished to donate the funds towards the 9/11 “Never Forget” Monument.

### B. FY2016 Comprehensive Annual Financial Report

Finance Director, Julie Niswonger introduced Lucas Jackson with Martin Starnes & Associates who gave a presentation on the FY2016 audited financial statements (*Exhibit Book 29*).

Mr. Jackson thanked Mrs. Niswonger and her staff for their cooperation during the audit. He stated that there were no findings or questioned costs; therefore, a clean opinion has been issued for the Town’s 2016 financial statements.

Commissioner Duke asked where the additional revenue collected from the 1.5¢ tax increase has been placed. Mrs. Niswonger stated that there is a capital reserve fund setup for transportation projects.

## 8. PUBLIC HEARING AND CONSIDERATION OF APPROVAL

### A. TA 05-16 Buffers, Landscaping and Open Space

Mayor Pro-Tem Washam called for a motion to open the public hearing on text amendment TA 05-16. *The public notice is attached hereto.*

*Commissioner Miltich made a motion to open the public hearing for TA 05-16. Commissioner Ross seconded the motion and it passed unanimously, 4-0.*

Planning Director, Wayne Herron gave the staff presentation (*Exhibit Book 29*) on the proposed text changes to the *Land Development Code*, chapters 5, 8 and 9 modifying buffer types, removing buffer requirements from *Business Campus* and *Industrial Campus* zoning districts, and simplifying the open space calculations.

Mayor Pro-Tem Washam invited the public to speak and the following comments were made:

Joe Padilla, the executive director of the Real Estate Building Industry Coalition (REBIC) commended Mr. Herron on his proposed changes but expressed his concerns with the proposed increased buffer in residential areas especially the in-fill development areas. He asked the Board to defer their decision on that section to allow REBIC representatives to work with staff on alternative language. Mr. Herron stated that staff understands the concerns expressed by Mr. Padilla; however, the increased buffer being referenced is only 1 option being proposed for the opaque buffer and there are multiple options that can be considered.

Gary Knox, former Mayor of Cornelius expressed his concern that staff did not adequately advertise the public hearing and that the proposed text changes should be vetted by all property owners and properly notified. Mr. Herron stated that staff follows the state requirements for advertising and uses the Charlotte Observer to do so.

Mayor Pro-Tem Washam asked how the surrounding towns address similar buffer requirements within their Codes. Mr. Herron stated that the surrounding towns have nothing similar.

There being no further public comments, Mayor Pro-Tem Washam called for a motion to close the public hearing.

*Commissioner Miltich made a motion to close the public hearing. Commissioner Duke seconded the motion and it passed unanimously, 4-0.*

*Commissioner Miltich made a motion to approve Ordinance #2016-00636 amending the Land Development Code, chapters 5, 8 and 9 as presented. Commissioner Duke seconded the motion and it passed unanimously, 4-0.*

**Ordinance #2016-00636 is hereby made part of the minutes by reference.**

## 9. CONSIDERATION OF APPROVAL

### A. Electric Fund Write-offs

Manager Roberts explained that the write-offs are for FY13 uncollected electric bills.



*Commissioner Ross made a motion to approve the FY2013 Electric Fund write-offs totaling \$18475.62. Commissioner Duke seconded the motion and it passed unanimously, 4-0.*

**B. North Mecklenburg Alliance MOU**

Mayor Pro-Tem Washam explained that the Town of Huntersville has deferred their approval; therefore, he suggested the Board consider tabling its decision until January. Commissioner Miltich agreed and stated that all three towns need to agree on the terms of the MOU.

*Commissioner Miltich made a motion to defer the MOU approval until January 3<sup>rd</sup>. Commissioner Ross seconded the motion and it passed unanimously, 4-0.*

**C. Historic Preservation Committee Appointments**

Mayor Pro-Tem Washam called for a motion to approve the HPC appointments.

*Commissioner Miltich made a motion to reappoint Jessica Boye, Kathryn McClelland, Julie Miller, and David Stockwell; appoint Joe Purdy; and appoint Julie Miller as the HPC chairperson. Commissioner Duke seconded the motion and it passed unanimously, 4-0.*

**D. Cornelius Elementary School Park Naming**

PARC Director, Troy Fitzsimmons gave a presentation on the naming of the Cornelius Elementary School Park. He explained that Mr. Deaton's request was to name the park James Hoyt Wilhelm Athletic Complex; however, the PARC Commission had concerns with the use of "athletic complex" as the school park does not meet the definition of athletic complex. There was also concern with the use of WAC which is already used for Westmoreland Athletic Complex. Mr. Fitzsimmons stated that the PARC Commission unanimously recommended renaming the school park James Hoyt Wilhelm Park.

Commissioner Duke stated that he was excited about the park naming and supported the PARC Commission's recommendation. Mayor Pro-Tem Washam asked if there would be a renaming dedication in the future. Mr. Fitzsimmons stated that opening day of little league ball will be the perfect time for the dedication. Commissioner Miltich asked if there would be any education plaques incorporated in the park naming. Mr. Fitzsimmons stated that he is working with Mr. Deaton on getting a replica of the Hall of Fame plaque.

Mrs. Jodi Archer asked when the Town was going to start recognizing girls' athletics. Mr. Fitzsimmons explained that the town has an official naming policy that can be submitted and then considered.

Mayor Pro-Tem Washam thanked Mr. Deaton for all of his hard work and effort in making the renaming happen.

*Commissioner Duke made a motion to approve Resolution #2016-00831 renaming Cornelius Elementary School Park as James Hoyt Wilhelm Park. Commissioner Miltich seconded the motion and it passed unanimously, 4-0.*

**Resolution #2016-00831 is hereby made part of the minutes by reference.**

10. CONSENT AGENDA

- A. Establish the 2017 Town Board Meetings (Approved 4-0)

*Commissioner Miltich made a motion to approve the Consent Agenda as presented. Commissioner Duke seconded the motion and it passed unanimously, 4-0.*

11. COMMISSIONER CONCERNS

- A. Nantz Road/West Catawba Traffic Signal

Commissioner Miltich asked if there were any updates on when the signal will be installed. Manager Roberts stated that according to the latest email it should be operational by late February.

- B. Road Signs Along Jetton Road

Commissioner Duke stated that there are some road signs along Jetton Road that need to be adjusted.

- C. Torrence Chapel/West Catawba Intersection Improvements

Mayor Pro-Tem Washam stated that the Board along with staff are diligently working to provide NCDOT with the feedback from residents on their concerns.

- D. Christmas Tree Lot

Manager Roberts reminded the Board that volunteers are still needed at the Christmas tree lot.

12. ADJOURNMENT

*There being no further business to discuss, Commissioner Miltich made a motion to adjourn at 8:29PM. Commissioner Ross seconded the motion and it passed unanimously, 4-0.*

Approved this 3<sup>rd</sup> day of January, 2017.

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Charles L. Travis, III, Mayor

ATTEST:

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Lori A. Harrell, Town Clerk



## BOARD OF COMMISSIONERS

December 19, 2016  
Agenda

### PRE-MEETING – 5:45PM

#### ❖ Closed Session – Real Estate Matters

Mayor Travis called for a motion to go into Closed Session to discuss two real estate matters.

*Commissioner Miltich made a motion to go into Closed Session at 5:55PM.  
Commissioner Washam seconded the motion and it passed unanimously, 5-0.*

Mayor Travis reconvened the Pre-meeting at 6:28PM and dismissed everyone for the 7:00PM regular meeting.

### REGULAR MEETING – 7:00PM

#### 1. CALL TO ORDER

Mayor Travis called the meeting to order at 7:03PM.

#### 2. DETERMINATION OF QUORUM

All commissioners were present for the meeting.

#### 3. APPROVAL OF AGENDA

Mayor Travis stated that do to the outcome of the Closed Session held during the Pre-meeting the following items needed to be added under the Consent Agenda:

- Add Item 9C – Westmoreland Community Association Greenway Easement
- Add Item 9D – Property Acquisition of Parcel ID #005-212-12 (1.68 acres) for \$1.5M

*Commissioner Ross made a motion to revise and approve the agenda with new items 9C and 9D. Commissioner Washam seconded the motion and it passed unanimously, 5-0.*

#### 4. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE

Dr. Scott Higgins led the pledge after a moment of silence was observed.

#### 5. CITIZEN CONCERNS/COMMENTS

**Donna Connell – 19325 Yachtman Drive**, expressed her concerns with the additional traffic that the swim beach, fishing pier and future daycare center will bring to Nantz Road.

#### 6. MAYOR/COMMISSIONERS/MANAGER REPORTS

Manager Roberts reported on the following:

- 9/11 Monument fundraising has exceeded the \$100K goal (to date \$110K)

Asst. Manager reported on the following:

- Jetton Road Safety Study community meeting will be held on Tuesday, Dec. 20<sup>th</sup> and a Town Board presentation will be made on Feb. 6<sup>th</sup>
- Torrence Chapel/West Catawba intersection improvements presentation will be made on Tuesday, Jan. 17<sup>th</sup>

Commissioner Miltich reported on the following:

- Cornelius Conversation Corner was held on Dec. 6<sup>th</sup> at Brooklyn South
- Traffic signal installation at Nantz Road remains a concern

Commissioner Duke reported on the following:

- VLN - attended the Board meeting on Dec. 10<sup>th</sup>; Huntersville ½ marathon had over 1,500 runners
- Jetton Road Safety Study and speed limit issue will be discussed at the community meeting being held on Dec. 20<sup>th</sup> at the Peninsula Club
- Thanked PARC Commission chairperson Karen Tovar for her many years of dedicated service on the PARC Commission and serving as chairperson

Commissioner Gilroy reported on the following:

- Attended a Pre-development meeting held on Dec. 8<sup>th</sup>
- Attended a NCDOT meeting held on Dec. 14<sup>th</sup> regarding the Torrence Chapel improvements

Commissioner Washam reported on the following:

- EDC – displayed a project activity sheet (*Exhibit Book 29*)
- North Mecklenburg Alliance MOU is being voted on by the Town of Huntersville's Board of Commissioners tonight
- CACC Board of Directors met on Dec. 12<sup>th</sup>

Commissioner Ross reported on the following:

- LKN Chamber – celebrating their 30<sup>th</sup> year anniversary; annual Gala will be held on Jan. 20<sup>th</sup>

Mayor Travis reported on the following:

- Attended the Bethel AME community breakfast (*Exhibit Book 29*)
- Attended the annual Seniors Luncheon with Cornelius Police Department (*Exhibit Book 29*)

## 7. PRESENTATIONS

### A. Ramsey Creek Park Beach Update

Mecklenburg County Park and Recreation representatives Jim Garges, Michael Kirschman, Greg Clemmer and Peter Cook gave an update on the 2016 beach season and fishing pier at Ramsey Creek Park. Mr. Kirschman gave an overview on visitors to the beach, revenue & expenses. Mr. Clemmer gave an overview on the challenges that were faced, complaints heard and new procedures that were implemented (signage, CATS bus service, CPD traffic control).

Commissioner Miltich questioned if smaller CATS buses could be used to shuttle people to/from the beach and if icon signage could be used to simply where the park, boat ramp and beach are located. Mr. Kirschman stated that the CATS buses used were the smallest and icon signage could be considered.

Commissioner Gilroy stated that the changes implemented were appreciated; however, unacceptable when considering what the residents along Nantz Road have endured. He suggested the County consider eliminating the admission fee to Jetton Park in hopes of diverting some picnic goers from Ramsey Creek.

Commissioner Washam asked when the next swim beach would happen. Mr. Garges stated there were no current plans for another beach site on the Mecklenburg County side of the lake but that Duke is committed to identifying other sites on the other side of Lake Norman.

Commissioner Duke expressed the importance of having a swimming component as part of the future regional recreation center.

Commissioner Washam asked what “close the beach” means. Mr. Clemmer stated no swimming allowed. Mr. Kirschman added that clearing the swimming area (fenced area) when overcapacity, inclement weather and/or water quality levels occur.

Mayor Travis questioned if the fee structure has been adjusted enough and what the status is on the Nantz Road intersection signal. Mr. Garges stated that he believes the AT&T lines that were holding up the project has been completed. Planning Director, Wayne Herron explained that EPCON will need to get the paving work done and then the signal should be ready for activation in February. Mr. Garges explained that making the fees higher to control attendance goes against the recreate and accessibility opportunities provided to residents of Mecklenburg County. He then stated that each region will determine the aquatic component within their future recreation center and the North Mecklenburg Regional Recreation Center is scheduled for design in 2018 and completion in July, 2019.

Mr. Peter Cook gave an update on Phase 1 of the fishing pier amenity added to Ramsey Creek Park. He thanked the Patriot Military Family Foundation and the Town for their partnership with Phase 2 to be completed upon FERC’s approval of Duke’s Recreation Management Plan.

## 8. CONSIDERATION OF APPROVAL

### A. PARC Commission Chairman Appointment

PARC Director, Troy Fitzsimmons explained that the PARC Commission has unanimously recommended that Dr. Scott Higgins be appointed the new PARC Commission chairman when Karen Tovar’s term expires.

*Commissioner Duke made a motion to appoint Dr. Scott Higgins as the PARC Commission chairman. Commissioner Washam seconded the motion and it passed unanimously, 5-0.*

B. FY18 Budget Calendar

Manager Roberts explained that the budget calendar is established each year and used as a guide throughout the budget process. He noted the key dates of the Planning Session scheduled for February 4th and the Budget Retreat to be held on March 7<sup>th</sup> & 8<sup>th</sup>.

*Commissioner Miltich made a motion to approve the FY18 budget calendar as presented. Commissioner Ross seconded the motion and it passed unanimously, 5-0.*

9. CONSENT AGENDA

- A. Approve Minutes – Closed Session (Nov. 21<sup>st</sup> & Dec. 5<sup>th</sup>) (Approved 5-0)
- B. Approve Minutes – Regular Session (Nov. 21<sup>st</sup>) (Approved 5-0)
- C. Westmoreland Community Association Greenway Easements (Approved 5-0)
- D. Property Acquisition of \$1.5M for Parcel ID #005-212-12 (Approved 5-0)

Manager Roberts explained that *Item C* allows the Town to purchase land for \$15,200 from the Westmoreland Community Association for the use of greenway and *Item D* approves the purchase of land for \$1.5M for the use of a new art/community center.

*Commissioner Washam made a motion to approve the Consent Agenda as presented. Commissioner Ross seconded the motion and it passed unanimously, 5-0.*

10. COMMISSIONER CONCERNS

A. Cornelius Arts/Community Center (CACC)

Commissioner Washam explained that the Board of Directors have committed to making year-end donations through the Town until their 501c3 has been completed and community fundraising efforts have begun.

11. ADJOURNMENT

*There being no further business to discuss, Commissioner Miltich made a motion to adjourn at 8:29PM. Commissioner Washam seconded the motion and it passed unanimously, 5-0.*

Approved this 3<sup>rd</sup> day of January, 2017.

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Charles L. Travis, III, Mayor

ATTEST:

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Lori A. Harrell, Town Clerk