

LAW AND FINANCE MEETING
Wednesday, May 1, 2013
1:00 P.M.
Council Chambers

The Law and Finance Committee met on Wednesday, May 1, 2013, at 1:00 P.M., in the Council Chambers at City Hall. The following people were present:

Law and Finance Committee:

Mayor Cornelia Olive	Council Member Jimmy Haire
Mayor Pro Tem Sam Gaskins	Council Member James Williams
Council Member Walter McNeil, Jr.	Council Member Charles Taylor (Left at 1:45 P.M.)
Council Member L.I. (Poly) Cohen	Council Member Rebecca Wyhof
City Attorney Susan Patterson	City Clerk Bonnie D. White
City Manager Hal Hegwer	

Mayor Olive called the meeting to order.

Consider Interlocal Agreement Between the City of Sanford and Central Carolina Community College – (Exhibit A and B)

Dr. Bud Marchant informed Council that this is an interlocal agreement between the City and Central Carolina Community College. The relevant state statutes are cited and it has been reviewed by the college's attorney and city attorney.

Council Member Taylor said this is something they disagree on. He asked what services are we getting now that we are not paying for that other area municipalities/counties are getting from the community college and how will that change in the future? He said that he understands there is some basic law enforcement training as well as the fire college. Dr. Marchant replied that the City is getting access to the emergency services training center outside of the normal range of registered classes. You are able to use the fire tower and the firearms simulator. They are trying to formalize this into an agreement. That is not something that other agencies, particularly outside Lee County, have access to unless they are actually registered for a class. They have an arrangement with the City and the County to utilize those when they are not being utilized in classes; in other words, if you need practice in the fire tower or you would like to use the firearms simulator, then the law enforcement or the fire agencies in the City would have access to them.

Mr. Taylor said that the golf tournament was at 85 percent capacity and he knows there are trade outs. There are a couple of billboards that advertised when the golf tournament was at 85 percent capacity. He understands there was advertisement for the recent Sanford Arts & Vine Festival, but yet we are back to the drawing board of paying for or having the golf course given away for free, which is in the Enterprise Fund. Mr. Taylor said it does not take care of the bigger issue at the end of the day and that is we do not have a policy on uses of our facilities, whether it be a golf course, council chambers and he sought guidance with the School of Government on this particular issue and it is very problematic. We have no policy in place. Mr. Taylor said he was supportive of the anniversary but going forward, we are faced in dire

economic times for our City Council and golf course. Mr. Taylor said that it was just discussed at the retreat about all options including leasing the golf course out. A binding agreement like this one going forward without knowing the future state of the golf course could be detrimental. Mr. Taylor said he is trying to understand and wrap his hands around where the community college could pay for certain things but turn around and ask for this particular entity to be given to them for a day without a policy in place.

Dr. Marchant said the billboards in question were donated. There was some expense in the artwork but very minor. This is an interlocal agreement between two governmental agencies. It does not involve a policy on use of the golf course, persay, as he understands it. The relevant state statutes which allow governmental agencies to enter into such agreements are cited. If by some chance in the future, the golf course was to become unavailable, this agreement can be ended by either party at any time. If you were to lease out the golf course, this would not be an issue. Dr. Marchant stated that this does not supersede any policy; it does not affect any entity but the two governmental agencies involved. He did not think the lack of a policy is some reason not to move forward with the agreement.

Mr. Taylor said that he knew they need an answer and how would it impact his decision in September if he gets the golf course or if he does not get it. Dr. Marchant replied that their golf tournament has gone on for a number of years now and they would like to host it at the Sanford Golf Course. It brings a lot of people to town that would not necessarily come. He said if you ask the golf pro, he thinks the return business and gift shop business he has gotten are of great value to him. They would rather host it in the center of the three county area; it makes sense to do this as opposed to go to a Governor's Club or Anderson Creek. Sanford is the home of the main campus and would like to have the tournament home of the main campus. The golf tournament would continue regardless of what decision is made.

Mr. Taylor asked how much money did the golf tournament raise last year. Dr. Marchant replied approximately \$23,000 to \$24,000. The proceeds are used for scholarships. This past fall, they had 2,200 students on some sort of financial aid with a City of Sanford address.

Carolina China Council and the Sister City Project

Dr. Marchant presented Council with information advising that they are trying to move forward to submit a Sister City relationship between Sanford and a Chinese City. They have identified one city that they are looking at closely, and it is Yixing. The population is 1.24 million. Some of the things they have in familiarity with Sanford is that they are known as the capital of pottery in China and is also known as being well-centered. They will bring any potential agreement back to Council. China takes this very seriously. He added that in October there will be a Beijing opera.

Consider Presentation by Janice Burke and Amy Vitner of First Southwest Regarding Bond Referendum – (Exhibit C)

Financial Services Director Melissa Cardinali explained that Janice Burke and Amy Vitner are here today to explain the bond referendum. This is the team that guided us through our very successful revenue bond issue in December 2010. They are here today regarding

Council's request to potentially put a general obligation bond referendum on the ballot this November.

Amy Vitner went over the referendum process with Council and the General Obligation process to issue General Obligation Bonds. She advised that the process generally takes four to six months and went over the general timeline of the referendum process. It includes the adoption of various resolutions, publish various notices, and filing applications with the key date coming up in the estimated time frame of May 21, 2013. This will kick off the process and provide the authorization for the Finance Department to move ahead with the process and file an application with the Local Government Commission; shooting for the referendum to be held in November with the normal election cycle. Bond counsel will draft the language that will go on the bond ballot so it will be in compliance with state statutes. She spoke about how the projects would be grouped on the ballot.

Amy Vitner went over the financing process for Governmental Obligations Bonds. Once the referendum passes, the City will have up to seven years to issue bonds. The bonds themselves do not need to be issued right away. A three-year extension may be granted after the seven-year period. Once you get into the financing process, the financing takes about ten to twelve weeks depending upon when you start. She displayed a typical timeline for the GO Bonds. One difference between a Revenue Bond Issue and a General Obligation Bond issued in North Carolina is on the Revenue Bond Issue, an underwriter is secured on the front-end of the transaction. During a General Obligation Bond issue, state law requires those bonds to be bid competitively which means you will not know who the underwriter is until the end of the bond process. So when your bonds go out for bid, there is a bid site where all the active underwriters will bid on your bonds and you will then secure your lowest cost.

Ms. Vitner advised that currently, you do not have General Obligation Bond ratings since you have no General Obligation debt outstanding. The City does have a Revenue Bond rating and often times a good rule of thumb is that a General Obligation Bond rating is typically rated one notch higher than your Revenue Bond rating. The investors see it as a more secure structure.

Ms. Vitner explained the rating and financing processes. She advised that a prime rating is AAA and an excellent rating would be the AA category. The City's Revenue Bonds are currently in the excellent category. She said they would target the middle of the AAA category for the General Obligation Bonds which is Aa2 or AA with Fitch.

Financial Services Director Melissa Cardinali referred to the calendar to put the bond referendum on the ballot in November; we need for Council to take action at its May 21, 2013, meeting.

Consider Discussion by Brad Simpson Regarding the Merger of the Economic Development Corporation and the Chamber of Commerce – (Exhibit D)

Brad Simpson explained that back in February 2013, the Chamber of Commerce and the Economic Development Corporation entertained the idea of merging the idea into a public/private partnership in conjunction with the City of Sanford, County of Lee and Town of Broadway. On April 18, 2013, City Manager Hegwer and Mayor Olive were emailed the final

version of their Memorandum of Understanding that will be between the County, City, Town of Broadway, EDC Board and the Chamber Board. Last Thursday, the Chamber Board voted unanimously to approve this action, so they are going through the process of going before the entities for approval.

Mayor Pro Tem Gaskins said he has not seen the final agreement. Mr. Simpson stated that the difference is on Page 3, Item 4, which has to do with the financing and fund-raising campaign for the organization. The County made it clear after their last commissioner's meeting that they wanted to be in charge of their own strategic plan and did not want it to overlap this plan; so this organization remodified its memo to call it a Program of Work so the County is going to do its own strategic plan. The Program of Work committee also modified the financing portion of this so that the County would be the major funder of this first year. The County is going to loan this organization \$150,000 (\$100,000 is the fund-raising campaign, \$50,000 is the planning phase). Prior to that, they were going to come before the City and Broadway to ask for some portion of that; however, they did not find it prudent to do so after the change in sales tax distribution method. The major changes are in the financing on Page 3, Item 4, and some in the timeline, which were initiated because of the County's timeline on their strategic plan process.

Mr. Hegwer explained that the county manager has spoken with him and in terms of EDC, he said they would continue to provide the same level of funding they have been providing and the extra costs would be in addition. The amount of our funding allocated towards the EDC was based on the sales tax distribution method. We talked about there may be a minor adjustment in this year's budget; it may be \$10,000 less. We will not know until we see what the distribution is and that could change.

Mr. Simpson added that the County has agreed in this document to continue the current level of funding for two years, with the understanding that if this organization shows there is a rate of return, then there is good being done. Then this organization will ask for more funding. Their goal is to raise \$200,000 to \$250,000 each year from private industry to fund the balance.

Mayor Olive asked if they foresee aggressively supporting an accommodations tax. Mr. Simpson replied that it is something they would like to see brought into this organization. They have in some of their models, an organizational structure which includes a visitors and tourism department. It would strengthen this organization.

Mr. Cohen asked about the structure of the board. The name of the organization is up in the air at this point. The economic makeup will differ from what it is now where the County, City, and Broadway are the only stakeholders. From a percentage standpoint, private industry would be funding 49 to 51 percent of this organization. The County is the largest governmental stakeholder would be somewhere in the 21 percent range. The City would fall just under that and Broadway, depending on how much they fund. How the board seats are divided up, is part of their planning process and part of the discussion of the steering committee of how they should be filled.

Council Member Taylor left around 1:45 P.M.

Consider Municipal Mowing Agreement Between the City of Sanford and the North Carolina Department of Transportation - (Exhibit E)

Refuse Superintendent Larry Craig explained that this is a mowing agreement between the City and the N. C. Department of Transportation for the City to mow the state street rights-of-way within the City limits. This agreement is for a five-year period and is usually for five mowing cycles per year. If it turns out to be an unusually warm or hot summer, we could mow them four times instead of five.

Mr. Craig informed Council that regarding recycling, he compared the first quarter of this year to the first quarter of last year and we have increased recycling 100 percent. We had 175.64 tons of recycling in January, February and March of 2012 and it went to 355.62 for this quarter. That reduced the garbage tonnage by 204.22 tons for the quarter.

Consider Entering Into Access Agreement with Stanley Black & Decker, Inc. – (Exhibit F)

City Engineer Paul Weeks explained that this is an access agreement that the City has been asked to enter into with Stanley Black & Decker, Inc. Their engineers have contacted the City to consider whereby they can install some groundwater and monitoring wells on Watson Avenue. They have groundwater monitoring wells on their site and they would like to install them offsite in order to get an idea of the groundwater flow and direction and possible contaminations from their site. It is a voluntary program where they self-monitor themselves and overseen by the state. When they have an issue or believe there is an issue, they go ahead and request the ability to put in the wells so they can monitor them ahead of time and come up with a remediation plan if they need to do so. The first thing they have to do is to identify if there is a plume; if there is not one, then there is no further steps. If there is one, they would probably have to install a few more wells, define the outskirts of the plume, and then decide what sort of mediation they have to do.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2012-2013 – (Exhibit G)

City Engineer Paul Weeks explained that the ordinance amends the budget transferring \$142,300 to budget \$17,300 to water capital for the water line extension on the Greenway and \$125,000 for utilities at the wastewater treatment plant. It appropriates \$2,515 received from the insurance company for damage to a vehicle at the WWTP and budgets the funds required for repair of vehicles.

Consider Community Development Block Grant Program Project Ordinance Amendment – (Exhibit H)

Community Development Manager Karen Kennedy advised that this amendment is for the closeout of the Maple Avenue project. We received some additional program income since she came to Council the last time that has to be appropriated properly for the closeout paperwork. It is proceeds from an investor owner for his rehabilitation contributions and a refund of a deposit from a local apartment complex where a family was relocated as part of the project. In addition, there is a contribution from an existing capital project for \$242. These funds have been allocated to an account from past program income proceeds to be used for future community development projects. We are trying to process two invoices that appeared in our paperwork last week that we have to make sure is paid to close out the project.

Other Business

Council Member Wyhof congratulated everyone on the fantastic events held last week that showed Sanford. There is another set this coming weekend with the Arts and Vine Festival and the Race to Read Event.

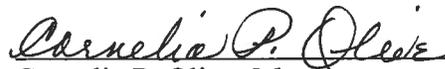
Mr. Hegwer thanked the Police Department for the work they did with the big drug investigation and arrests. There were 137 individuals to be charged and over 1,200 charges.

ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THESE MINUTES.

ADJOURNMENT

Having no further business to come before the Law & Finance Committee, the meeting was adjourned upon the motion of Council Member Rebecca Wyhof. Seconded by Council Member James Williams, the motion passed unanimously.

Respectfully submitted,


Cornelia P. Olive, Mayor

ATTEST:


Bonnie D. White, City Clerk

NORTH CAROLINA

LEE COUNTY

INTERLOCAL AGREEMENT

THIS AGREEMENT made by and between the City of Sanford, a North Carolina Municipal Corporation, hereinafter referred to as City and Central Carolina Community College, a body corporate pursuant to N.C. Gen Stat. 115D-14, hereinafter referred to as College.

Whereas, City and College are currently collaborating on several programs and activities at the College's Emergency Training Center, including SWAT team tryouts, training tower for repelling, physical assessments (POPAT), use of the firearms simulator, and law enforcement patrol vehicle training; and

Whereas, City owns and operates a municipal golf course located at 600 Golf Course Lane, Sanford, NC; and

Whereas, College desires to use City's golf course each year on the third Wednesday in September in connection with its annual Foundation fundraiser which provides endowments, student scholarships and financial support for the college, its faculty, and students;

Now, therefore, in consideration of the premises and pursuant to the authority conferred upon City, pursuant to Article 12, Chapter 160A of the General Statutes of North Carolina, and particularly N.C. Gen Stat 160A-274 and 160A-461, City has and by these presents does hereby grant to College its guests and invitees, the right, privilege, and permission to conduct its annual one day golfing fundraiser at the Sanford Golf course subject to the following:

1. The permission granted to College under this agreement is given to the College as an accommodation without monetary consideration.
2. College's privileges under this agreement shall not be assignable in whole or in part.
3. This agreement shall commence on the third Wednesday in September, 2013, and shall continue thereafter on the same day in September until terminated by either party on a ninety (90) days prior written notice to the other party, such notice to be sent by United States mail as hereinafter set out. In the event of cancellation or postponement for inclement weather or other good cause, the parties shall select a make-up date that is mutually acceptable.
4. College, its guest, invitees and participants will comply with all rules and regulations relating to the use of City's golf course and facilities during said tournament.

5. To the fullest extent permitted by law, the College shall indemnify and hold harmless the City its agents and employees or any of them from any claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of or from the use of the premises, provided that such claim, damage, loss or expense is attributed to bodily injury, sickness, disease or death, or to injury or destruction of tangible property, including loss of use resulting there from but only to one extent caused in whole or in part by the negligent acts of the College anyone directly or indirectly employed by them or anyone for whose acts they may be liable.
6. It is agreed that this agreement shall be governed by, construed, and enforced in accordance with the laws of the State of North Carolina.
7. This agreement shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent incorporated in this agreement.
8. Any modification of this agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or any authorized representative of each party.
9. All notices, demand, or other writings in this agreement provided to be given or made or sent, or which may be given or made or sent, by either party to the other, shall be deemed to have been fully given or made or sent when made in writing and deposited in the United States mail, postage prepaid, and addressed as follows:

To City: Mr. Hal Hegwar, City Manager
 P.O. Box 3729
 Sanford, NC 27331

To College: Dr. T. E. (Bud) Marchant, President
 Central Carolina Community College
 1105 Kelly Drive
 Sanford, NC 27330

IN WITNESS WHEREOF, each party to this agreement has caused it to be duly executed on the date indicated below.

City of Sanford

Date: _____

By _____
Cornelia Olive, Mayor

Date: _____

By _____
Hal Hegwar, City Manager

Central Carolina Community College

Date: _____

By _____
Chairman, Board of Trustees

Date: _____

By _____
Secretary

Carolina China Council (CCC) and the Sister City Project

Established in 2009, the Carolina China Council (CCC) is a non-profit organization committed to connecting the people in the Carolinas and China through the active promotion of business, cultural, and educational exchanges. Specifically, the activities of the CCC include Sister City partnerships; summer camps, internships, and educational tours; performing art shows; and trade shows and investment conferences.

Sister City partnerships foster bilateral communications, build broader networks of connections, moderate language barriers, and increase international traffic into the cities. In 2011, North Carolina officially entered into a Sister State relationship with the Hunan Province; since then the cities of Pinehurst and Durham have established partnerships with the cities of Zhijiang and Zhouzhou, respectively. Partnerships are usually based on proportional population size and parallels in community industry and/or civic interests.

Currently, the city of Sanford and the Chinese city of Yixing are working to establish a Sister City partnership.

Yixing: Location

With a population of 1.24 million, Yixing is nearly at the center of the triangle of cities consisting of Shanghai, Nanjing, and Hangzhou. Yixing is located in the southern part of the Jiangsu province at the west side of Lake Tai. Expressway lines connect Yixing with all the main cities in the Yangtze River Delta.

Yixing: Community Features

- Yixing is known as the **capital of pottery** in China and is famous for its traditional Yixing clay, especially for its zisha-style of teapots. The city has a history of making pottery for more than 7,000 years.
- One of the 14 noted hometowns of tea in China, Yixing is **the biggest tea-producing city** in Jiangsu.
- Yixing features the **biggest land of bamboo** in East China and dozens of water-eroded caves, including the **famous Shanjuan Cave**, which is considered to be one of the three greatest caves in the world.



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May 1, 2013

Sanford, North Carolina

Referendum Process for GO Bonds

Tab I



SANFORD, NORTH CAROLINA

Referendum Process for GO Bonds

- Process generally takes 4 to 6 months

Steps in the Process and Estimated Dates:

- 05/21/13: Council adopts resolutions to direct Finance Director to begin referendum process
- 05/24/13: Publish Notice of Intent in the newspaper
- 06/03/13: File application with the Local Government Commission
- 06/04/13: Introduce Bond Order at Council meeting and schedule public hearing
- 06/05/13: File Sworn Statement of Debt with clerk
- 06/08/13: Publish Bond Order and Notice of Public Hearing
- 06/18/13: Hold Public Hearing; adopt Bond Order; adopt resolution calling a referendum
- 06/19/13: City Clerk delivers certified copy of referendum resolution to County Board of Elections
- 06/20/13: Publish Bond Order as adopted
- 06/21/13: Submit pre-clearance letter to Department of Justice
- Sept/Oct: Publish notice of referendum-2 times
 - Make absentee ballots available
- 11/05/13: Hold referendum
- 11/19/13: Council adopts Resolution Certifying and Declaring Results

Referendum Process for GO Bonds

- Bond counsel will assist in developing appropriate language for bond ballot
- Certain individual projects can be grouped into like categories or can be separated:
 - Parks and Recreational Facilities
 - Street and Sidewalk Improvement Bonds
 - Public Safety and Services Facilities Bonds
- Typical wording on a bond ballot may read as follows:

“Shall the order adopted on November 5, 2013, authorizing not exceeding _____ PARKS AND RECREATIONAL FACILITIES BONDS of the City of Sanford, North Carolina, for the purpose of providing funds, together with any other available funds, for improving and expanding the existing park, greenway and recreational facilities of said City and acquiring and constructing new park, greenway and recreational facilities of said City, inside and outside its corporate limits, including, without limitation, the acquisition of any related land, rights of way and equipment, and the authorization of the levy of taxes in an amount sufficient to pay the principal of and the interest on said bonds, be approved?”

Financing Process for GO Bonds

Tab II



SANFORD, NORTH CAROLINA

Financing Process for GO Bonds

- Once referendum passes, the City will have up to 7 years to issue bonds
- A 3 year extension may be granted after the 7 year period
- Bonds do not have to be issued all at one time
- Financing process typically takes about 12 weeks

Financing Process for GO Bonds

- Typical Timeline for GO Bonds

Timing	Event	Party
Week 1	Pre-Application meeting with LGC	City; FA
Week 2-3	Documentation Drafting begins	BC; LGC
Week 3-8	Meetings to review documents, finance plan, disclosure	City; LGC; BC; FA
Week 6-9	Credit rating process; meeting or call with rating agencies	City; FA
Week 9	Distribute Preliminary Official Statement to prospective bidders	LGC; FA
Week 10	Price bonds via competitive sale	City; LGC; FA
Week 11	Distribute Final Official Statement; Finalize closing documents	LGC; BC
Week 12	All documents finalized; Bond proceeds wired to Issuer; Closing	City; LGC; BC; FA

Issuer – Sanford, NC LGC – Local Government Commission
 FA – Financial Advisor
 BC – Bond Counsel

Financing Process for GO Bonds

Rating Process

- Current Ratings
 - No GO ratings outstanding
 - Revenue Bond Ratings of Aa3 (Moody's) and AA- (Fitch)
- Peer Group Ratings
- Reasonable target for GO rating is one notch higher than revenue bond rating

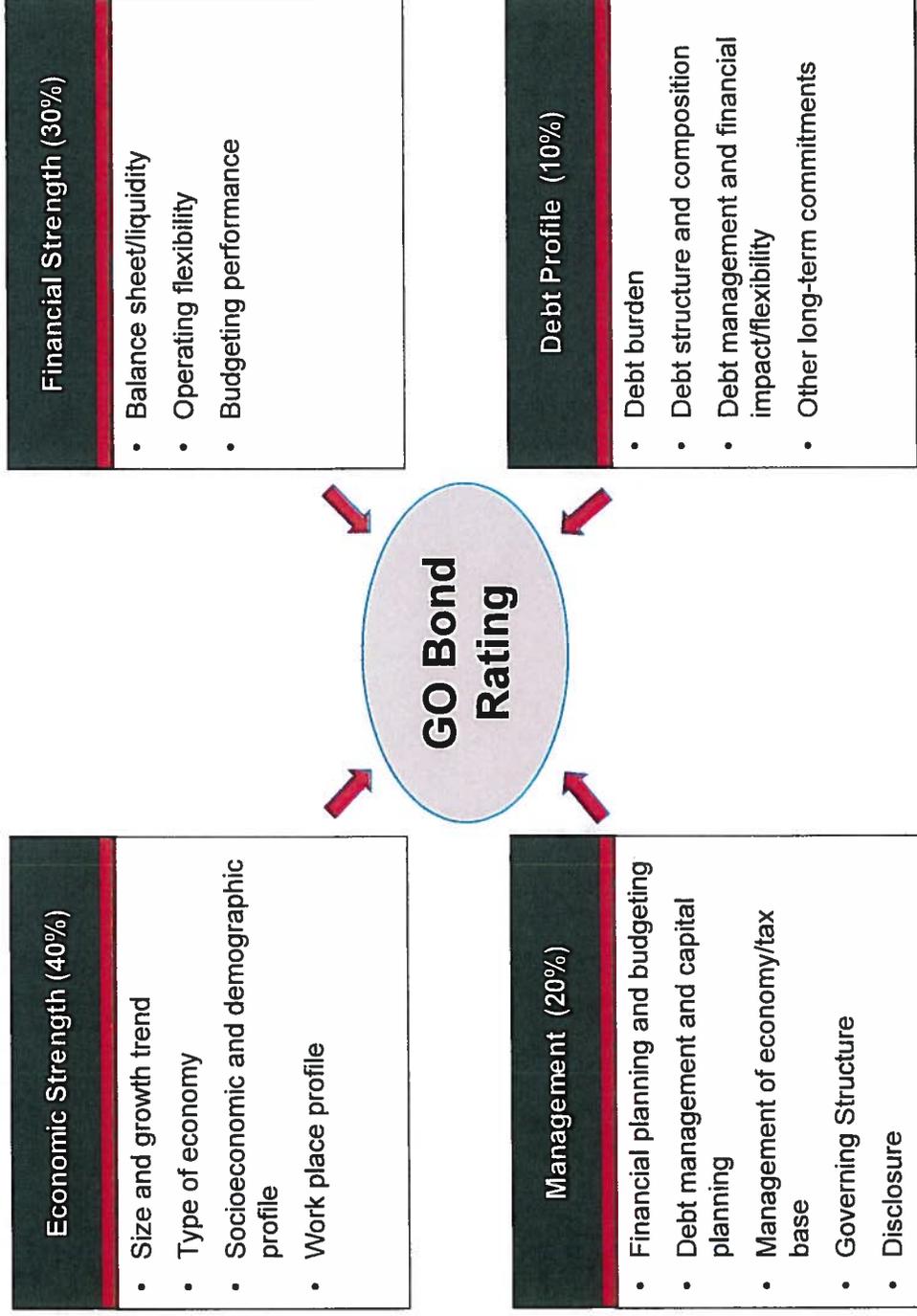
Credit Ratings-General Obligation Debt Selected Cities			
City	Standard &		
	Moody's	Poor's	Fitch
Asheboro	Aa3	A+	NR
Fuquay-Varina	Aa2	AA	NR
Garner	Aa2	AA	NR
Goldsboro	Aa2	AA-	NR
Holly Springs	Aa2	AA	NR
Kernersville	Aa2	AA	NR
Statesville	Aa2	AA	NR

Rating Categories			
	Standard &		
	Moody's	Poor's	Fitch
Prime rating	Aaa	AAA	AAA
Excellent	Aa1	AA+	AA+
	Aa2	AA	AA
	Aa3	AA-	AA-
Upper Medium	A1	A+	A+
	A2	A	A
	A3	A-	A-
Lower Medium	Baa1	BBB+	BBB+

Revenue Bond
Target for GO Ratings

Financing Process for GO Bonds

General Obligation Rating Criteria (based on Moody's Score Card approach)



Financing Process for GO Bonds

- Assumes bonds are issued in separate transactions
- 20 Year Level Principal Structure

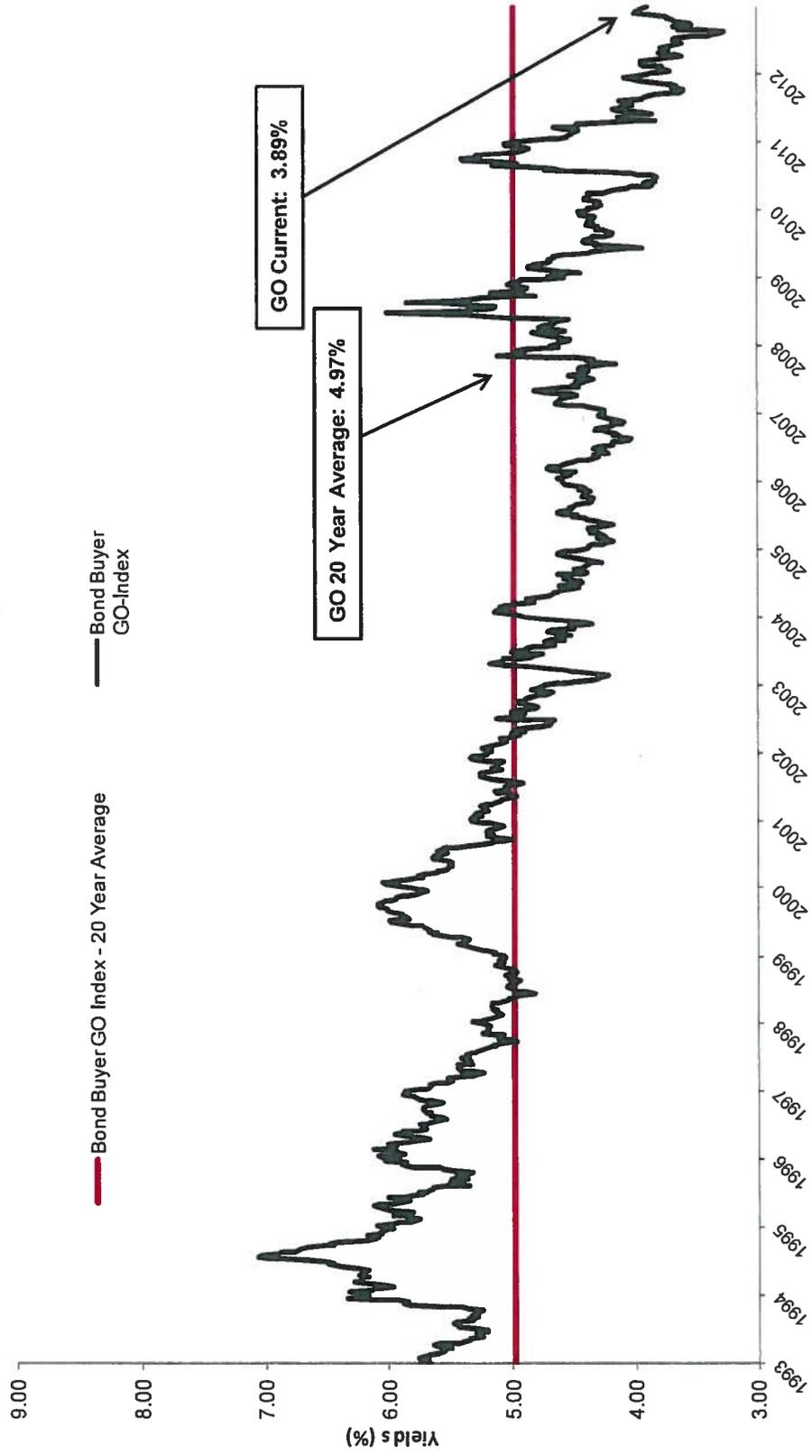
City of Sanford, North Carolina
 Summary of General Obligation New Money Financing Options
 MMD as of April 24, 2013 +75bps

Year	\$7,000,000 Greenway and Recreation			\$8,500,000 Streetscape and Sidewalk			\$6,000,000 Public Safety Building			Total Debt Service	Est. Tax Impact in cents
	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Interest	Debt Service		
6/30/2015	\$ 350,000	\$ 205,333	\$ 555,333	\$ 425,000	\$ 249,333	\$ 674,333	\$ 300,000	\$ 176,000	\$ 476,000	\$ 555,333	2.57
6/30/2016	350,000	217,000	567,000	425,000	263,500	688,500	300,000	186,000	486,000	1,241,333	5.75
6/30/2017	350,000	210,000	560,000	425,000	255,000	680,000	300,000	180,000	480,000	1,724,500	7.98
6/30/2018	350,000	203,000	553,000	425,000	246,500	671,500	300,000	174,000	474,000	1,697,500	7.85
6/30/2019	350,000	196,000	546,000	425,000	239,000	663,000	300,000	168,000	468,000	1,676,000	7.75
6/30/2020	350,000	189,000	539,000	425,000	229,500	654,500	300,000	162,000	462,000	1,651,000	7.64
6/30/2021	350,000	178,500	528,500	425,000	216,750	641,750	300,000	153,000	453,000	1,621,750	7.50
6/30/2022	350,000	168,000	518,000	425,000	204,000	629,000	300,000	144,000	444,000	1,589,500	7.35
6/30/2023	350,000	157,500	507,500	425,000	191,250	616,250	300,000	135,000	435,000	1,557,250	7.20
6/30/2024	350,000	147,000	497,000	425,000	178,500	603,500	300,000	126,000	426,000	1,525,000	7.05
6/30/2025	350,000	136,500	486,500	425,000	165,750	590,750	300,000	117,000	417,000	1,492,750	6.90
6/30/2026	350,000	126,000	476,000	425,000	153,000	578,000	300,000	108,000	408,000	1,457,000	6.74
6/30/2027	350,000	112,000	462,000	425,000	136,000	561,000	300,000	96,000	396,000	1,417,000	6.55
6/30/2028	350,000	98,000	448,000	425,000	119,000	544,000	300,000	84,000	384,000	1,374,000	6.35
6/30/2029	350,000	84,000	434,000	425,000	102,000	527,000	300,000	72,000	372,000	1,331,000	6.15
6/30/2030	350,000	70,000	420,000	425,000	85,000	510,000	300,000	60,000	360,000	1,288,000	5.95
6/30/2031	350,000	56,000	406,000	425,000	68,000	493,000	300,000	48,000	348,000	1,245,000	5.75
6/30/2032	350,000	42,000	392,000	425,000	51,000	476,000	300,000	36,000	336,000	1,202,000	5.55
6/30/2033	350,000	28,000	378,000	425,000	34,000	459,000	300,000	24,000	324,000	1,159,000	5.36
6/30/2034	350,000	14,000	364,000	425,000	17,000	442,000	300,000	12,000	312,000	766,000	3.54
6/30/2035										312,000	1.44
6/30/2036											
Total	\$ 7,000,000	\$ 2,637,833	\$ 9,637,833	\$ 8,500,000	\$ 3,203,083	\$ 11,703,083	\$ 6,000,000	\$ 2,261,000	\$ 8,261,000	\$ 29,601,917	

True Interest Cost: 2.24% True Interest Cost: 2.24% True Interest Cost: 2.24%



Bond Buyer GO Index
20 Year History
Weekly Actual as of April 22, 2013





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SANFORD, NORTH CAROLINA

MEMORANDUM

To: Lee County
City of Sanford
Town of Broadway
Lee County Economic Development Corporation
Sanford Area Chamber of Commerce
Economic Development Steering Committee

From: Economic Development Task Force

Date: April 17, 2013

Re: ACTION NEEDED: All Boards to pass by supermajority the attached Memorandum of Understanding between the County of Lee, the City of Sanford, the Town of Broadway, the Lee County Economic Development Corporation, the Sanford Area Chamber of Commerce, and the Economic Development Steering Committee.

A Task Force made up of the Lee County Commission Chair, Mayor of Sanford, Mayor of Broadway, President of Central Carolina Community College, two members of the EDC Board, two members of the Chamber Board, and additional public and private sector representatives, has been meeting since early February 2013 to develop a new organization and pathway for economic development. Following the Lee County Commissioners Economic Development Summit, this Task Force met several more times to discuss a set of recommendations to move forward.

Task Force Members:

Alan Holt
Brad Simpson
Bud Marchant
Charlie Parks
Charlie Welborn

Donnie Oldham
Kirk Bradley
Donald Andrews
Cornelia Olive

The group envisions a completion of the planning process to get an actionable work plan and private sector fundraising effort that will result in a new public-private economic development organization.

Below are the recommendations of the Task Force for approval by supermajority of the County, City, Town, EDC, and Chamber.

1. The County completes their Strategic Planning Process

Work begun by SBTDC and Southern Growth Policies Board should be continued. The resulting product, beginning with the outline provided to the County on March 18, will give the County a focus on overall goals, including economic development

2. The New Organization will complete a program of work and organization development.

A proposed scope of work for a program of work planning process is attached as Exhibit B.

A Steering Committee will be the leadership team appointed to guide the development of a program of work, set priorities, and provide input from the wide range of stakeholders.

The Program of Work will result from a synthesis of the 2nd Century Project, the Chamber's visioning process and the soon to be completed work by the County Commissioners through SBTDC and Southern Growth Policies Board.

3. The County, City, Town, EDC, and Chamber approve their representatives to the Steering Committee.

- Appointee from Lee County Board of Commissioners
- County Manager
- Mayor, or appointee, of Sanford City Council
- City Manager
- Mayor, or appointee, of Broadway Town Council
- Town Manager
- Donnie Oldham, EDC Chairman
- Alan Holt, EDC member
- Brad Simpson, Chamber Chairman
- Kirk Bradley, 2nd Century Research Team Chair
- Susan Condlin, Cooperative Extension
- Shelly Kelly, small business owner
- Bill Wilson, housing and nonprofit sector
- Bud Marchant, CCCC President
- Bill Horner, III, Publisher, The Sanford Herald
- TBD to be appointed by the Steering Committee
- Bob Joyce and Crystal Morphis will serve as staff support to the Steering Committee
- The Steering Committee will organize subcommittees to engage a wider group of leaders as needed.
- Staff expertise will be called upon as needed in such areas as planning, education, etc.

4. County loan up to \$150,000 to the EDC to cover the cost of planning and private sector fundraising. An additional \$15,000 will be raised from the private sector for the efforts.

Organization’s Program of Work	\$20,000
Organizational Development	\$15,000
Fundraising Assessment	\$30,000
Fundraising Campaign	\$100,000
Total Budget	\$165,000 (\$150,000 County loan + \$15,000 private sector)

- The Commissioner’s strategic planning process is already underway. The Board committed funding. It is expected to be completed by June 30.
- The program of work for the new organization is expected to cost \$20,000, see attached scope of work that shows cost estimate.
- A fundraising assessment is expected to cost \$30,000.
- The organizational costs to create the new proposed combined corporation will cost approximately \$15,000.
- The Task Force recommends that Lee County loan the EDC up to \$150,000 to cover part of the cost of planning and fundraising. This will be seed funding for planning and to get the fundraising process started until pledges start to be fulfilled. An annual, five year repayment schedule is recommended. The loan agreement will include a clause that allows for a future request that the loan, or part of the loan, be forgiven but the County is under no obligation to forgive the loan.

5. Commit funding ongoing Economic Development Operations

- The Task Force feels that it will take a minimum of 9 months to get the Program of Work completed, form the New Corporation and start the fundraising process. This is estimated to be completed and approved by March 1, 2014, assuming the process starts by June 1, 2013. This will require all of the 5 Boards to have passed the Memorandum of Understanding by a supermajority before that date, but no later than May 15th. Any changes in these dates will result in a different timeline.
- The Task Force recommends that continuity must be maintained for the near future and that to insure stability that the County, City, and Town agree to current levels of funding of economic development at the same level for the next two years. This period of time will allow the Program of Work to be completed, fundraising completed, and seed funding for the new organization as it launches its first year of operations. The Task Force expects that more funding will be required in the future for Lee County to expand its scope of economic growth activity and for the county to become competitive in the region. The public sector may have to increase funding by as much as 25%, contingent upon the organization’s demonstrated success in executing required functions and growing the economic base of Lee County, for the program of work to be carried out. The private sector will be required to fund the new organization and grow its contribution over time

for the program of work to be carried out. All future funding decisions will be subject to board approval of the respective funding partners.

- The EDC recommends retaining Creative EDC for interim services through December 31, 2013 with renewal options thereafter depending on how the deadlines are met.

6. Incentive Policy

In order for the New Economic Development Organization to operate in good faith with prospective employers it is agreed that the City of Sanford, Lee County and the Town of Broadway will adopt and present to this new organization their respective incentive policies. It is acknowledged that each governing body has flexibility if desired on a case by case basis. These policies will provide the guiding principles in this area for this new organization.

7. Timeline

During the timeline below, the new economic development organization will be formed and the framework developed parallel to the planning process.

May 2013	Initiate New Organization Program of Work Planning Process with a first draft due by October 1 st .
June 30, 2013	County strategic planning process complete.
July 1, 2013	Receipt of incentive and economic growth policies from Local Government Boards
November 30, 2013	Complete Program of Work and submit for approval
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Exhibit A

Lee County Partnership for Economic Development An outline to develop a collaborate partnership for economic development.

Purpose of a Partnership for Economic Development

The purpose of creating a single entity – a public-private partnership for economic development – is to bring together the many organizations involved with economic development in a collaborative effort to achieve common goals and provide stakeholders with a maximum return on investment.

Mission of a Partnership for Economic Development

The Lee County Partnership for Economic Development, through its partners and stakeholders, will adopt a broad mission that encompasses the many strategies used to attract new business and grow existing business.

In some specific areas, such as streetscape improvements and downtown development, partners like the City of Sanford and Broadway will take the lead since these activities are most often a municipal function. In other cases, such as infrastructure development, the municipalities and County will take the lead. Although the lead agency may change depending on the project, economic development activities will be consistent with the strategic plan and overall vision of the Partnership. For example, downtown development in Sanford supports livability, fosters the recruitment of new business, increases property values, and boosts the tax base.

Economic development strategies will include:

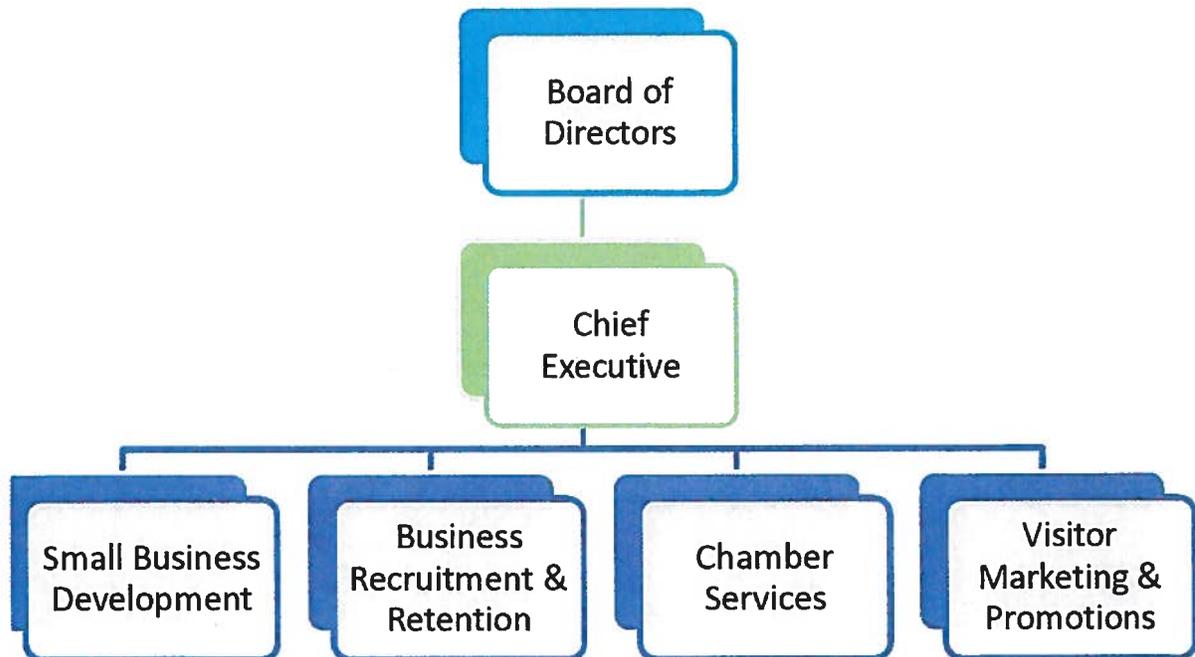
- Existing business retention and expansion
- Small business development and entrepreneurship
- Recruitment of new business
- Marketing and promotion
- Agri-business
- Product development
- Infrastructure development
- Downtown development
- Beautification and amenity development
- Internal marketing
- Retail development
- Visitor marketing and development
- Retiree recruitment

Partners in the Economic Development Organization

The Lee County Partnership for Economic Development will be made up of:

- Lee County
- City of Sanford
- Town of Broadway
- Former EDC
- Former Chamber of Commerce
- Private sector
- CCCC
- Lee County Schools
- And engage nonprofits, medical, civic, coop extension, and other allies

The organization would be formed by merging the Chamber of Commerce, EDC, and including key stakeholders like Lee County, municipalities, and educational institutions. This new organization will be collaborative, inclusive, transparent, and accountable. It could look something like this:



Joint Funding

Funding will come from the private sector, Lee County, Sanford, and Broadway. Private funds will include current Chamber of Commerce membership dues plus funds raised through an aggressive, five-year private sector fundraising campaign, as described by the 2011 fundraising assessment completed by the Chamber and the EDC. Public funds will be appropriated annually by the County and municipalities.

Based on many successful models, it is anticipated that future funding, above and beyond the current funding and staffing levels of the EDC and Chamber, will be needed to carry out the broad mission of the new organization to spur real, sustainable economic growth.

Next Steps

It is recommended that Lee County undertake a comprehensive economic development strategic planning process to map out the program of work for the Partnership, funds needed to carry out the strategic plan, and staffing model.

Building on the initial work of Second Century, Community Vision Initiative, EDC Marketing Plan, the Fundraising Report, and Lee County's report from Southern Growth Policies Board, this strategic planning process will yield multi-year goals, strategies, and actions that can be translated into a program of work for the Partnership for Economic Development. That program of work will then be approved by the local governments and used to raise funds from the private sector.

Implementation of the strategic plan will be carried out by the Partnership for Economic Development and its partners and allies.

Exhibit B

New Organization Program of Work Scope Submitted by Creative Economic Development Consulting, LLC

Steering Committee

A Steering Committee will be established with Lee County key stakeholders. The Steering Committee will guide the planning process. They will be charged with providing input, reviewing drafts, and approving the final deliverable.

Creative EDC will facilitate an initial meeting with the Steering Committee to review scope, timeline, deliverables, and the whole planning process.

Compilation of Previous Studies

There has been quality, substantial, and relevant planning work completed in Lee County. Creative EDC will compile information from the 2nd Century Project, the Chamber's visioning process, and the soon to be completed work by the County Commissioners through SBTDC and Southern Growth Policies Board.

There may also be other documents relevant to this process such as as land use plans, downtown development plans, streetscape plans, etc. And, since the Chamber will be a part of the new organization, the team will review Chamber annual reports and program of work.

Economic Snapshot

Typically, the Creative EDC team conducts an economic and demographic profile and benchmarks economic indicators with the region and state. Much of that work has already been done by SBTDC in the County's process. We believe we will only need to research a few more data points.

In addition to economic data, we will compile retail leakage information. This will be useful for small business development and chamber activities.

This is an example of a portion of the retail leakage information we gathered for another community.

Industry Summary	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$179,833,737	\$126,281,907	\$53,551,830	17.5	181
Total Retail Trade (NAICS 44-45)	\$156,008,029	\$107,422,194	\$48,585,835	18.4	136

Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Food & Drink (NAICS 722)	\$23,825,708	\$18,859,713	\$4,965,995	11.6	45
Motor Vehicle & Parts Dealers (NAICS 441)	\$39,330,038	\$42,839,090	-\$3,509,052	-4.3	27
Automobile Dealers (NAICS 4411)	\$33,527,245	\$41,302,788	-\$7,775,543	-10.4	15
Other Motor Vehicle Dealers (NAICS 4412)	\$3,855,872	\$99,279	\$3,756,593	95.0	1
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$1,946,921	\$1,437,023	\$509,898	15.1	11
Furniture & Home Furnishings Stores (NAICS 442)	\$5,402,289	\$1,926,160	\$3,476,129	47.4	6
Furniture Stores (NAICS 4421)	\$3,955,652	\$1,266,216	\$2,689,436	51.5	4
Home Furnishings Stores (NAICS 4422)	\$1,446,637	\$659,944	\$786,693	37.3	2
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$2,382,002	\$755,471	\$1,626,531	51.8	6
Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	\$5,860,649	\$2,110,480	\$3,750,169	47.0	10
Building Material and Supplies Dealers (NAICS 4441)	\$5,160,742	\$2,110,480	\$3,050,262	41.9	10
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$699,907	\$0	\$699,907	100.0	0

SWOT Analysis

SBDTC and Southern Growth Policies Board conducted a thorough SWOT Analysis. Creative EDC will not duplicate this work. We will hold planning sessions with the Chamber Board, EDC board, and other stakeholders to build upon the work already done.

Planning Workshops

Creative EDC will engage the following groups in planning workshops to gather input into the Program of Work for the new organization:

- Steering Committee
- Chamber of Commerce Board of Directors
- EDC Board of Directors
- Lee County, Sanford, and Broadway
- Other key stakeholders in one group workshop

Product Improvement Recommendations

Product improvement recommendations will be based on an assessment performed in advance of the Strategic Planning Process. Creative EDC is already reviewing product for the EDC. Outcomes of the product assessment could result in recommendations to:

- Extend or enhance infrastructure
- Add additional acreage to existing sites
- Improve access
- Upgrade curb appeal
- Alter marketing message/position of the park/site
- Form public-private partnerships to enhance product
- Structuring real estate as part of an incentive package

Target Sectors

Creative EDC will review target sectors of the Research Triangle Regional Partnership and neighboring counties and identify which sectors would be a good fit for Lee County. This will be not a full target industry analysis study. Because of the size of Lee County, we believe we can capture cluster opportunities through a regional review.

Organizational Development

A strategic plan is only as effective as the organization tasked with carrying it out. Too often, good economic development strategies are left on the shelf because there are not enough resources for implementation. In order to ensure Lee County has the capacity for implementation, We will determine optimum staffing and budget levels, staff responsibilities, and organizational structure.

Economic Development Strategic Plan, Program of Work, and Organization Development Deliverables

The Lee County Strategic Economic Development Plan will be an integrated report that includes all of the elements of this scope of work. It is imperative that the resulting program of work be clearly defined, implementable, and efficient. It is imperative that the organization be transparent and roles and responsibilities outlined.

The big-picture outline of the end deliverable will look something like this:

Executive Summary

- An overview of the entire planning process.

Planning Steps

- Compiles all research, inputs, SWOT, and planning workshops

Organization

- Staff
- Budget
- Responsibilities
- Best practices

Economic Development Strategies

- Strategies could include: small business development, retail growth, amenity development, business recruitment, agri-business, redevelopment, and others

Implementation Plan

- Specific action steps, responsible parties, and budget will be outlined

Timeline and Measures

- Timeline for implementation
- Measurements for progress

Integration into Fundraising

Creative EDC will deliver a draft program of work for fundraisers to test in the marketplace. After the fundraising assessment, Creative EDC will finalize the draft based on investor input. For example, the draft program of work may require \$1.1M of funding a year but only \$900,000 can be raised from public and private sources. The strategic plan would be adjusted to fit the resources available.

Project Schedule



Budget

Creative EDC eliminated the cost for a SWOT by using the work of SBTDC. We reduced the typical cost of an economic and demographic assessment by using SBTDC previous work. This brought the cost of the strategic plan down from approximately \$38,000 to \$31,000.

Creative EDC is engaged to provide interim support services to Lee County. If our team is able to conduct workshops, update meetings, presentations, and interim report meetings during our time already on site, we can further reduce the cost of the strategic planning process.

Task	Cost Not Covered Through Interim Contract	Cost Covered Through Interim Contract
Compilation of Studies	\$2,000	
Economic Snapshot (lower cost by using SBTDC work)	\$1,000	
SWOT (no cost by using SBTDC work)	\$0	
Product Assessment	\$1,500	
Cluster Analysis	\$2,000	
Organizational Development	\$4,000	
Planning Workshops		\$7,600
Strategic Plan	\$7,300	
Update Meetings, Presentation		\$6,000
Total	\$17,400	\$13,600

Expenses are in addition to fees. If all onsite meetings are covered under the interim services contract, then there should be minimal additional fees (e.g. report printing).

Billing and Payment Terms

Creative EDC bills monthly as work is completed and expenses incurred. We will bill for the strategic plan separately than interim services for clarification. Invoices are payable within 30 days. Invoices not paid within 60 days are subject to late fees. Expenses are billed at net cost and mileage is billed at the IRS reimbursement rate.

Exhibit C

Memorandum of Understanding on Strategic Planning, Interim Operations, and Funding for Economic Development in Lee County, approval of Process to create New Economic Organization, actionable Program of Work, and appoint Steering Committee representatives.

The undersigned hereby agree to following and represent that this Memorandum of Understanding was passed by a supermajority of all of their respective Boards:

The County completes their Strategic Planning Process

Work begun by SBTDC and Southern Growth Policies Board should be continued. The resulting product, beginning with the outline provided to the County on March 18, will give the County a focus on overall goals, including economic development

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Agreed to and approved by:

Lee County Board of Commissioners

_____ Date
By: Charles Parks, Chair

Sanford City Council

_____ Date
By: Cornelia Olive, Mayor

Broadway Town Council

_____ Date
By: Donald Andrews, Mayor

Sanford Chamber of Commerce

_____ Date
By: Bob Joyce, President

Lee County Economic Development Corporation

_____ Date
By: Donald Oldham, Chair



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

PAT MCCRORY
GOVERNOR

ANTHONY J. TATA
SECRETARY

April 10, 2013

Mr. Hal Hegwer, City Manager
City of Sanford
PO Box 3729
Sanford, NC 27331

Attn: Mr. Larry Craig

SUBJECT: Municipal Mowing Agreement
WBS Element 8.105315, 8.205315
Lee County

Dear Craig:

Enclosed, please find duplicate originals of the Municipal Mowing Agreement for the "routine" and/or "clean-up" mowing of vegetation within the State Highway System right of ways of secondary and primary roads in Lee County. You will have forty-five (45) days from the date of receipt to sign and return the Agreements to me at the address listed below.

Once you have reviewed and signed the agreements, please return both agreements back to me for Departmental execution. One fully executed agreement will be sent back to you for your file.

If you have any questions, please feel free to call me at (910) 944-2344 or email me at awkluttz@ncdot.gov.

Sincerely,

A handwritten signature in cursive script that reads "Alison W. Kluttz".

Alison W. Kluttz, PE
Division Project Manager

Enclosures (2)

cc: R. W. Hancock, PE (w/copy of enclosure)
M. C. Tillman (w/copy of enclosure)
S. G. Foster, PE (w/copy of enclosure)
File

NORTH CAROLINA
LEE COUNTY

MUNICIPAL MOWING AGREEMENT

DATE: 3/6/2013

NORTH CAROLINA DEPARTMENT OF
TRANSPORTATION

AND

WBS Elements: 8.105315, 8.205315

CITY OF SANFORD

THIS AGREEMENT is made and entered into on the last date executed below, by and between the North Carolina Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the "Department" and the City of Sanford, hereinafter referred to as the "Municipality".

WITNESSETH:

WHEREAS, the Municipality has requested to perform "routine" and/or "clean-up" mowing of vegetation within the rights of way of certain State maintained routes; and

WHEREAS, the Municipality has agreed to perform said mowing with reimbursement from the Department subject to the conditions hereinafter set forth;

NOW, THEREFORE, the parties hereto, each in consideration of the promises and undertakings of the other as herein provided, do hereby covenant and agree, each with the other, as follows:

1. The Municipality shall provide for the mowing maintenance of all the roads included in Attachment 1 of this Agreement in accordance with NCDOT mowing requirements, the NCDOT Roadway Standard Drawings and Standard Specifications for Road and Structures and Amendments or Supplements thereto under the general administrative control of the Department's Division Engineer. These routes may be amended or deleted and other applicable routes may be added as mutually agreed upon by both parties in writing prior to performing the work. The Division Engineer shall approve any requests by the Municipality for changes to NCDOT mowing requirements including but not limited to mowing time frames, mowing heights, mowing equipment, etc.
2. Any contract entered into with another party to perform work associated with the requirements of this Agreement shall contain appropriate provisions regarding the utilization of Minority Businesses, Women Businesses, or Small Professional Services Firms (SPSF) as required by GS 136-28.4 and the North Carolina Administrative Code. The Department will provide the appropriate provisions to be contained in those contracts. Those provisions are available on the Department's website at: www.ncdot.org/doh/preconstruct/ps/contracts/sp/2006sp/municipal.html.

(A) No advertisement shall be made nor any contract be entered into for services to be performed as part of this Agreement without prior written approval of the advertisement or contents of the contract by the Department.

(B) Failure to comply with these requirements will result in funding being withheld until such time as these requirements are met.

3. The Municipality agrees to provide traffic control devices, lane closures, road closures, positive protection and/or any other warning or positive protection devices necessary for the safety of road users during performance of the work including any construction and subsequent maintenance. This work shall be performed in conformance with the latest NCDOT Roadway Standard Drawings and Standard Specifications for Road and Structures and Amendments or Supplements thereto. When there is no guidance provided in Roadway Standard Drawings or Specifications, work shall be in compliance with the Manual on Uniform Traffic Control Devices for Streets and Highways and Amendment or Supplement thereto. Information regarding these rules and regulations may be obtained from the Department's Division Engineer.
4. The Division Engineer shall notify the municipality in writing at the beginning of performance period (calendar year mowing season) or as soon thereafter each quarter, of the amount of allocated funds estimated to be available to the Municipality for mowing maintenance for the roads identified in Attachment 1. The available allocation shall not exceed the estimated cost of the work if performed by the Department. Attachment 1 may be amended in writing by the Department each performance period year to include agreed upon changes to routes and increases or decreases in reimbursable costs.
5. The Municipality shall submit an itemized invoice to the Department after each mowing cycle for actual costs for labor, equipment, and contracted services for work completed not to exceed the amount allocated for the quarter. The invoice shall be itemized by date, mowing route, and costs for performing each mowing cycle, no later than three (3) months after the mowing cycle date for eligible reimbursable costs. All final invoices must be submitted within one (1) year after the work is performed or said work will not be reimbursed by the Department. Reimbursement shall be made upon approval of said invoice by the Department's District Engineer or designee and Financial Management Division.
6. The Department, at its option, may elect to increase or decrease the reimbursement rates shown on Attachment 1 each year the Agreement is in force in consideration of inflation rates, cost increases and decreases, changes in funding, etc., subject to the availability of funds and the performance of the Municipality.

7. The Municipality shall comply with all applicable federal, state and local environmental regulations, and shall obtain all necessary federal, state and local environmental permits, including but not limited to, those related to sediment control, storm water, wetland, streams, endangered species, and historical sites.
8. The Municipality, and or its agent, shall maintain adequate records and documentation to support the work performed under this Agreement and shall permit free access to its records by official representatives of the State of North Carolina. Furthermore, the Municipality, or its agent, shall maintain all pertinent records and documentation for a period of not less than five (5) years following the close of the fiscal year during which the services were performed.
9. This Agreement shall continue thereafter with automatic five-year renewal extensions subject to the following termination conditions:
 - (A) At any time either party may cancel the Agreement with a thirty (30) day written notice to the opposite party. On behalf of the Municipality, this Agreement may be canceled by the City Manager and/or his designee.
 - (B) Upon the effective date of the cancellation, neither party shall owe any obligations under this Agreement, except that all obligations performed under this Agreement, including but not limited to invoicing, record retention, and payment for work performed prior to the effective date of cancellation, shall remain in effect.
10. It is the policy of the Department not to enter into any agreement with another party that has been debarred by any government agency (Federal or State). The Municipality certifies, by signature of this agreement, that neither it nor its agents or contractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal or State Department or Agency.
11. This Agreement is solely for the benefit of the Department and the Municipality and is not for the benefit of any other persons or any entities, and no other persons or entities shall have any rights, claims, or entitlements under this Agreement.
12. The Department must approve any assignment or transfer of the responsibilities of the Municipality set forth in this Agreement to other parties or entities in writing.
13. The Municipality agrees to indemnify and save harmless, the Department, for all damages and claims for damage that may arise as result of performance of mowing operations by its employees and/or contractors.

14. By Executive Order 24, issued by Governor Perdue, and N.C. G.S. § 133-32, it is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor).

IN WITNESS WHEREOF, this Agreement has been executed, in duplicate, the day and year heretofore set out, on the part of the Department and the Municipality by authority duly given.

ATTEST: CITY OF SANFORD
BY: _____ BY: _____
TITLE: _____ TITLE: _____
DATE: _____

Approved by _____ of the local governing body of City of Sanford as attested to by the signature of Clerk _____ of said governing body on _____ (Date)

N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

Federal Tax Identification Number

(SEAL)

Remittance Address:

City of Sanford

P. O. Box 3729

Sanford, NC 27331

DEPARTMENT OF TRANSPORTATION

BY: _____
(STATE HIGHWAY ADMINISTRATOR)

DATE: _____

PRESENTED TO BOARD OF TRANSPORTATION ITEM O: _____

ATTACHMENT 1

Municipal Mowing Agreement - City of Sanford

Effective Dates: January 1, 2012 to December 31, 2012

Allowable Performance Period Reimbursement Costs: \$33,000.00

<u>Road</u>	<u>Name</u>	<u>From</u>	<u>To</u>	<u>Centerline Miles</u>	<u>Shoulder Miles</u>	<u>Remarks</u>
1153	Buffalo Church Road			0.62	1.23	Secondary Road
1709	Cardinal Circle			0.03	0.06	Secondary Road
1237	Carthage Street			2.16	4.31	Secondary Road
1107	Fields Drive			0.99	1.99	Secondary Road
1152	Fire Tower Road			0.66	1.32	Secondary Road
1332	Franklin Drive (North)			1.08	2.15	Secondary Road
1192	Keller Andrews Road			0.50	1.00	Secondary Road
1707	Kimberly Circle			0.07	0.15	Secondary Road
1190	Legion Road			0.41	0.83	Secondary Road
1703	Owls Nest Road			0.99	1.98	Secondary Road
1705, 1706	Paige Circle			0.09	0.19	Secondary Road
1704	Phillips Drive			0.46	0.93	Secondary Road
1702	Simpson Drive			0.09	0.18	Secondary Road
1708	Sparrow Circle			0.03	0.06	Secondary Road
1108	Washington Avenue			0.49	0.99	Secondary Road
1333	Westover Drive			0.62	1.25	Secondary Road
1444	Beechtree Drive			0.85	1.70	Secondary Road
1406	Canterbury Road			0.11	0.22	Secondary Road
1009	Carbonton Road			2.53	5.05	Secondary Road
1326	Cool Springs Road			3.42	6.84	Secondary Road
1343	Douglas Drive			0.66	1.33	Secondary Road
1396	Foggy Mountain Loop			0.31	0.62	Secondary Road
1478	Green Valley Drive			0.51	1.01	Secondary Road
1405	McNeill Road			1.69	3.39	Secondary Road
1329	Old Carbonton Road			0.29	0.59	Secondary Road
1324	Petty Road			0.90	1.80	Secondary Road
1394	Sandy Creek Church			0.19	0.38	Secondary Road
1100	Spring Lane			2.14	4.28	Secondary Road
1395	Stoneybrook Drive			0.58	1.16	Secondary Road
1343	Sumpter Drive			0.09	0.19	Secondary Road
1328	Wilkins Drive			1.89	3.79	Secondary Road

1420	Amos Bridges Road			1.14	2.28	Secondary Road
1406	Burns Drive			0.67	1.35	Secondary Road
1445, 1447	Charleston Drive			1.21	2.41	Secondary Road
1560	Weatherspoon Drive			1.17	2.34	Secondary Road
1590	Amherst Road			0.09	0.18	Secondary Road
1514	Bragg Street			1.16	2.32	Secondary Road
N/A	Bragg Exit			0.11	0.22	Secondary Road
1002	Charlotte Avenue			1.04	2.08	Secondary Road
1558	Clearwater Drive			0.08	0.15	Secondary Road
1415	Colon Road			0.03	0.06	Secondary Road
1122	Courtland Drive (West)			0.99	1.97	Secondary Road
1002	Eleventh Street (North)			0.29	0.59	Secondary Road
1117	Garden Street (West)			1.03	2.05	Secondary Road
1117	Harkey Road			0.36	0.72	Secondary Road
1119	Rose Street (East)			0.58	1.16	Secondary Road
1509	San Lee Drive			1.04	2.08	Secondary Road
1415	Seventh Street (North)			1.51	3.01	Secondary Road
1515	Third Street (North)			1.92	3.83	Secondary Road
1589	Waverly Road			0.11	0.21	Secondary Road
1119	Woodland Avenue			0.30	0.60	Secondary Road
1133	Lee Avenue			4.14	8.27	Secondary Road
1580	Ashby Road			0.44	0.89	Secondary Road
1527	Cox Maddox Road			0.96	1.92	Secondary Road
1529	Cox Mill Road			0.69	1.38	Secondary Road
1593	Dogwood Street			0.30	0.60	Secondary Road
1239	Industrial Drive			1.03	2.06	Secondary Road
1521	Kelly Drive			0.55	1.10	Secondary Road
1001	Lemon Springs Road			0.31	0.63	Secondary Road
1526	Mt. Pisgah Church Road			1.02	2.04	Secondary Road
1519	Nash Street			0.91	1.82	Secondary Road
1520	Rosser Road			0.69	1.37	Secondary Road
1240	Wilson Road			0.79	1.57	Secondary Road
US 421				6.80	13.6	Undivided Primary
NC 42	Wicker Street			2.94	5.88	Undivided Primary
US1 Bus	Hawkins Avenue			1.78	3.56	Undivided Primary
NC 78	Main Street (East)			2.67	5.34	Undivided Primary
NC 87				1.07	2.14	Undivided Primary
US 421				4.24	8.48	Divided Primary
US1 Bus	Hawkins Avenue			2.44	4.88	Divided Primary
TOTAL:				74.10	148.11	

StanleyBlack&Decker

1000 Stanley Drive, New Britain, CT 06053
T (860) 438-3349

March 5, 2013

Paul M. Weeks, Jr., P.E.
City Engineer
City of Sanford
P.O. Box 3729
225 E. Weatherspoon St.
Sanford, NC 27330

RE: Access Agreement

Dear Mr. Weeks:

Stanley Black & Decker, Inc. ("Stanley") is conducting an environmental investigation of its formerly owned property located at 2903 Lee Avenue in Sanford, North Carolina (the "Former Stanley Property"). As part of Stanley's investigation, Stanley would like to install and periodically sample groundwater monitoring wells (the "Wells") on property owned by the City of Sanford, North Carolina (the "City") identified as Watson Avenue Right-of-Way (the "City Property"). Stanley wishes to gain access to the City Property to install, maintain and periodically sample the Wells. This letter sets forth the terms and conditions which will govern Stanley's access to the City Property (the "Agreement"). Please indicate your agreement to the terms and conditions set forth in this Agreement by signing a copy of the letter and returning it to me.

Description of the Work to be Performed on the City Property. The Wells will be installed by a North Carolina licensed driller in the approximate locations shown on the attached figure. The Wells will be flush mounted with a traffic-rated manhole. The Wells will be purged and samples will be collected for analysis for the presence of various chemical constituents. The drill cuttings (soil) generated during well installation and development and purge water generated during well installation and sampling will be placed into appropriate containers, sampled and disposed of properly by Stanley. Such waste will be removed from the City Property as soon as practicable by Stanley.

After the initial phase of work, it will be necessary to periodically monitor groundwater elevations and to collect groundwater samples. When the Wells are no longer required by Stanley, Stanley will abandon and seal the Wells in accordance with North Carolina Administrative Code Title 15A Subchapter 2C (NCAC 2C) standards and Stanley will repair and restore the surface of the City Property that is disturbed by Stanley or its representatives.

Grant of Access. To facilitate the installation and monitoring of the Wells, the City, on behalf of itself and its successors and assigns, grants permission for Stanley, its employees, agents and representatives (including consultants and contractors) (collectively "Stanley and its representatives") to enter and use the City Property subject to the terms and conditions set forth in this Agreement. Stanley and its representatives may enter and use the City Property solely for the purpose of (i) siting, installing and developing the Wells; (ii) periodically collecting samples or obtaining groundwater elevation measurements from the Wells; (iii) maintaining, repairing, replacing or abandoning the Wells; and (iv) repairing or restoring the City Property as provided for below.

Paul M. Weeks, Jr., P.E.
City of Sanford
March 5, 2013
Page 2

Duration and Termination of Access. The City agrees to permit Stanley and its representatives to enter and use the City Property as set forth in this Agreement beginning on the effective date of this Agreement and continuing from time-to-time until ninety calendar days after the abandonment of the Wells.

Conditions of Access. Stanley agrees that its access to the City Property pursuant to this Agreement shall (i) be restricted to the location where the Wells will be installed and the areas around and adjacent to such location as reasonably necessary for ingress, egress, temporary placement and the use of installation, sampling and removal equipment (including drilling rigs and other associated equipment) and vehicles; (ii) be restricted to the hours from 8:00 a.m. to 6:30 p.m. on normal business days; (iii) be available upon at least forty-eight hours advance notice by Stanley or its representative to the City; and (iv) be performed in a safe and workmanlike manner and in accordance with applicable laws and regulations.

Assistance by the City. The City agrees to provide Stanley with all information in the City's possession or the possession of its representatives regarding the location of underground utility lines and subsurface obstructions and infrastructure at the City Property in the vicinity of the area where the Wells are to be installed to assist Stanley and its representatives in determining the final location of the Wells. The City agrees to provide to Stanley such information promptly after Stanley's request for the information.

Restoration of the City Property. Stanley agrees to, at its sole cost and expense, promptly restore the City Property disturbed by Stanley or its representatives during installation or sampling of the Wells. Following the completion of Stanley's investigation, Stanley agrees to, at its sole cost and expense, promptly remove or abandon and seal the Wells at the City Property in accordance with applicable North Carolina regulations and restore the surface of the City Property that is disturbed during such removal or abandonment of the Wells.

Laboratory Results. Upon the City's request, Stanley will provide the City with copies of final laboratory reports of analyses of ground water or soil collected by Stanley from the Wells.

Hold Harmless. Stanley agrees to hold the City harmless from and against any claim or loss arising out of any injury to Stanley's employees or contractors incurred while performing work on the City Property pursuant to this Agreement.

Indemnification. Stanley shall indemnify, defend and hold the City harmless for and against demands and causes of action by any third party, including reasonable expenses of defense, for and to the extent of personal injury, illness, death and property damage arising out of the negligent performance of the work by Stanley or its contractors pursuant to this Agreement.

Binding Effect. In consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree that this Agreement is a valid, binding and enforceable obligation of each party. Stanley represents and warrants that it has and maintains adequate financial resources to undertake and satisfy its obligations under this Agreement.

Sincerely,
STANLEY BLACK & DECKER, INC.



Deb Geyer
Vice President, Environment, Health and Safety

Paul M. Weeks, Jr., P.E.
City of Sanford
March 5, 2013
Page 3

Accepted and Agreed to this

____ day of _____, 2013

City of Sanford, North Carolina

By: _____
Authorized Representative

Name: _____

Title: _____

887205.2



Former Stanley Tools Facility
2903 Lee Avenue

Proposed Well Locations

**AN ORDINANCE AMENDING THE ANNUAL OPERATING BUDGET
 OF THE CITY OF SANFORD FY 2012-2013**

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina in regular session assembled.

Section 1: The following amounts are hereby amended to ordinance 2012-37 per G. S. 159-15 for the continued operation of the City of Sanford, its government, and activities for the balance of the fiscal year 2012-2013.

**UTILITY FUND
 TRANSFER OF FUNDS**

Transfer from the Following Accounts:

30096650 69900 Contingency 142,300

Total Appropriation \$ 142,300

Transfer to the Following Accounts:

30098180 67440 Water Capital 17,300
 30098120 00000 WWTP 125,000

**UTILITY FUND
 APPROPRIATION OF FUNDS**

REVENUES

300045 30335 Miscellaneous 2,515

Total Appropriation \$ 2,515

EXPENDITURES

30098120 00000 WWTP 2,515

Section 2. This ordinance shall be in full force and effective from and after the date of its adoption.

ADOPTED this, the 7th day of May, 2013.

 Cornelia P. Olive, Mayor

ATTEST:

 Bonnie D. White, City Clerk

 Susan C. Patterson, City Attorney

2012-2013 BUDGET ORDINANCE AMENDMENT

UTILITY FUND

Transfer from the Following Funds - results in decreasing of budget

Contingency	142,300	To transfer contingency funds required to offset expenditures as described below
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Transfer to the Following Funds - results in increasing of budget

Water Capital Improvements	17,300	To budget funds for the Pantry's portion of the Douglas Drive water line extension (waterline on Greenway)
WWTP	125,000	To appropriate funds required for utilities at the wastewater treatment plant

UTILITY FUND

Appropriation of Funds - results in increasing of budget

Revenues

Miscellaneous	2,515	To budget proceeds received from insurance company for damage to vehicles
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Expenditures

WWTP	2,515	To budget funds required for repair of vehicles
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**City of Sanford
Community Development Block Grant Program
Project Ordinance Amendment**

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, grant project ordinance no. 2010-55 and 2013-8 are hereby amended:

Section 1: The project authorized is the Community Development Block Grant Community Revitalization Program. This project consists of housing, water, sewer, street and drainage improvements, and development of a mini-park in the Maple Avenue area.

Section 2: The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant documents, the rules and regulations of the North Carolina Department of Commerce, Division of Community Assistance, and the budget contained herein.

Section 3: The following revenues are anticipated to be available to complete this project.

Program Income	\$ 590
Contribution from Capital Project	\$ 242

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

Community Revitalization Program	\$ 832
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Section 5: The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and federal and state regulations.

Section 6: Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7: The Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

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

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

Section 10: The City Manager is hereby authorized to transfer funds from one line item to another line item without further approval by the City Council, subject to the regulations of the North Carolina Department of Commerce, Division of Community Assistance.

ADOPTED this the 7th day of May, 2013.

Cornelia P. Olive, Mayor

ATTEST:

Bonnie D. White, City Clerk

Susan C. Patterson, City Attorney