



**CITY OF CLAREMONT
CITY COUNCIL MEETING
Regular Meeting
February 1, 2016
7:00 PM
Claremont City Hall**

AGENDA

- 1. CALL TO ORDER**
- 2. APPROVAL OF AGENDA**
- 3. INVOCATION-** Pastor Jason Sigmon, Visitation Pastor at Mt. Calvary Lutheran Church
- 4. PLEDGE OF ALLEGIANCE**
- 5. MAYOR'S REPORT**
- 6. CONSENT AGENDA**
 - A. Regular Meeting Minutes –January 4, 2016
 - B. Special Called Meeting Minutes- January 12, 2016
- 7. CITIZEN'S CONCERNS AND COMMENTS**
- 8. OLD BUSINESS**
 - A. Budget Transfer
 - B. Resolution 18-15 Poppelmann Lease Agreement
- 9. PRESENTATIONS**
 - A. Mayor's Proclamation Supporting the Carolina Panthers
 - B. 2014-2015 Audit Presentation
 - C. Claremont Demographic & Economic Data Profile
- 10. NEW BUSINESS**
 - A. Resolution 15-15 Surplus Property to be sold via GovDeals
 - B. Resolution 16-15 Surplus Property to be sold to Bethlehem Fire Department
 - C. Ordinance 09-15 Amending the FY 15/16 Budget
 - D. Resolution 17-15 Authorizing NC IDF Grant Application
 - E. Call for Public Hearing Ref: Zoning Amendment
 - F. Approval of the Amended Audit Contract
 - G. Park and Recreation Master Plan Review
 - H. Update on Wastewater Needs Analysis
- 11. DEPARTMENT & COMMITTEE REPORTS**
 - A. Department Dashboard Report
- 12. CITY MANAGER'S REPORT**
 - A. Committee and Bylaw Updates

13. CLOSED SESSION

A. G.S. 143-318.11(6) Personnel

14. ADJOURN

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Wendy Helms, City Clerk

Action Requested: Consent Agenda

1. Regular Session Minutes – January 4, 2016
2. Special Called Meeting Minutes- January 12, 2016

Recommendation: Approve as Presented



City of Claremont Regular Meeting Minutes Monday, January 4, 2016

The regular City Council meeting of the City of Claremont was held in the Council Chambers located at Claremont City Hall at 7:00 p.m. on Monday, January 4, 2016.

The following members of the Claremont City Council were present: Mayor Shawn Brown, Councilmember Timothy Lowrance, Councilmember Dayne Miller, Councilmember Lee Miller and Councilmember David Morrow. Councilmember Dale Sherrill was excused from the meeting.

The following personnel of the City of Claremont were present: City Manager Catherine Renbarger, City Clerk Wendy Helms, Police Chief Gary Bost, Fire Chief Bart Travis, Public Services Director Tom Winkler, Captain Allen Long, Recreation Coordinator Michael Orders, Finance Officer Stephanie Corn, Bo Prince, City Planner Elinor Hiltz and City Attorney Bob Grant.

Others in attendance were: Robert Smith, Charles Helms, Rupert Little, Rev. Dennis Richards, Robert Winrow, Melanie Starr and Gene Monday.

1. CALL TO ORDER

Mayor Shawn R. Brown called the Claremont City Council meeting to order at 7:00 p.m.

2. APPROVAL OF AGENDA

The agenda was then approved as presented.

3. INVOCATION & PLEDGE OF ALLEGIANCE

The invocation was given by Reverend Dennis Richards from First Baptist Church. Councilmember Lee Miller led the Pledge of Allegiance.

5. MAYOR'S REPORT

Mayor Brown informed those in attendance that a \$400 donation had been made to the Claremont School Backpack Program in honor of outgoing Councilmember D.B. Setzer and Nicky Setzer.

6. CONSENT AGENDA

A. December 14, 2015, Regular Meeting Minutes – Councilmember Timothy Lowrance made a motion to accept December 14, 2015 regular meeting minutes as presented. Councilmember Dayne Miller seconded the motion. The motion passed unanimously.

B. December 14, 2015, Closed Session Minutes – Councilmember Timothy Lowrance made a motion to accept the closed session minutes from December 14, 2015 as presented. Councilmember Dayne Miller seconded the motion. The motion passed unanimously.

7. CITIZEN'S CONCERNS & COMMENTS- none

8. OLD BUSINESS-

A. Budget Transfer- Transfer of funds were made to allocate addition fund for payment to Harris Software for water and sewer billing and to increase Administrations travel and training budget to account for additional travel and training during the year. Informational only.

9. PRESENTATIONS-

A. Preliminary 2014-2015 Audit Update- Melanie Starr gave Council a brief overview of the 2014-2015 audit. She will return in February to give a full presentation with completed financial statements.

10. NEW BUSINESS-

A. Re-appointment to Fire Department Relief Board- General Statue 58-84-30 (2) states that the Mayor and board of alderman or other local governing body shall appoint two representatives to the Fire Department Relief Board, one to hold office for two years and one to hold office for one year, and each year in January thereafter they shall appoint only one representative and his term of office shall be for two years.

Claremont Fire Department asked Council to consider the re-appointment of Rupert Little and Libby Connor to these positions on the Fire Department Relief Board. Motion was made by Councilmember David Morrow to re-appoint Rupert Little and Libby Connor to the Claremont Fire Department Relief Board. Second was made by Councilmember Dayne Miller. Motion passed unanimously.

B. 2015-2016 Departmental Goals Update- Department heads were given an opportunity to discuss the goals of their department at the mid –point of the year.

11. DEPARTMENT & COMMITTEE REPORTS

A. Monthly Department Dashboard Report- The dashboard report was accepted as presented.

12. CITY MANAGER REPORT –

A. Second Quarter Financial Update- Catherine gave a brief over view of the City financials after the second quarter of the 2015-2016 fiscal year.

B. NCDOT Mowing Contract- The first year of the NCDOT Mowing Contract has been completed. The City is due a reimbursement from the NCDOT of around \$1400. The City would like to continue with the contract.

13. ADJOURN

Motion was made by Councilmember Timothy Lowrance to adjourn the meeting at 8:00 p.m. Second was made by Councilmember Lee Miller. Motion passed unanimously.

Respectfully submitted,
Wendy L. Helms, City Clerk

Shawn R. Brown, Mayor

Attested:

Wendy L. Helms, City Clerk



City of Claremont Special Called Meeting Minutes Tuesday, January 12, 2016

A Special Called meeting of the City of Claremont was held in the Council Chambers located at Claremont City Hall at 5:30 p.m. on Tuesday, January 12, 2016.

The following members of the Claremont City Council were present: Mayor Shawn Brown, Councilmember Dale Sherrill, Councilmember Timothy Lowrance, Councilmember Dayne Miller, Councilmember Lee Miller and Councilmember David Morrow.

The following personnel of the City of Claremont were present: City Manager Catherine Renbarger, City Clerk Wendy Helms, Police Chief Gary Bost, Fire Chief Bart Travis, Public Services Director Tom Winkler, Recreation Coordinator Michael Orders, Finance Officer Stephanie Corn, and City Planner Elinor Hiltz.

Others in attendance were: Anthony Starr, WPCOG and Scott Ramsey.

CALL TO ORDER

Mayor Shawn R. Brown called the Claremont City Council meeting to order at 5:48 p.m.

Anthony Starr with the WPCOG facilitated the meeting. Council reviewed core values and the City mission statement. Council participated in various discussions to decide a path for Claremont to grow and provide services for its citizens.

ADJOURN

Motion was made by Councilmember Timothy Lowrance to adjourn the meeting at 8:00 p.m. Second was made by Councilmember Dayne Miller. Motion passed unanimously.

Respectfully submitted,
Wendy L. Helms, City Clerk

Shawn R. Brown, Mayor

Attested:

Wendy L. Helms, City Clerk

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: Citizen Concerns

Open the floor for comments or questions from the audience.

Recommendation: No action needed

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: Budget Transfers

Recommendation: Informational, no action needed.



CITY OF CLAREMONT

Shawn R. Brown
Mayor

Catherine Renbarger
City Manager

1/28/2016

I, Stephanie Corn, authorize the following transfers in the Fiscal Year 2016 budget.

<u>Line</u>	<u>Increase</u>	<u>Decrease</u>
10-5300-9100 Contributions	\$ 250.00	
10-5300-1400 Travel & Training		\$ 250.00
10-5300-5700 Misc.	\$ 2,000.00	
10-5300-1400 Travel & Training		\$ 2,000.00

Stephanie Corn, Finance Officer

Catherine Renbarger, City Manager

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: Ratify Lease Agreement with Pöppelmann Properties USA LLC

In order for Pöppelmann Plastics to begin receiving rail shipments from Norfolk Southern, Pöppelmann and Norfolk Southern must execute a siding agreement. However, before the siding agreement can be executed a lease agreement between Pöppelmann and the City must be executed. The lease agreement allows Pöppelmann Plastics to lease the spur and execute the siding agreement.

The City executed a lease agreement with Pöppelmann in July of 2012. Pöppelmann executed the same lease agreement in July of 2015 but re-dated it July 1, 2015. The lease terms are otherwise identical. To account for the discrepancy in date of execution, it is recommended that the City now ratify a version with the 2015 date of execution. A copy of the lease agreement is attached for your review.

Recommendation: Make a Motion to Ratify and authorize the execution of the re-dated Executed Lease Agreement as previously with Pöppelmann Properties USA, LLC.

LEASE AGREEMENT

THIS **LEASE AGREEMENT** is made effective as of July 1, 2015 (the "Commencement Date"), by and between the **CITY OF CLAREMONT**, a North Carolina municipal corporation organized and existing under the laws of the State of North Carolina, party of the First Part ("Lessor"), and **Pöppelmann Properties USA LLC**, a North Carolina limited liability company, party of the Second Part ("Lessee").

The parties agree as follows:

1. LEASED ASSETS.

The "Rail Site" shall consist of approximately six acres of land together with a rail switch (the "Rail Switch"), switching track, and industry offloading track constructed by or on behalf of Lessor on that six acres of land, which real property and improvements are more fully described in and shown as the areas described as Areas 5 and 6 shaded in gray on the June 30, 2004 survey by Roger D. Morgan, PLS, entitled "Subdivision Survey for: Pöppelmann Holding GMBH & Co. KG, Newton Township, Catawba County, NC, as recorded in Plat Book 60, Page 43, Catawba County Registry, a copy of which is attached to this Lease as Exhibit A. The Rail Site, the Rail Switch, and the track are occasionally referred to jointly in this Lease as the "Leased Assets." The Rail Site will be subject to a Siding Agreement, as set forth in Exhibit B, attached, which Norfolk Southern Railway ("NS Railway") and Lessee are concurrently executing as part of this transaction. Lessee shall have the exclusive right to use the Leased Assets during the Lease Term (as defined below).

2. TERM.

(a) In consideration of full and prompt payment of the rent specified below, Lessor hereby leases the Leased Assets to Lessee for a term of 12 years commencing on July 2, 2012, and ending on June 30, 2024 ("Lease Term"). This Lease Agreement shall renew itself automatically for successive one-year terms at the end of this term and any renewal thereof unless either party gives notice to the other of its intention not to renew at least 60 days before the end of the then-current term.

(b) Notwithstanding the foregoing, this Lease Agreement shall be terminated incident to a transfer by Lessor to Lessee of the Leased Assets pursuant to Section 10, below, and may be terminated under the conditions and, where applicable, the expiration of the applicable period set forth in Section 12.

3. RENT.

Lessee shall pay to Lessor as and for rent during the Lease Term and any renewal thereof the sum of \$1 per year, which shall be paid in advance upon the execution of this Lease. All other payments required to be made by Lessee to Lessor pursuant to the provisions of this Lease shall be made in accordance with information to be separately furnished by Lessor to Lessee, or to such other account as Lessor may subsequently specify.

4. MAINTENANCE AND REPAIR.

Lessee shall, at its expense, during the Lease Term, maintain and keep in good repair (a) the Rail Switch and the track which is included in the Leased Assets, and (b) the land surrounding the Rail Site. Lessee shall repair at Lessee's expense and to the reasonable satisfaction of Lessor any damage to any of the foregoing, regardless of cause. Lessee's obligation to maintain and keep in good repair the

Lease Agreement
July 2, 2015

Rails Switch and the track shall be deemed performed to Lessor's satisfaction if it is performed in accordance with the applicable provisions of the Siding Agreement.

5. DAMAGE OR DESTRUCTION OF THE LEASED ASSETS

If as a result of fire or other casualty the Rail Site is made partially or completely untenable, this Lease shall nevertheless remain in full force and effect. Lessee shall proceed with due diligence to restore, repair, and replace the Rail Switch and the track to the satisfaction of Lessor and in substantially the same condition as it was in as of the Commencement Date but giving effect to any alterations, improvements or additions made by Lessee after the Commencement Date. In all cases, due allowance in the completion of the repairs shall be given to the Lessee for any reasonable delays caused by adjustment of insurance loss, strikes, labor difficulties, inability to obtain supplies or materials or any cause beyond Lessee's control. Lessee shall be responsible for obtaining and maintaining, at Lessee's election, suitable renter's insurance in amounts sufficient to cover any loss of revenue resulting from reduced use of or access to the Leased Assets as the result of any fire or other casualty. For purposes of this Lease, if any restoration or repair requires the approval of NS Railway under the terms of the Siding Agreement, the requirement of Lessor's satisfaction shall be deemed met by obtaining the approval of NS Railway.

6. INSURANCE.

(a) In addition to the renter's insurance described in the preceding section, Lessee shall maintain at Lessee's expense throughout the Lease Term all policies of insurance of the type and in such coverage amounts as are appropriate for the Leased Assets and the business conducted by Lessee thereon, including without limitation: (i) worker's compensation insurance as required by law; (ii) business auto insurance for any motor vehicles owned or leased by Lessee; and (iii) liability insurance as set forth in the Siding Agreement.

(b) Unless otherwise agreed between Lessor and Lessee, Lessee shall maintain the auto and liability insurance coverage required above with a company or companies acceptable to Lessor and which are qualified to do business in the State of North Carolina, insuring Lessor as an additional insured. Lessee shall deliver certificates of insurance indicating the above-specified coverage to Lessor within a reasonable period following the commencement of the Lease Term. The insurance policy or policies shall be in a form reasonably satisfactory to Lessor and shall provide that it (they) cannot be cancelled without at least 30 days prior written notice to Lessor.

7. SIGNS.

Lessee shall comply with the all of the terms of the Siding Agreement with respect to the erection, placement, content, and removal of signs. Upon termination of this Lease, unless the Leased Assets are being transferred to Lessee, Lessee shall remove said sign or signs and repair any damage to the Leased Assets caused by the placement or removal of said signs.

8. ALTERATIONS.

(a) Lessee may make changes and adjustments to the Leased Assets at any time, subject to any restrictions or limitations as provided in the Siding Agreement. Any alterations shall, unless otherwise agreed in writing, run with the Rail Site. Lessee shall upon making any change or adjustment change the list of Leased Assets so that it accurately reflects the changes and adjustments which Lessee has made.

(b) In particular, but without limitation, the Siding Agreement contemplates construction of unloading pits, tipples, conveyors, and road crossings, and other rail-related structures. Construction of

these improvements shall not require Lessor's consent, but shall be carried out in accordance with all applicable provisions of the Siding Agreement.

9. ACCESS TO PREMISES.

(a) Lessor shall upon prior notice to Lessee and subject to restrictions which may be imposed by NS Railway or which may be necessary for protection of individual safety have access to the Rail Site at all reasonable times for the purpose of examining the Leased Assets and for any other reasonable purpose of Lessor.

(b) Lessee shall at Lessee's expense restrict access to the Rail Site to Lessee's employees, business visitors, and persons otherwise acceptable to Lessee. Lessee will take appropriate security measures in furtherance of this undertaking.

10. CONVEYANCE OF LEASED ASSETS TO LESSEE AND NORFOLK SOUTHERN RAILWAY.

Lessor is under separate obligation to convey the Rail Switch and the Rail Site south of the Rail Switch to Lessee and to convey the Rail Site north of the Rail Switch to NS Railway, in both cases in fee simple without any liens or encumbrances. The Rail Site is currently encumbered by a Deed of Trust from the City of Claremont to F. Louis Loyd, III, Trustee, for the benefit of Branch Banking and Trust Company ("BB&T") recorded in Deed Book 2953 at Pages 0546-0579 of the Catawba County Registry which is securing an obligation of the City to BB&T which is due and payable on February 6, 2024 (the "Repayment Date"). By separate agreement, BB&T has committed to give Lessee a right of first refusal to purchase the Rail Site if at any time BB&T forecloses on the mortgage. When Lessor repays the loan from BB&T in full, but not later than the Repayment Date, Lessor shall immediately proceed to make the conveyances set forth in the first sentence of this section 10. Upon completion of those conveyances, all further obligations of the parties pursuant to this Lease shall cease.

11. NOTICES.

Any notice provided for herein shall be in writing and shall be deemed to have been given, delivered or served, when delivered personally to the other party or mailed by United States registered or certified mail, postage prepaid, to the other party as follows:

If to Lessor:

City of Claremont
P.O. Box 446
Claremont, NC 28610
Att'n: City Manager
Facsimile: (828) 459-0596

If to Lessee:

Pöppelmann Properties USA LLC
2180 Heart Drive
Claremont, NC 28610
Att'n: Thomas Orr
Facsimile: 828-466-9549

12. DEFAULT.

If Lessee vacates the Rail Site for a continuous period of ten days or longer; or if Lessee makes an assignment for the benefit of creditors, seeks relief as a debtor under any provision of the U.S. Bankruptcy Code or any other law relating to the protection of creditors' rights, or if an involuntary bankruptcy proceeding is commenced against Lessee and not dismissed within 60 days; or if there shall be a default by Lessee in the performance of any other term, condition or covenant of this Lease for more than 30 days after written notice of such default from Lessor, Lessor may, at the sole option of Lessor, terminate this Lease and Lessor shall have the right to reenter or repossess the Leased Assets

Lease Agreement
July 2, 2015

and dispossess and remove Lessee, or other occupants, and their effects; provided, however, that prior to taking such action, Lessor shall give Lessee five business days notice of Lessor's intent to take such action so that Lessee has one last opportunity to cure the breach or default.

13. INDEMNIFICATION.

Lessee shall indemnify, defend and save harmless Lessor, and its officers, employees and agents from and against any losses, liabilities, damages, demands, obligations, expenses, costs and fees (including, but not limited to, court costs and reasonable attorney's fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Lessor, its officers, employees and agents, which are caused by or related to the negligence, acquiescence or permission of Lessee, its employees, agents, customers or invitees and in any way relating to or arising out of this Agreement; provided, however, that Lessee shall not be required to indemnify Lessor, its officers, employees or agents for loss or liability: (1) to the extent that the loss or liability arises from the negligence of Lessor, its employees, or agents; or (2) arising from acts or events which occur after the Leased Assets have been returned to Lessor (if they are returned to Lessor following the termination or expiration of the Lease Term), except in respect of any matter in any way relating to or arising out of the performance or non-performance by Lessee of its obligations under this Agreement, or for loss or liability resulting from the willful misconduct or gross negligence of the party otherwise indemnified under this Section 13.

If a third party shall assert a claim against Lessor or commence an action to which Lessee is not a party in any court of competent jurisdiction or before any governmental body empowered to decide such claim and which claim might reasonably be expected to require indemnification under this Section 13, Lessor shall give immediate notice thereof to Lessee, describing in reasonable detail the nature of the claim, the name of the claimant, and such other information as Lessee may reasonably request. Fifteen days after giving such notice, Lessor may, at its option, resist, settle, or otherwise compromise or pay such claim unless it has received notice from Lessee that Lessee intends, at Lessee's sole cost and expense, to assume the defense of the claim, in which case Lessor shall have the right, at no cost or expense to Lessee, to participate in such defense.

The obligations of indemnity hereunder shall survive the expiration or other termination of this Agreement.

14. USE.

Lessee shall use the Leased Assets leased hereunder in a careful, safe and proper manner, shall not commit or suffer any waste in, on or to the same, and shall not use or occupy the Leased Assets or permit their use or occupancy, or the use or occupancy of any part thereof, for any purpose or in any way contrary to present or future laws, ordinances, rules, regulations, zoning, requirements or orders of any governmental or public authority having jurisdiction with respect to the use and occupancy thereof.

15. HOLDING OVER.

Except in the event of a conveyance of the Leased Assets to Lessee, as set forth in Section 10, above, Lessee shall deliver up and surrender to Lessor possession of the Leased Assets upon the expiration of this Lease in as good condition and repair as the same now are or may be put by Lessor, except for reasonable use and ordinary wear and tear.

16. WAIVER OF SUBROGATION.

Lessee hereby releases Lessor, its agents and employees from any claim for damages or destruction to the Rail Site or the contents thereof belonging to Lessee or for any business interruption or loss of income, caused by fire or any other peril covered by any insurance policy held by Lessee, if

due to the negligence of Lessor, its agents or employees. This provision shall be included in any insurance coverage carried by Lessee on the Rail Site or any property situated therein, so as to be effective upon the insurance companies carrying such insurance on either the Rail Site or the property situated thereon.

17. MISCELLANEOUS

(a) Recording of Memorandum of Lease. If requested by either party, a Memorandum of Lease containing the information required by law concerning this Lease shall be prepared, executed by both parties and filed for record.

(b) Governing Law. This Lease is being executed and delivered by the parties in the State of North Carolina and shall be governed, construed and enforced in accordance with the laws of that state.

(c) Complete Agreement; Amendments. This Lease, including all exhibits and the applicable portions of the Siding Agreement constitute the entire agreement between the parties hereto with respect to the Leased Assets, supersedes all previous understandings and agreements between the parties, if any, except to the extent referenced herein, and no oral or implied representation or understandings shall vary its terms. It may not be amended except by a written instrument executed by the parties hereto. Notwithstanding the foregoing, the parties expressly agree that the execution of this Lease by either party shall not be deemed a ratification of the other party's performance or nonperformance under that certain Performance Agreement dated July 7, 2004, to which Lessor and Lessee are parties and which interpretation is hereby expressly denied, nor shall it be deemed a waiver by either party of any claims or defenses which it may have under that same Performance Agreement, which claims and defenses Lessor and Lessee each expressly reserves to itself, as applicable.

(d) Assignment; Successors and Assigns. Lessor may not assign this Lease or convey its remainder interest in the Leased Assets, nor may Lessor extend or modify the mortgage currently encumbering the Rail Site without the written consent of Lessee, which may be withheld by Lessee in Lessee's sole discretion unless it does not affect Lessee's rights upon the termination of the Lease. This Lease and the respective rights and obligations of the parties hereto shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto as well as the parties themselves.

(e) Nonwaiver. Failure by either party to exercise or enforce its rights or seek its remedies upon any default will not effect or constitute a waiver to exercise or enforce such right, or to seek such remedy with respect to that default or any prior or subsequent default. The remedies provided in this Lease are cumulative and shall not in any way abridge, modify or preclude any other rights or remedies either at law or in equity.

(f) Captions. The captions to the paragraphs are solely for convenience and are not a substantive part of this Lease.

(g) Subordination. This Lease is subject and subordinate to the Deed of Trust which Lessor has conveyed to F. Louis Loyd, Trustee for BB&T as more particularly described in that certain Deed of Trust recorded in Deed Book 2953 at Pages 546-579 of the Catawba County Registry, all as referred to in Section 10 above. Any extension or modification of that mortgage shall require Lessee's prior written consent, as set forth above.

(h) Additional Documents. The parties agree to cooperate in the execution of any further documents furthering the requirements and intent of this Lease.

(i) Savings Clause. If for any reason any provision of this Agreement is determined to be illegal or unenforceable, the parties shall substitute for the illegal or unenforceable provision a provision

which is legal and enforceable and which reflects to the extent reasonably possible the original intent of the parties.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first above written.

Signed and Acknowledged
in the Presence of

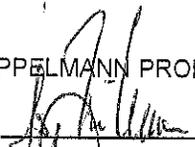
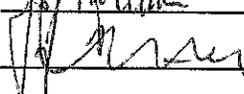
CITY OF CLAREMONT, NORTH CAROLINA



By: _____
Mayor

By: _____
City Clerk

PÖPPELMANN PROPERTIES USA LLC

By: 
By: 

STATE OF NORTH CAROLINA)
)
COUNTY OF CATAWBA)

S.S.

I, a Notary Public in and for said County and State, do hereby certify that _____, whose identity he confirmed by means of his _____ and _____, whose identity he confirmed by means of his _____ personally appeared before me this day and each person acknowledged that he is a duly appointed and acting manager of Pöppelmann Properties USA LLC and that he has signed this Lease Agreement as his own free act and deed and the free act and deed of the corporation.

Notary Public Signature

Notary Public Printed Name

alternatively:

Die vor mir gefertigten Unterschriften der mir persönlich bekannten Herrn Jürgen Deters, wohnhaft Wicheler Kreuz 7, 49393 Lohne und ausgewiesen durch PA Nr. 12KJ9-F62, und Herrn Johannes Diekmann, wohnhaft Kantstraße 14, 49393 Lohne und ausgewiesen durch PA Nr. 187741375, handelnd für die Pöppelmann Properties USA LLC, werden hierdurch beglaubigt.

Die Frage an den Notar nach einer Vorbefassung im Sinne von §3, Abs. 1 Nr. 7 BeurkG wurde

Lease Agreement
July 2, 2015

Exhibit A
Description of Property

TRACT ONE:

ALL of Area 5, containing 2,090 acres or 91,042 square feet, more or less, as appears upon a plat by Roger D. Morgan, PLS, dated June 30, 2004, entitled "Subdivision Survey for: Poppelmann Holding GMBH & Co. KG, Newton Township, Catawba County, Claremont, North Carolina" and recorded in Plat Book 60, Page 43, Catawba County Registry, reference being made to said survey and the record thereof for a more complete and detailed description.

TRACT TWO:

ALL of Area 6, containing 3.689 acres or 160,711 square feet, more or less, as appears upon a plat by Roger D. Morgan, PLS, dated June 30, 2004, entitled "Subdivision Survey for: Poppelmann Holding GMBH & Co. KG, Newton Township, Catawba County, Claremont, North Carolina" and recorded in Plat Book 60, Page 43, Catawba County Registry, reference being made to said survey and the record thereof for a more complete and detailed description.

**Exhibit B
Siding Agreement**

Attached hereto, and incorporated by reference as if fully set out herein, marked Exhibit B, is a copy of the Siding Agreement referred to herein between Pöppelmann Properties USA, LLC and Norfolk Southern Railway Company, dated June 17, 2015.

SIDING AGREEMENT

THIS SIDING AGREEMENT ("Agreement"), made as of the 17 day of June, 2015, between **NORFOLK SOUTHERN RAILWAY COMPANY** (hereinafter referred to as "Railway") and **POPPELMANN PROPERTIES USA, LLC** (hereinafter referred to as "Industry").

WITNESSETH:

Railway and Industry agree as follows:

DESCRIPTION OF TRACK

1. Railway will provide rail service on the industrial track or tracks which are described below and which are hereinafter referred to as "Track":

An industrial spur track, 1,164 feet in length, more or less, at **CLAREMONT, Catawba County, North Carolina**,

as shown on print of Plan No. Ad-2005-6 R-1, dated February 1, 2005, revised December 19, 2008 attached hereto as Exhibit A and made a part hereof.

OPERATION

2. (a) The Track will be maintained and operated in accordance with the terms and conditions set forth in this Agreement. Such terms and conditions will apply to all extensions of, additions to and relocations of the Track; but Railway will not be obligated to operate over any such extensions, additions or relocations unless they have been approved, in writing, by Railway.

(b) Railway hereby authorizes the construction, maintenance and operation by Industry of any unloading pit, tipple, conveyor, Special Facilities (as defined in Section 14 hereof), private road crossing, gate or door affecting the Track as shown on Exhibit A.

RIGHT-OF-WAY

3. Industry hereby guarantees to Railway the right and authority to operate over any portion of the Track, and the tracks of any third party necessary to provide service to the Track, located beyond the right-of-way of Railway or upon any public roadway. Railway hereby licenses and consents to the use of so much of its right-of-way as may be necessary for the maintenance of that portion of the Track owned or operated by Industry located thereon.

USE FOR THIRD PARTIES

4. Railway shall have complete control of its operations on the Track and may use the same for the business of third parties. However, any such use of the portion of the Track owned or operated by Industry shall not interfere unreasonably with the business of Industry and Railway will not use that portion of the Track owned or operated by the Industry to provide service to third parties without the consent of Industry.

OWNERSHIP

5. Ownership of the rails, materials and fixtures in that portion of the Track from the Point of Switch Station 0+00 located in the Lead Track at Lead Track Station 6+05 to the Division of Ownership and Maintenance located at Station 2+02, inclusive of the DSP Derail located at Station 2+02, shall be vested in the Railway. Ownership of the rails, materials and fixtures in that portion of the Track as measured from the Division of Ownership and Maintenance located at Station 2+02, exclusive of the DSP Derail located at Station 2+02, to the End of Track located at Station 11+64, 962 feet in length, is presently vested in an unrelated Third Party and operated by the Industry.

MAINTENANCE

6. Industry will, at its cost and expense, maintain, or cause to be maintained, that portion of the Track operated by it and all adjacent track walkways in good condition and repair and free from all debris. In the event that the portion of the Track owned or operated by Industry now or in the future crosses or is crossed by any public roadway, Industry will, at its expense, maintain any such crossing in good condition and repair and in accordance with all applicable requirements of governmental authorities. Industry also shall arrange for and bear all expense related to the installation and maintenance of any grade separation structures and warning devices for any road crossings of the portion of the Track owned or operated by Industry.

RAILWAY'S RIGHT TO SUSPEND OPERATION

7. Railway may, in its sole discretion, suspend the operation of the Track immediately and without notice if Railway determines that the condition of the Track or the tracks of any other party necessary to provide service over the Track are unsafe. Upon such occurrence, Railway will notify Industry as quickly as practicable of the reason for the suspension of service and will resume service as soon as the unsafe condition has been eliminated.

CLEARANCES

8. (a) Industry agrees, except for clearly dimensioned structures identified on Exhibit A which do not conform to the standard clearances of Railway, to observe and maintain all clearances in accordance with the applicable specifications shown on Exhibit B, attached hereto and made a part hereof. Industry will not permit any other structure or obstruction of any kind to be placed or maintained within the restricted clearance zone. If the laws or regulations of any governmental authority having jurisdiction over the Track require clearances greater than those required by Railway, Industry will comply with the requirements of such laws or regulations.

(b) If any clearances shown on the attached drawing do not conform to the clearances shown on Exhibit B, Industry may maintain any structures shown at reduced clearance provided that Industry shall provide and maintain warning signs, at its expense, that are acceptable to Railway, at locations designated and approved by Railway.

LIABILITY

Siding Agreement
June 17, 2015

9. Except as otherwise provided in subsequent sections of this Agreement, the responsibility of the parties hereto, as between themselves, for death, personal injury and property loss and damage which occur by reason of or arise out of, or are incidental to, the construction, operation, maintenance, use, presence or removal of the Track or related facilities shall be determined and borne as follows:

(a) Except for loss of or damage to the property of Railway caused solely by the negligence of Railway, Industry shall be solely responsible for and shall indemnify, protect and hold Railway harmless from all claims, demands, suits, judgments, liabilities, costs (including attorneys' fees) and expenses occasioned by loss of or damage to any property by fire.

(b) Industry shall be solely responsible for and shall indemnify, protect and hold Railway harmless from all claims, demands, suits, judgments, liabilities, costs (including attorneys' fees) and expenses occasioned by any death, personal injury, or loss of or damage to property arising out of or in any manner incidental to the loading into or unloading from rail cars, or the handling, storage or transmission in connection with such loading or unloading, of hazardous or flammable materials (as defined in the regulations of the United States Department of Transportation), unless such injury, death, damage or loss was caused solely by the negligence of Railway.

(c) Industry shall be solely responsible for and shall indemnify, protect and hold Railway harmless from all claims, demands, suits, judgments, liabilities, costs (including attorneys' fees) and expenses occasioned by any death, personal injury, or loss of or damage to property, caused solely by the negligence of Industry, or of the officers, agents or employees of Industry, or which arise or grow out of the violation by Industry, its officers, agents, or employees, of any of the terms of this Agreement, or which are caused by the negligence of Industry concurring with the negligence of a third party.

(d) Except as may be otherwise provided in subsections (a), (b), and (c) of this Section, Railway and Industry shall be jointly responsible for and shall bear equally all claims, demands, suits, judgments, liabilities, costs (including attorneys' fees) and expenses occasioned by any death, personal injury or loss of or damage to property caused by their joint and concurring negligence.

(e) Notwithstanding anything to the contrary in this Section 9, Industry shall be solely responsible for and shall indemnify, protect and hold Railway (including, but not limited to, Railway's subsidiaries and affiliates) harmless from and against any and all claims, demands, suits, judgments, liabilities, costs and expenses (including, but not limited to, attorneys' fees) arising from the loss of or damage to the railcars and the lading therein occurring from whatever cause while the property is in the possession of Industry (as defined in Section 12 below) except to the extent that such loss of or damage to the property is caused by the negligence of Railway.

(f) Notwithstanding anything contained in this Section, and irrespective of the sole, joint, or concurring negligence of Railway, Industry shall assume sole responsibility for and shall indemnify, protect and hold Railway harmless from all claims, demands, suits, judgments, liabilities, costs (including attorneys' fees) and expenses occasioned by any death, personal injury, or loss of or damage to property, and from any fines or penalties, arising or growing out of any permitted reduced clearances shown on the attached drawing which do not conform to the clearances shown on the attached Exhibit B; or the failure of Industry to comply with the clearance requirements of this Agreement. In this connection, it is understood that knowledge on the part of Railway of a violation of any such clearance

requirements, whether such knowledge is actual or implied, shall not constitute a waiver and shall not relieve Industry of its obligations to indemnify Railway under this Agreement.

(g) In the event that this Agreement authorizes the installation of or if Industry shall at any time install an unloading pit, a tipple, a conveyor or any other Special Facilities (as defined in Section 14 hereof), then, notwithstanding any other provisions of this Agreement, Industry shall indemnify, protect and hold Railway harmless from and against any and all claims, demands, suits, judgments, liabilities, costs (including attorneys' fees) and expenses occasioned by any death, personal injury or loss of or damage to property, arising or growing out of the installation, use, maintenance or removal of any such unloading pit, tipple, conveyor, or Special Facilities, unless such injury, death, damage or loss was caused solely by the negligence of Railway.

(h) In the event that this Agreement authorizes Industry to move or Industry does move any rail cars on the Track, then, notwithstanding any other provisions of this Agreement, Industry shall indemnify, protect and hold Railway harmless from and against any and all claims, demands, suits, judgments, liabilities, costs (including attorneys' fees) and expenses occasioned by any death, personal injury or loss of or damage to property, arising or growing out of the movement of rail cars by Industry or its agents, unless such injury, death, damage or loss was caused solely by the negligence of Railway.

(i) In the event that this Agreement authorizes Industry to install or if Industry shall hereafter install a private road crossing, gate or door across the Track, Industry shall indemnify, protect and hold Railway harmless from and against all claims, demands, suits, judgments, liabilities, costs (including attorneys' fees) and expenses occasioned by any death, personal injury or loss of or damage to property, arising or growing out of the installation, maintenance, use or removal of said private road crossing, gate or door, or by reason of the presence of the same, whether or not the negligence of the Railway may have contributed to such injury, death, damage or loss unless such injury, death, damage or loss was caused solely by the negligence of Railway.

(j) Knowledge on the part of Railway of any violation of any of the terms of this Agreement by Industry shall constitute neither negligence nor acquiescence on the part of Railway, and shall in no event relieve Industry of any of the responsibilities and indemnity obligations assumed by Industry in this Agreement.

(k) The term Railway as used in this Section and Section 10 below, shall include the officers, agents, and employees of Railway. Industry further agrees that each and all of its indemnity commitments in this Agreement shall extend to and include the parent and all subsidiary and affiliated companies of Railway and their respective officers, agents and employees.

ENVIRONMENTAL REQUIREMENTS

10. (a) In its use and occupancy of the Track and adjoining premises, Industry will comply with all federal, state, and local laws, rules, regulations and ordinances which relate to the control of air, water, noise, solid waste and other pollution or to the storage, transport, release or disposal of hazardous materials, substances, or waste. Industry will, at its own expense, make all modifications, repairs, or additions to the Track and adjoining premises necessary to effect such compliance, and

Siding Agreement
June 17, 2015

Industry will install and bear the expense of any and all structures, devices or equipment required by any such laws, rules, regulations or ordinances, or by the orders of any governmental agency.

(b) Industry shall not dispose of any wastes of any kind, whether or not hazardous, on the right of way of Railway, and Industry shall not conduct any activity on said right of way which may or does require a hazardous waste treatment, storage or disposal facility permit from either the federal or state agencies.

(c) Regardless of any Railway acquiescence, Industry agrees to indemnify, protect and hold Railway harmless from and against all liabilities, fines and penalties arising or growing out of a violation of subsections (a) and (b) of this Section, and Industry agrees to reimburse Railway for all costs and expenses incurred by Railway in eliminating or remedying such violations unless such liability, fines, or penalties arise solely from the negligence of Railway. Regardless of any Railway acquiescence and notwithstanding any of the provisions of Section 9 above, Industry shall indemnify, protect and hold Railway harmless from and against all claims, demands, suits, judgments, liabilities, costs (including attorneys' fees) and expenses for any losses, personal injury to or death of any person or persons whomsoever, damage to or loss of any property whatsoever, and all penalties arising or growing out of Industry's use or release of any hazardous material, substance or waste onto the ground or into the water or air from or upon the Track or adjoining premises, unless resulting solely from the negligence of Railway.

(d) Industry hereby waives any and all statutes of limitation applicable to claims, demands or suits by Railway under the preceding subsections of this Section, and Industry further agrees that it will not raise or plead a statute of limitation defense against Railway in any claim, action or proceeding arising or growing out of Industry's failure to comply with this Section.

LOADING AND UNLOADING

11. (a) Industry will provide and furnish, at its own cost and expense, and keep ready for use at all times in a convenient place, a metal sign (or signs) at least 12 inches by 15 inches, reading "STOP"- "Men at Work", the letters in the word "STOP" to be at least four (4) inches high, and the letters in the words "Men at Work" at least two (2) inches high, and the color of which shall be white with blue background, which said sign(s) shall be used (1) whenever work is being done or activity performed in or about any car or series of cars, either by men and/or equipment; (2) whenever any car or series of cars is being loaded or unloaded either by hand or by the use of any mechanical means or device without regard to whether said mechanical means or device is connected to said car or series of cars; (3) whenever any work is being done or activity performed on or about the track by men and /or equipment without regard to whether any car or series of cars is located on the track at the time the work is being done or the activity is being performed; and (4) at any other time when Industry employees and/or Industry equipment are engaged in such activity that the movement of cars could cause injury or damage to employees and/or equipment.

(b) Whenever Industry loads or unloads any rail car by using hoses, pipes, conveyors or any other mechanical devices, a sign measuring at least 12 inches by 15 inches, with letters at least four inches high, reading "STOP - CAR CONNECTED", shall be placed at a conspicuous location clearly visible to Railway employees operating on the Track, from either direction. Said sign shall be

conspicuously illuminated during periods of reduced visibility and shall remain in place until such loading or unloading is completed and until such pipes, conveyors and/or mechanical devices have been disconnected.

(c) If any of the aforesaid situations are present necessitating the use of the aforesaid sign(s), the placement of which shall be solely the responsibility of Industry, said sign(s) shall be conspicuously displayed to give necessary warning as follows:

(i) On each end of the car involved or on the outermost end of the end car in the series of cars; or

(ii) Alternatively on the track beyond the end of the car involved or on the track beyond the outermost end of the end car in a series of cars; or,

(iii) If no car or series of cars is involved on the track, at the location beyond the limits of any work being done or activity performed;

(iv) Provided, that if the track involved is a "dead end" track, sign(s) need only be deployed in the manner stated above to cover the direction from which train movement might occur.

RAILWAY'S OBLIGATION

12. Railway shall not be liable as a common carrier, or as a bailee, for any property loaded into any car on the Track until such car is attached or coupled to the engine or train by which it is to be moved from the Track toward its destination. Until a car is so attached or coupled, the car and its contents shall be deemed and held to be in the possession of Industry insofar as responsibility therefor and liability related thereto are concerned. All carload shipments consigned to or in the care of Industry for delivery on the Track shall be deemed to have been fully and completely delivered as soon as the car or cars containing such shipments shall have been placed on the Track and detached from the engine or train by which it was moved, and Railway shall thereupon be relieved of any further liability therefor, either as a common carrier or as a bailee.

HAZARDOUS MATERIALS

13. If Industry ships, receives or handles any material on or about the Track which is classified as a hazardous material by the regulations of the United States Department of Transportation, the following subsections shall apply:

(a) Industry, at its own expense, shall comply with the policies and practices recommended by the Association of American Railroads and the Railway, and with all applicable federal, state or municipal laws, orders, regulations and recommendations relating to safe handling, storage and disposition of the hazardous materials.

(b) If any hazardous material handled on the Track is flammable or explosive, Industry hereby agrees that it will, at its sole cost and expense, and in a manner satisfactory and

Siding Agreement
June 17, 2015

acceptable to Railway, arrange for installation of: (i) such derail devices as may be specified by Railway at locations on the Track designated by Railway; (ii) such bonding and grounding of the Track as shall be required by Railway; and (iii) such other protective devices as may be required by Railway to protect the Track against any foreign or stray electric current that may be present at or in the vicinity of said Track.

(c) Title to the derail, bonding, grounding and other protective devices installed on the portion of the Track owned or operated by Industry will be vested in Industry. Industry will maintain all such devices, at its sole cost and expense, in good condition and repair and in a manner satisfactory to Railway. At Railway's discretion, Railway may elect to maintain any such devices at the cost of Industry.

GATES, DOORS, PITS, PRIVATE ROAD CROSSING AND RAIL-RELATED STRUCTURES

14. If Industry shall have constructed or shall construct at any time: (1) a gate or gates across the Track; (2) a doorway and/or door(s) affecting the Track; (3) any pit or pit appurtenances beneath the Track; (4) a private road crossing of the Track; or (5) rail-related structures, including but not limited to conveyors or similar apparatus, bridges, platforms, walkways, pipes or similar structures ("Special Facilities") adjacent to or over the Track, the following subsections shall apply:

(a) Any gate constructed or maintained by Industry shall be constructed, maintained, and renewed at Industry's sole cost and expense. The gate shall be of such design and specification as may be approved in writing by Railway and shall be equipped with Railway's standard switch lock, so applied that said gate may be locked and unlocked from the outside, and shall be constructed in such manner as to provide, when opened, an unobstructed space on each side of the center line of the Track of not less than 9.0 feet and a total clearance of not less than 18 feet. Industry shall provide a substantial device on each side of the Track to which the wings of said gate may be fastened and made parallel, or substantially parallel, with the Track when railroad equipment is moving through the gateway, each of said devices to be so arranged that when the wings of the gate are fastened thereto the distance between the side of each wing and the center of the Track will not be less than 9.0 feet in the clear.

(b) Any door constructed or maintained by Industry shall be constructed, maintained, and renewed at Industry's sole cost and expense. The door shall be of such design and specification as may be approved in writing by Railway. Said door shall provide, when opened, an unobstructed space over and above the Track of not less than 22 feet vertical from the top of rail and 8 feet horizontal from the center line of the Track. Industry shall provide a substantial device to which said door will be fastened and made stationary when railroad equipment is moving through the doorway, said device to be so arranged that when the door is in an open position and fastened thereto, the overhead clearance for the Track will be at no point less than 22 feet from the top of rail and the horizontal clearance will not be less than 8 feet from the center of the Track.

(c) Any pit and pit appurtenances constructed or maintained by Industry shall be constructed, maintained, and renewed at Industry's sole cost and expense. The pit shall be of such design and specification as may be approved in writing by Railway. Industry will maintain the unloading pit and appurtenances at its sole cost and to the entire satisfaction of Railway. Industry will maintain the pit and appurtenances in such condition that neither they nor the use thereof by Industry shall be or become an obstruction to the safe and proper maintenance of the Track, or endanger employees of Railway or other persons on or about the Track, or operations of Railway upon the Track. Industry agrees to provide a

substantial metal or board cover for said pit, as approved by Railway, and agrees to keep said pit covered at all times when the pit is not in use.

(d) Any private road crossings constructed or maintained by Industry shall be constructed, maintained, and renewed at Industry's sole cost and expense. The private road crossings shall be of such design and specification as may be approved in writing by Railway. Industry will maintain the private road crossings in such condition that neither they nor the use thereof by Industry shall be or become an obstruction to the safe and proper maintenance of the Track, or endanger employees of Railway or other persons on or about the Track, or operations of Railway upon the Track.

(e) Any Special Facilities constructed or maintained by Industry shall be constructed, maintained, and renewed at Industry's sole cost and expense. The Special Facilities shall be of such design and specification as may be approved in writing by Railway. Industry will maintain the Special Facilities in such condition that neither they nor the use thereof by Industry shall be or become an obstruction to the safe and proper maintenance of the Track, or endanger employees of Railway or other persons on or about the Track, or operations of Railway upon the Track.

(f) If any of the facilities referred to in this Section are located upon the right-of-way or property of Railway, Industry will, upon the termination of this Agreement, remove those facilities and restore the premises of Railway to the condition existing prior to their construction, or in default thereof, Railway may, in addition to any other legal remedy it may have, remove the facilities and restore its premises at the expense of Industry. The fact that the design, maintenance, repair or alteration of any of the aforesaid facilities shall have been approved by or performed under the supervision and to the satisfaction of Railway shall not relieve Industry from responsibility or liability undertaken for any injury to or death of any person or damage to property that may occur or arise as the result of the construction, maintenance, presence, use, operation and removal of the facilities.

(g) If any of the facilities referred to in this Section are being maintained at clearances from the track that are less than the clearances specified, the provisions of Sections 8 and 9(e) shall also be applicable to those facilities.

GOVERNMENTAL AUTHORITY

15. Notwithstanding any other provision of this Agreement, Industry agrees to comply, at its sole expense, with all requirements imposed by any governmental authority with respect to that portion of the Track which is owned by Industry or which it has the obligation to maintain.

SUCCESSORS, ASSIGNS AND THIRD-PARTY RIGHTS

16. (a) Railway and Industry agree that the provisions of this Agreement shall inure to the benefit of the successors and assigns of Railway. Industry agrees that in the event it permits a third party to use the Track, it will furnish Railway written notice in advance of any such third-party use. Industry further agrees that, until the use of the Track by any such third party shall be covered by an appropriate agreement between said third party and Railway, use by such third party will be deemed and

treated as a use by Industry under this Agreement, and Industry will be responsible therefor to the same extent as if such third party use were a use by Industry.

(b) This Agreement is not assignable or transferable by Industry, in whole or in part, except with the advance written consent of Railway.

TRACK REMOVAL

17. Upon the termination of this Agreement, Railway may discontinue the operation of the Track and remove its property from the premises. Industry immediately will take up and remove the track materials in that portion of the Track owned by Industry which is located upon Railway's right-of-way or property. The work of taking up said Track materials on Railway's right-of-way or property will be done if Railway elects, by Railway at the expense of Industry.

RIGHT TO SUSPEND OPERATIONS

18. Notwithstanding any other provision of this Agreement, if Industry shall fail to comply with any of the terms of this Agreement, Railway shall have the right to immediately discontinue operation of the Track, without liability to Industry; provided Railway has given notice to Industry of the nature of the non-compliance and Industry has failed to correct the non-compliance within thirty (30) days following notification. This Section 18 is not intended to limit Railway's rights under Section 7 with respect to unsafe operating conditions.

NO WAIVER OF BREACH

19. No waiver by Railway of any breach by Industry of the terms of this Agreement shall be construed as a waiver of any other or subsequent breach. Termination of this Agreement shall not be construed to release Industry from any obligation or liability accruing hereunder prior to the time such termination becomes fully effective.

NOTICES

20. Any notice required to be given pursuant to the terms of this Agreement shall be given in writing and shall be transmitted by U. S. Mail, by any other method customarily used in normal business practice, or by hand delivery. Any notice to be given pursuant to this Agreement shall be transmitted to the respective parties at the following addresses or at such other places as the parties may from time to time designate in writing:

As to Railway:

Norfolk Southern Railway Company
1120 W. Washington Street
Greenville, SC 29601
Attn: Division Superintendent

As to Industry:

Poppelmann Properties USA, LLC
2180 Heart Drive
Claremont, NC 28610
Attn: Thomas Orr, President

with copy to:

Siding Agreement
June 17, 2015

City of Claremont
Att'n: City Manager
P.O. Box 446
Claremont, NC 28610

EFFECTIVE DATE AND TERMINATION

21. This Agreement shall be effective as of the date first above written. Either Railway or Industry may terminate this Agreement at any time upon sixty (60) days' written notice.

INSURANCE

22. (a) Industry will, at the expense of Industry and for the further protection of Railway, procure and maintain during the life of this Agreement, in a form and with an insurance company that is satisfactory to Railway, a policy of Commercial General Liability Insurance with a combined single limit of not less than \$2,000,000 per occurrence for injury to or death of persons and damage to or loss or destruction of property. Said policy shall be endorsed to provide contractual liability coverage for liability assumed under this Agreement. In addition, said policy shall be endorsed to name Railway as an additional insured and shall include a severability of interests provision. As evidence of said insurance, a certificate of insurance shall be furnished to and approved by the Director Risk Management, Norfolk Southern Corporation, Three Commercial Place, Norfolk, Virginia 23510-2191 prior to entry on Railway's property. The certificate of insurance shall state that thirty (30) days advance written notice will be given to Railway of any material change in, or cancellation of such insurance.

(b) The furnishing by Industry of such evidence of insurance and acceptance of the same by Railway is not intended to and shall not reduce, limit, affect or modify the primary obligations and liabilities of Industry under any other provisions of this Agreement.

CONSTRUCTION OF AGREEMENT

23. The headings used in this Agreement are for convenience only and shall not affect the construction or interpretation of any section of this Agreement. If any provision of this Agreement or any part of any provision should become or be found to be invalid or unenforceable, the remaining provisions and parts shall continue to be fully effective and enforceable. Where necessary or appropriate in this Agreement, the singular and plural shall be interchangeable and words of any gender shall include all genders.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

[This space intentionally left blank]

WITNESS:

NORFOLK SOUTHERN RAILWAY COMPANY

By _____
General Manager

WITNESS:

J. Deters

POPPELMANN PROPERTIES USA, LLC

By _____
Title: Manager

WITNESS:

J. Diekmann

POPPELMANN PROPERTIES USA, LLC

By _____
Title: Manager

Nks\RPMS Activity No. 1081130\manage # 598729v1\12-18-08
JLJ\RPMS Activity No. 1081130\manage#921174v1\4/4/2012

**Exhibit A
to
Siding Agreement**

**Proposed Lead Track Extension by the City of Claremont
and Proposed Spur Track to Serve Poppelmann Plastics USA**

Siding Agreement
June 17, 2015

Exhibit B
to
Siding Agreement

Clearances for Tracks Located on Industry Property

Nr. 663 der Urkundenrolle für 2015

Die vor mir, dem Notar im Bezirk des Oberlandesgerichts Oldenburg mit dem Amtssitz in Vechta, Bernard Inhestern, gefertigten Unterschriften

1. des Herrn Jürgen Deters, geb. am 03.12.1965, wohnhaft Wicheler Kreuz 7, 49393 Lohne - ausgewiesen durch Personalausweis Nr. L2KJ9HR62 -
 2. des Herrn Johannes Diekmann, geb. am 27.12.1967, wohnhaft Kantstraße 14, 49393 Lohne - ausgewiesen durch Personalausweis Nr. 187741375 -
- jeweils handelnd für die Pöppelmann Properties USA LLC, werden hierdurch beglaubigt.

Die Frage des Notars nach einer Vorbefassung im Sinne von § 3 Abs. 1 Nr. 7 Beurkundungsgesetz wurde verneint.

Vechta, 2. Juli 2015


Notar

Kostenrechnung:

Kostenberechnung § 19 GNotKG

25100	Beglaubigung Unterschrift oder Handzeichen; "Lease Agreement"	20,00 €
	Geschäftswert 5.000,00 € (§ 121), Satz: 0,20	
26002	Auswärtsgebühr (halbe Stunde)	50,00 €
32006	Auslagen Fahrtkosten vom 02.07.2015 (19,00 km)	5,70 €
	Nettobetrag	75,70 €
32014	Umsatzsteuer, 19 %	14,38 €
	Gesamtbetrag	90,08 €

Notar:





**CITY OF CLAREMONT
NORTH CAROLINA**

Proclamation

PANTHER PRIDE WEEK IN CLAREMONT

WHEREAS, the Carolina Panthers are inspiring community pride on and off the field; and

WHEREAS, the Carolina Panthers' record is the best in the NFL; and

WHEREAS, the Carolina Panthers are the NFC South Division Champions for the third year in a row; and

WHEREAS, the “#KeepPounding” message from former player and Coach Sam Mills continues to resonate in our community; and

WHEREAS, the Carolina Panthers are bringing a positive national spotlight on the City of Charlotte and the surrounding area, using the NFL as the stage; and

WHEREAS, the City of Claremont fully support the Panthers and encourages citizens to show their “Panther Pride”

NOW THEREFORE, I, Shawn R. Brown Mayor of Claremont do hereby proclaim “Carolina Panther Pride Week” in Claremont and commend its observance to all citizens, by showing their Panther Pride and wearing their Panther gear or Panther colors of black, blue or white.

WITNESS MY HAND and the official Seal of the City of Claremont.

Adopted this 1st day of February 2016.

Shawn R. Brown, Mayor

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: 2014-2015 Audit Presentation Information only; No action Requested

During this presentation, Melanie Starr will give Council a brief overview of the 2014-2015 completed audit.

Recommendation: Information only; No action Requested

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: Information only; No action Requested

As a part of the Planning Board's work to update the Comprehensive Plan, Tayler Dellinger with the Western Piedmont Council of Governments recently compiled a Demographic and Economic Data Profile for the City of Claremont. Tayler is planning to briefly review this information with Council.

Recommendation: Information only; No action Requested

Claremont Demographics and Economic Data Profile

Prepared For:



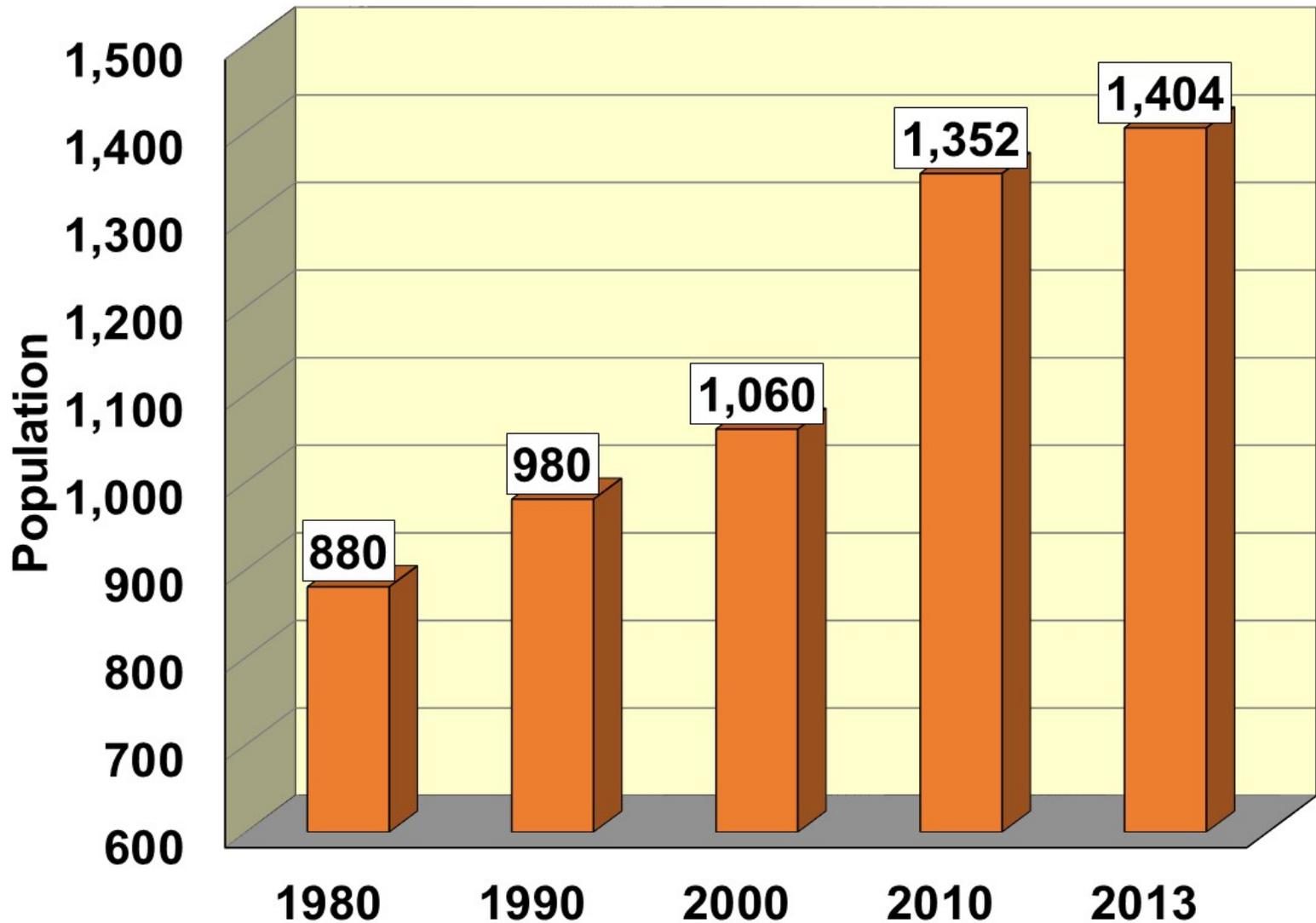
Claremont City Council Meeting
February 1, 2016

By
Taylor Dellinger
Western Piedmont Council of Governments

Claremont Population Trends

A stylized, dark blue silhouette of a mountain range is positioned in the bottom right corner of the slide, extending towards the center. The mountains are rendered with simple, angular shapes, creating a layered effect.

Claremont Population, 1980-2013



Population Comparisons, 2000-2013

Location	2000 Census	2010 Census	Change 2000-10	% Inc.	2013 Estimate	Change 2010-13	% Inc.
Claremont	1,060	1,352	292	27.5	1,404	52	3.8
Catawba County	141,686	154,358	12,672	8.9	155,411	1,053	0.7
Hickory MSA	341,851	365,497	23,646	6.5	364,870	-627	-0.2
NC	8,049,313	9,535,483	1,486,170	18.5	9,861,952	326,469	3.4
US	281,421,906	308,745,538	27,323,632	9.7	316,497,531	7,751,993	2.5

Claremont Population by Race/Ethnic Group, 2000-2010

Age Group	2000 Census	% of Pop.	2010 Census	% of Pop.	Change 2000-10	% Change 2000-10
White	993	95.7	1,260	93.2	267	26.9
African American	23	2.2	25	1.8	2	8.7
American Indian	1	0.1	1	0.1	0	0.0
Asian American	9	0.9	16	1.2	7	77.8
Two or More Races	5	0.5	24	1.8	19	380.0
Hispanic (Any Race)	31	3.0	48	3.6	17	54.8
White, (Not Hispanic)	969	93.4	1,241	91.8	272	28.1

Claremont Population by Age Group, 2000-2010

Age Group	2000 Census	2010 Census	Change 2000-10	% Change 2000-10
Under 5 Years	55	77	22	40.0
5 to 9 Years	66	95	29	43.9
10 to 14 Years	65	84	19	29.2
15 to 19 Years	52	64	12	23.1
20 to 24 Years	64	63	-1	-1.6
25 to 34 Years	175	182	7	4.0
35 to 44 Years	153	205	52	34.0
45 to 54 Years	160	195	35	21.9
55 to 59 Years	59	98	39	66.1
60 to 64 Years	50	93	43	86.0
65 to 74 Years	79	110	31	39.2
75 to 84 Years	54	59	5	9.3
85 Years & Over	6	27	21	350.0
Total	1,038	1,352	314	30.3

Median Age Comparison, 1990-2010

Location	1990	2000	% Change	2010	% Change
Claremont	35.6	38.2	7.3	40.2	5.2
Catawba Co.	34.3	36.1	5.2	39.6	9.7
Hickory MSA	34.6	36.7	6.1	40.5	10.4
NC	33.2	35.3	6.4	37.4	5.9
US	32.9	35.3	7.3	37.2	5.4

Catawba County Population Projections by Age Group, 2015-2035

Age Group	2015 Estimate	2035 Projection	Change 2015-35	% Change 2015-35
Under 5 Years	8,863	9,667	804	9.1
5 to 9 Years	9,732	9,502	-230	-2.4
10 to 14 Years	10,364	9,427	-937	-9.0
15 to 19 Years	10,449	9,336	-1,113	-10.7
20 to 24 Years	10,373	9,388	-985	-9.5
25 to 34 Years	17,248	20,612	3,364	19.5
35 to 44 Years	20,014	21,158	1,144	5.7
45 to 54 Years	22,730	17,742	-4,988	-21.9
55 to 59 Years	11,055	9,256	-1,799	-16.3
60 to 64 Years	9,758	10,119	361	3.7
65 to 74 Years	15,529	19,461	3,932	25.3
75 to 84 Years	7,372	13,020	5,648	76.6
85 Years and Over	2,699	4,538	1,839	68.1
Total	156,186	163,226	7,040	4.5

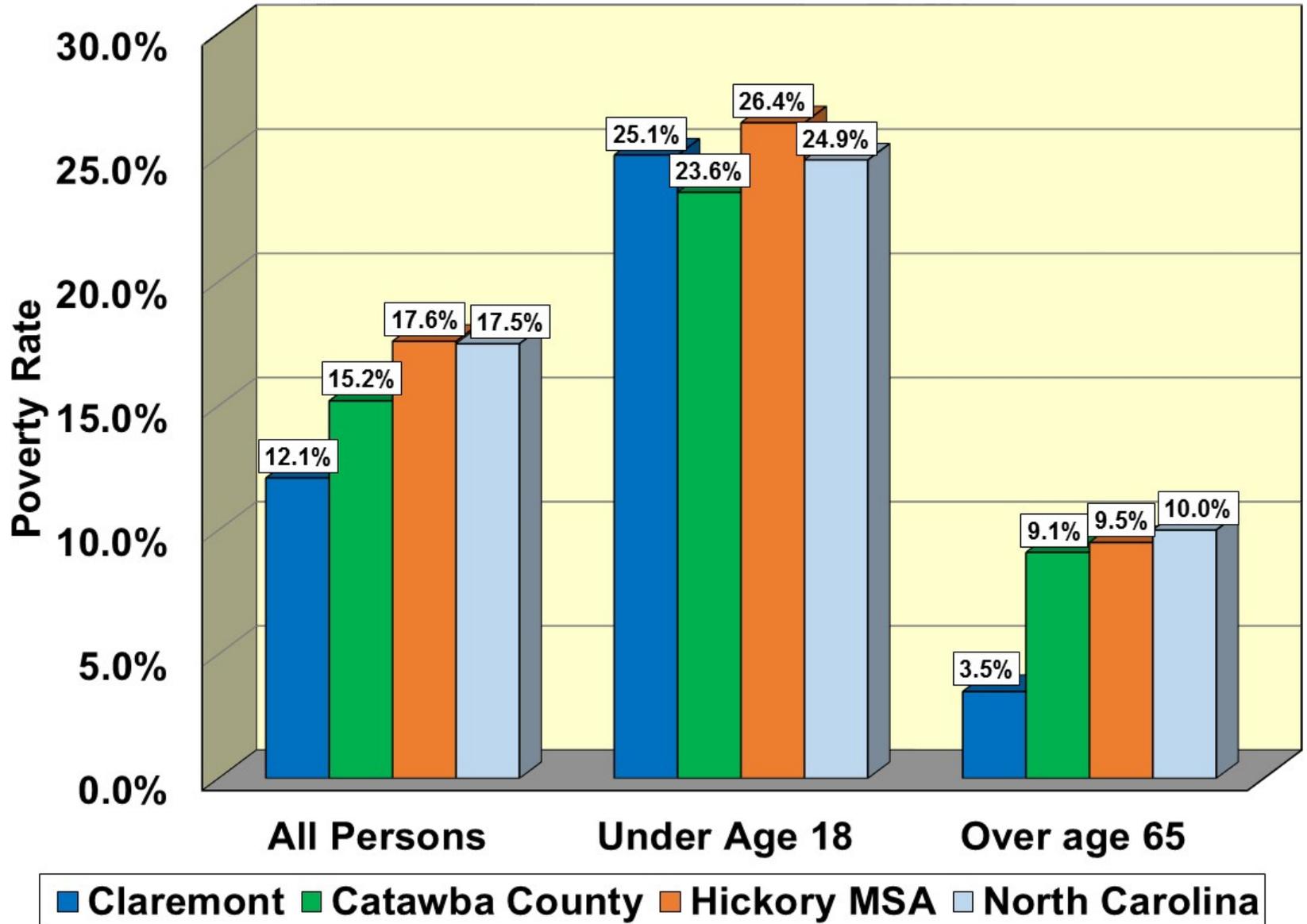
Claremont Household Income and Poverty Levels

A stylized, dark blue silhouette of a mountain range is positioned in the bottom right corner of the slide, extending from the right edge towards the center.

Claremont Income Statistics, 2009-2013 ACS

Households	2009-2013 ACS	% of Households
Total Households	555	100.0
Households Earning Less than \$25,000	109	19.6
Households Earning between \$25,000 and \$50,000	164	29.5
Households Earning between \$50,000 and \$100,000	193	34.8
Households Earning more than \$100,000	89	16.0
Median Household Income	\$50,450	

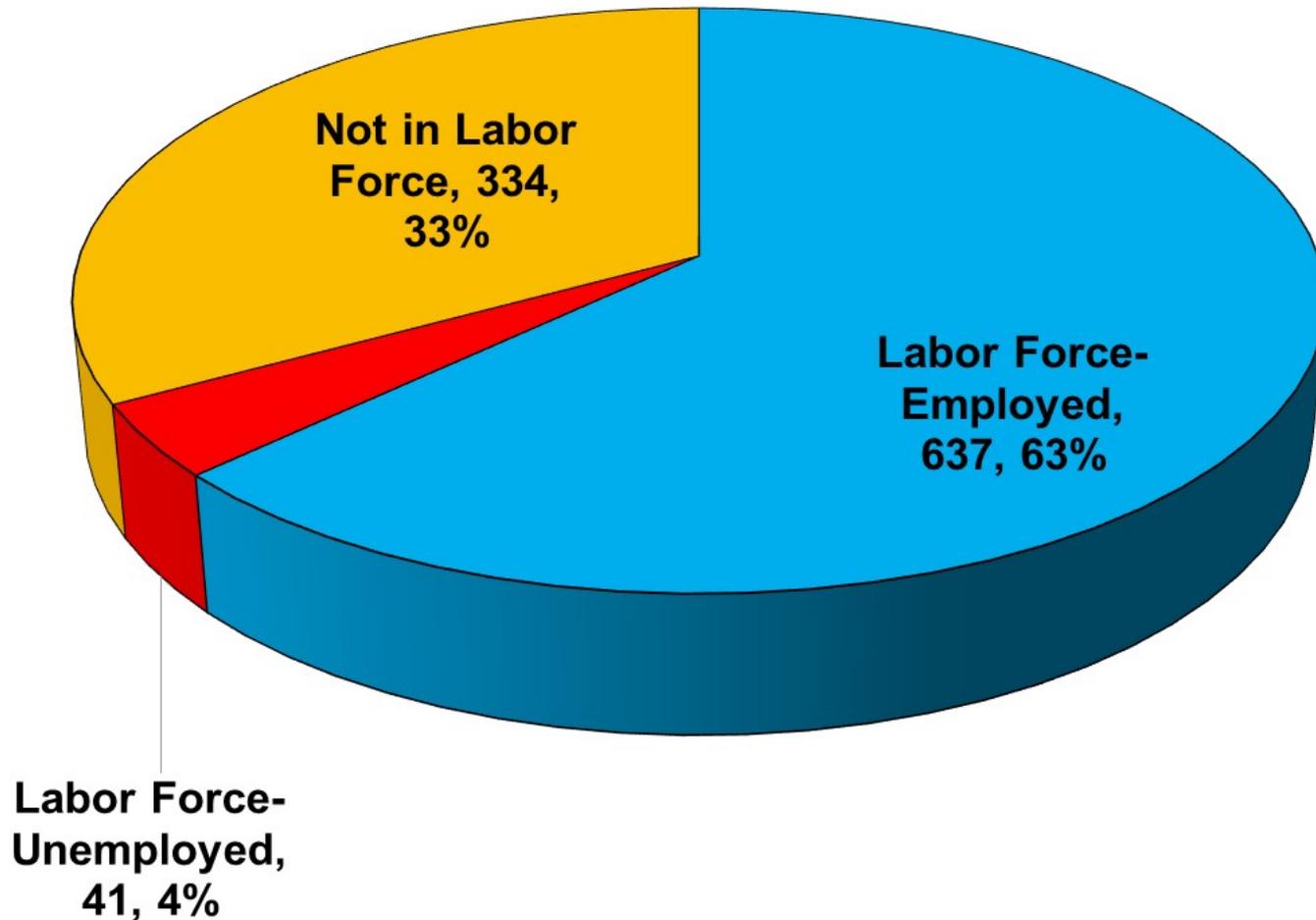
Poverty Rate Comparisons, 2009-2013 ACS



Claremont and Catawba County Employment and Wages

A stylized, dark blue silhouette of a mountain range is positioned in the bottom right corner of the slide, extending from the right edge towards the center.

Claremont Employment Status for Population Age 16 and Over, 2009-2013 ACS



Claremont Employment by Industry, 2009-2013 ACS

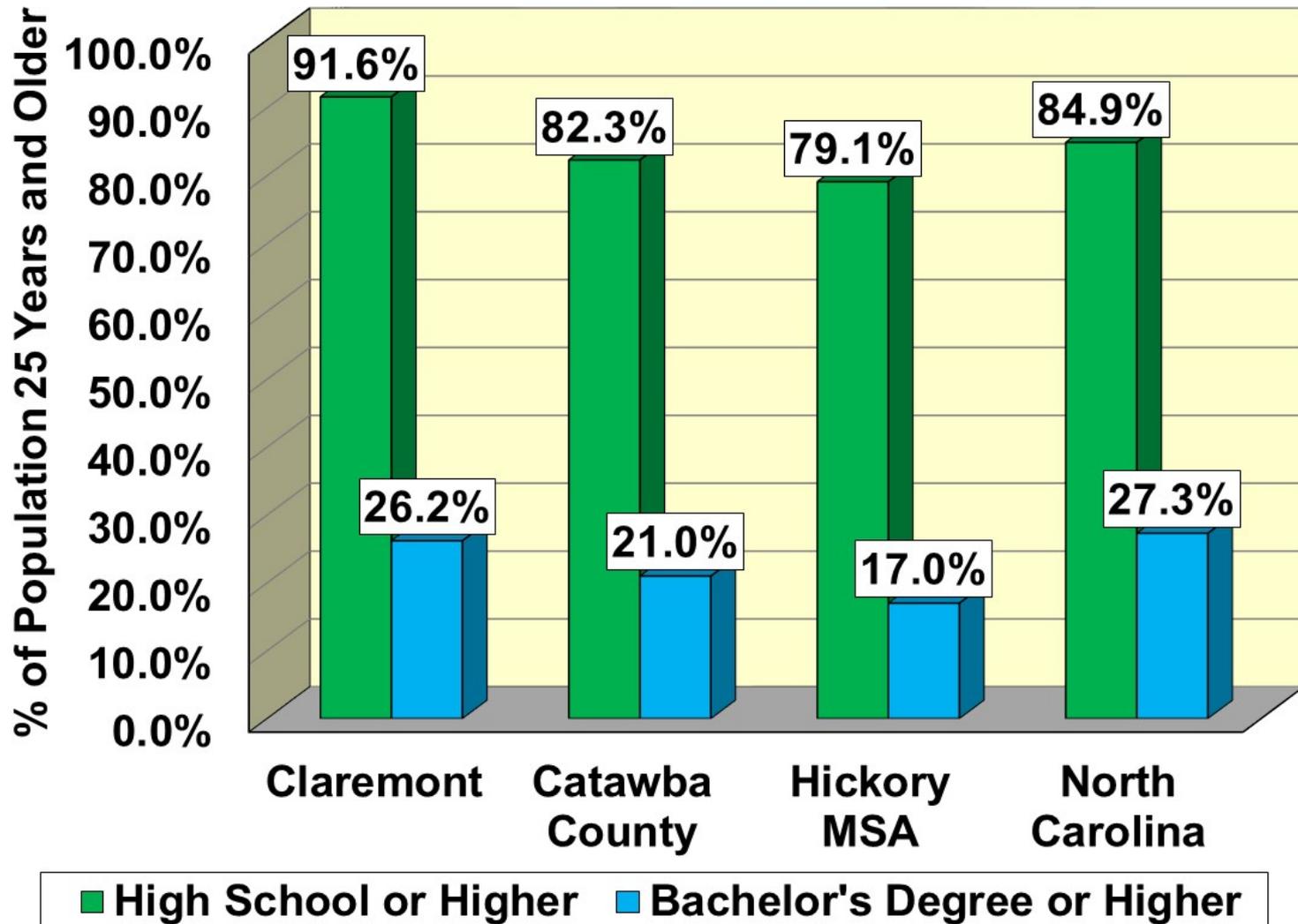
Industry	2009-2013 ACS	% of Employed Population
Employed Population	637	100.0
Agriculture	0	0.0
Construction	22	3.5
Manufacturing	163	25.6
Wholesale Trade	20	3.1
Retail Trade	76	11.9
Transportation/Warehousing/Utilities	24	3.8
Information	17	2.7
Finance/Insurance/ Real Estate	19	3.0
Professional Services	66	10.4
Education and Health Care	150	23.5
Arts/ Entertainment/Recreation	22	3.5
Other Services	36	5.7
Public Administration	22	3.5

Source: 2009-2013 American Community Survey, US Census Bureau.

Claremont Educational Attainment

A stylized silhouette of a mountain range is located in the bottom right corner of the slide. The mountains are rendered in various shades of blue, creating a layered effect. The background of the entire slide is a solid, medium-dark blue.

Educational Attainment for Population Age 25 and Over, 2009-2013 ACS



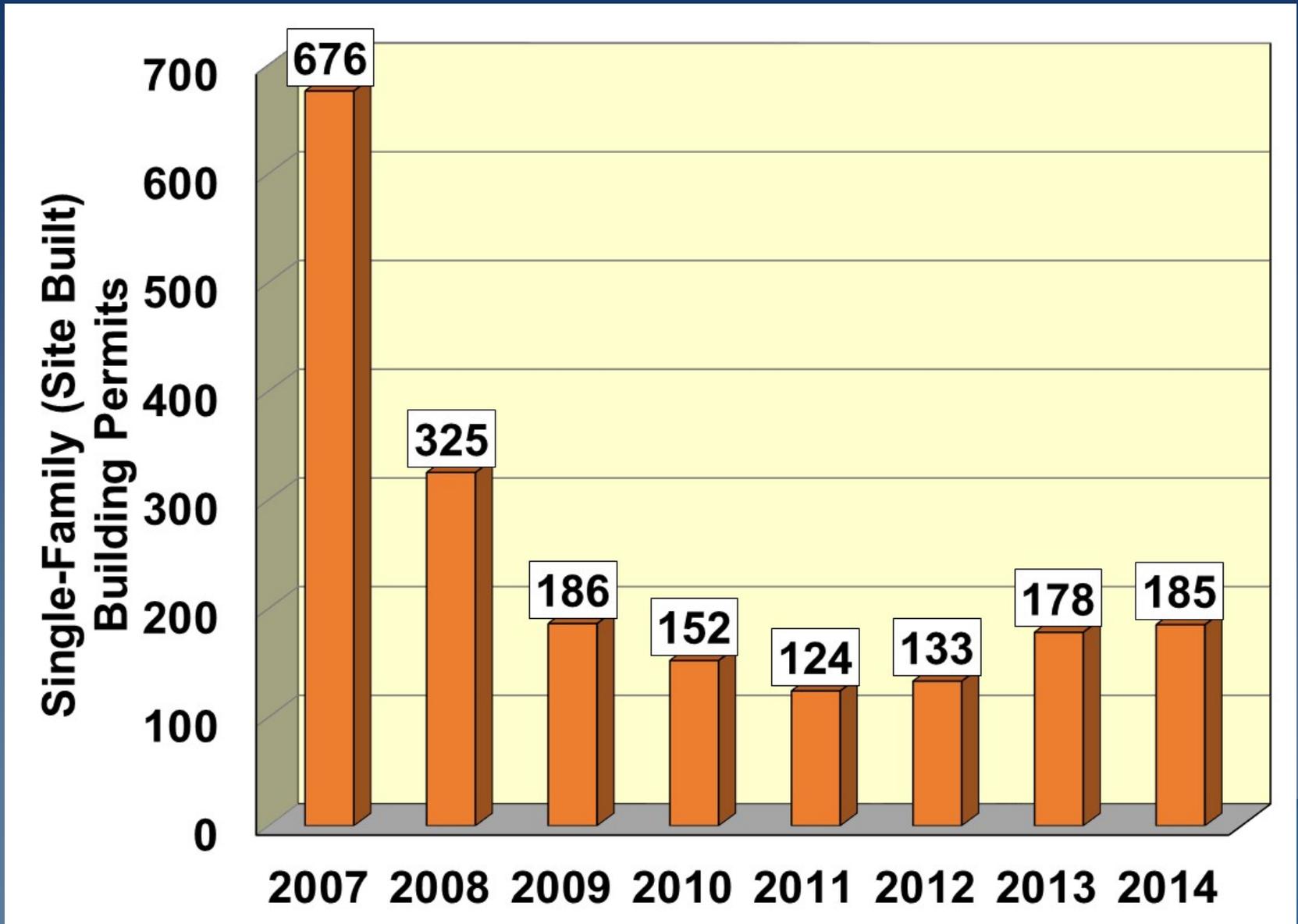
Claremont Housing Trends

A stylized, dark blue silhouette of a mountain range is positioned in the bottom right corner of the slide, extending from the right edge towards the center.

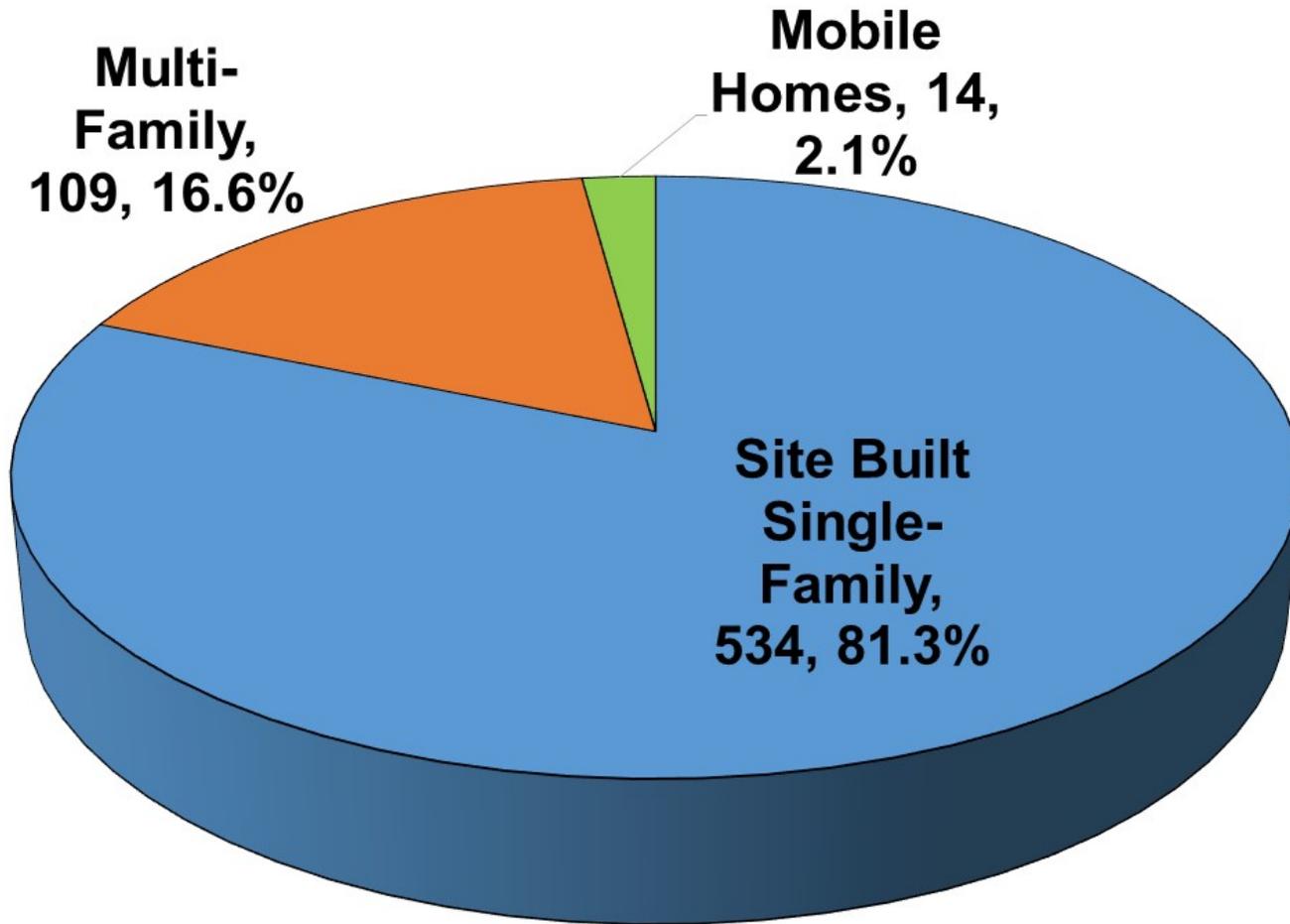
Housing Unit Comparisons, 1990-2010

Location	1990	2000	Change 1990-2000	% Inc.	2010	Change 2000-2010	% Inc.
Claremont	402	456	54	13.4	646	190	41.7
Catawba County	49,192	59,919	10,727	21.8	67,886	7,967	13.3
Hickory MSA	121,418	144,874	23,456	19.3	162,613	17,739	12.2
NC	2,818,193	3,523,944	705,751	25.0	4,327,528	803,584	22.8
US	102,263,678	115,904,641	13,640,963	13.3	131,704,730	15,800,089	13.6

Catawba Co. Single-Family (Site-Built) Permits, 2007-2014



Claremont Housing Distribution, 2009-2013 ACS



Percent Renter Occupied Units, 1990-2010

Location	1990	2000	2010
Claremont	28.4	24.7	24.4
Catawba Co.	25.2	25.5	29.6
Hickory MSA	25.3	25.7	28.1
NC	28.6	27.2	33.3
US	35.8	33.8	34.9

Median Value of Owner-Occupied Units, 1990-2010

Location	1990	2000	% Change	2009-13 ACS	% Change
Claremont	\$59,700	\$104,500	75.0	\$140,000	34.0
Catawba Co.	\$62,300	\$103,000	65.3	\$130,200	26.4
Hickory MSA	\$50,600	\$93,500	84.8	\$120,100	28.4
NC	\$65,300	\$108,300	65.8	\$153,600	41.8
US	\$78,500	\$119,600	52.4	\$176,700	47.7

Questions?



REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Gary Bost, Police Chief

Action Requested: Surplus Items to be Auctioned via GovDeals

Two police cars are scheduled to be auctioned on Gov Deals. Both police cars have roughly 80,000 miles and were no longer in service. One car has significant damage due to mold.

Recommendation: Approve Resolution 15-15 declaring these items surplus.



CITY OF CLAREMONT
NORTH CAROLINA

RESOLUTION 15-15

A RESOLUTION DECLARING SURPLUS PROPERTY

WHEREAS, it has been determined by the City Council that certain property owned by the City of Claremont is dilapidated and in need of repair or replacement; and

WHEREAS, it has been determined that the cost of repair is beyond the value of the pieces of equipment; and

WHEREAS, the City Council is desirous of disposing of the property; and

WHEREAS, North Carolina General Statute 160a-270 enables municipalities to conduct auctions of real or personal property electronically by authorizing the establishment of an electronic auction services.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Claremont that the following pieces of property shall be declared surplus property and sold via GovDeals online auction service:

2005 Ford Crown Victoria	VIN: 2FAFP71W45X123073	Mileage- 79,126
2007 Ford Crown Victoria	VIN: 2FAFP71W27X128484	Mileage- 81,525

NOW, THEREFORE, IT IS FURTHER RESOLVED that the City Manager is hereby authorized to dispose of said equipment in accordance with law and may engage G.S. 160a-267 for the sale of said equipment listed above.

Adopted this 1st day of February 2016.

Shawn R. Brown, Mayor

Attested: _____
Wendy L. Helms, City Clerk

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Bart Travis, Fire Chief

Action Requested: Surplus Items to be Auctioned private sale.

(4) Motorola walkie talkies have been placed out of service at the fire department. These radios are VHF and the fire department has moved to 800 MHz radios. Bethlehem Fire Department would like to purchase the radios. A price has been negotiated at \$225 each.

Recommendation: Approve Resolution 16-15 declaring these items surplus, and make them available to Bethlehem Fire Department for purchase at the set rate of \$225 each.



CITY OF CLAREMONT
NORTH CAROLINA

RESOLUTION 16-15

A RESOLUTION DECLARING SURPLUS PROPERTY

WHEREAS, it has been determined by the City Council that certain property owned by the City of Claremont is dilapidated and in need of repair or replacement; and

WHEREAS, it has been determined that the cost of repair is beyond the value of the pieces of equipment; and

WHEREAS, the City Council is desirous of disposing of the property; and

WHEREAS, North Carolina General Statute 160A-274(b) Any governmental unit may, upon such terms and conditions as it deems wise, with or without consideration, exchange with, lease to, lease from, sell to, or purchase from any other governmental unit any interest in real or personal property.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Claremont that the following pieces of property shall be declared surplus property and be sold to Bethlehem Fire Department at the price of \$225 each radio, with no chargers and no extra batteries.

Motorola HT 1250 w/SM	Serial #749HFWR464
-----------------------	--------------------

Motorola HT 1250 w/SM	Serial #749HFWR463
-----------------------	--------------------

Motorola HT 1250 w/SM	Serial # 749HFWR457
-----------------------	---------------------

Motorola HT 1250 w/SM	Serial #749HFWR455
-----------------------	--------------------

NOW, THEREFORE, IT IS FURTHER RESOLVED that the City Manager is hereby authorized to dispose of said equipment in accordance with law and may engage G.S. 160a-267 for the sale of said equipment listed above.

Adopted this 1st day of February 2016.

Shawn R. Brown, Mayor

Attested: _____
Wendy L. Helms, City Clerk

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: Approve Ordinance 09-15 Amending FY2015-2016 Budget

This item amends the General Fund, Water & Sewer Capital Reserve Fund and the Water & Sewer Fund. This amendment:

- Reduces \$130,000 of revenues and expenditures from the Water & Sewer Capital Reserve Fund. Since the pump station project is no longer scheduled to occur in 2015/2016, this amendment reverses plans to use Water & Sewer Capital Reserve Funds.
- Transfers \$10,000 from wastewater maintenance capital outlay to the NC DENR fees line item. This transfer is needed as a result of the fines received due to our wastewater treatment plants.
- Increases revenue and expenditures in the General Fund by \$35,000 to account for a recently awarded grant by the Carpenter Foundation to the Rescue Squad. The grant funds must be distributed to the City who will then pass on those funds to the Rescue Squad.
- Amends revenue estimates to decrease loan proceeds by \$237,765 and increases fund balance appropriation by \$237,765. This amendment is needed as the loan proceeds for the fire truck were received on June 28 and were therefore received in the FY 2014/15 budget, ending up in Fund Balance. The City has sufficient funds in Fund Balance to account for this amendment and still have ample reserve funds.

Recommendation: Approve Ordinance 09-15.

City Council of the City of Claremont

Catawba County, North Carolina

Ordinance No. 09-15

AN ORDINANCE OF THE CITY OF CLAREMONT AMENDING CLAREMONT
MUNICIPAL BUDGET FOR FISCAL YEAR 2015

THE CITY COUNCIL OF THE CITY OF CLAREMONT DOES HEREBY ORDAIN AS
FOLLOWS:

General Fund

<u>Revenues</u>	<u>Increase</u>	<u>Decrease</u>
Loan Proceeds 10.3933.0000		\$237,765
Total		\$237,765

Revenues

Appropriated Fund Balance 10.3990.0000	\$237,765	
Total	\$237,765	

Revenues

Rescue Grant Restricted Revenues 10.3490.0500	\$35,000	
Total	\$35,000	

Expenditures

Rescue Squad Grant Funds 10.5300.8300	\$35,000	
Total	\$35,000	

Water & Sewer Capital Reserve Fund

<u>Revenues</u>	<u>Increase</u>	<u>Decrease</u>
Appropriated Fund Balance 71.3990.0000		\$130,000
Total		\$130,000

Expenditures

Transfer to Water & Sewer Fund 71.3990.9200		\$130,000
Total		\$130,000

Water & Sewer Fund

<u>Revenues</u>	<u>Increase</u>	<u>Decrease</u>
Transfer from Other Funds		
30.3980.0000		\$130,000
<hr/>		
Total		\$130,000

<u>Expenditures</u>		
Wastewater Capital		
30.8250.7400		\$140,000
<hr/>		
Total		\$140,000

NCDENR Fees		
8220.0490	\$10,000	
<hr/>		
Total	\$10,000	

INTRODUCED at the regular meeting of the City Council of the City of Claremont on February 1, 2016.

ADOPTED at the regular meeting of the City Council of the City of Claremont on February 1, 2016.

MAYOR Shawn R. Brown

ATTEST:

Wendy Helms, City Clerk

APPROVED AS TO FORM:

Bob Grant, City Attorney

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: Authorize Grant Application for North Carolina Industrial Development Grant Fund for Substance Inc. Sewer Project

The NC Department of Commerce's NC Rural Infrastructure Authority has set aside \$120,975 in funds for necessary sewer to the proposed 17.5 acre site for Substance, Inc. in the Business Park. This resolution will authorize the City to submit a formal application to the Department of Commerce. The grant application requires a match from the City of \$40,325. Please see the attached memo from Leah Martin with the WPCOG for additional detail.

Recommendation: Approve Resolution 17-15



Meeting Date: Monday, February 1, 2016

To: City of Claremont City Council, Manager and Clerk

From: Leah Martin, Sr. Planner

Re: Authorizing Resolution for Grant Application for a NC Department of Commerce
Industrial Development Fund Utility Account (IDF) for the Substance, Inc. Sewer Project

Project Summary: As the Council is well aware, the NC Department of Commerce's NC Rural Infrastructure Authority has set aside \$120,975 in funds to provide necessary sewer to the proposed 17.5 acre site Substance, Inc. is proposing to purchase in Claremont's International Industrial Park. Due to growth, the Company needs additional manufacturing space and is planning an estimated investment of \$3.4 million in building and M&E to construct a 54,000 sf building (concrete tilt-up with expansion wall) that is expandable up to 200,000 sf. The estimated total sewer grant project estimate is \$161,300. In addition to Substance Incorporated, this gravity sewer outfall could allow for service to additional acres of contiguous industrial property.

Grant Terms and Security: Substance, Inc. is required by the IDF program to contractually commit to their private investment through a Legally Binding Commitment (LBC). However, if they were to not make their private investment the City would be required to seek the grant funds from Substance, Inc. for repayment to NC Commerce.

Fiscal / Budgetary Effect: The grant application as it is now proposed requires a match from the City of Claremont of \$40,325. This exceeds the \$40,000 committed to Substance Inc. for the sewer and the company has agreed to participate in any cost beyond the \$40,000.

Action To Be Taken: If the Board wishes to submit the formal application for the grant, the Council must adopt the Authorizing Resolution approving submittal of a formal application.

Please do not hesitate to call me at 485-4252 if you have any questions.



CITY OF CLAREMONT
NORTH CAROLINA

RESOLUTION 17-15

A RESOLUTION AUTHORIZING NORTH CAROLINA INDUSTRIAL DEVELOPMENT
GRANT FUND

BE IT RESOLVED, that a grant from the North Carolina Department of Commerce be made to Claremont, North Carolina for Substance, Inc. project.

BE IT FURTHER RESOLVED, that the City will administer this grant in accordance with the rules and regulations of the Department of Commerce.

BE IT FURTHER RESOLVED, that the City will administer this grant through the City Manager's Office and with assistance from the Western Piedmont Council of Governments.

BE IT FURTHER RESOLVED, that the grant will be monitored quarterly to assure compliance with this proposal and the Department of Commerce regulations.

BE IT FURTHER RESOLVED, that the amount of the grant application will be \$120,975 with a match of no less than 20% or \$40,325.

BE IT FURTHER RESOLVED, that Catherine Renbarger, City Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of Claremont with the State of North Carolina for a grant from the Industrial Development Fund.

BE IT FURTHER RESOLVED, that Catherine Renbarger, City Manager, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

Adopted this 1st day of February 2016.

Shawn R. Brown, Mayor

Attested: _____
Wendy L. Helms, City Clerk

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Elinor Hitzl, City Planner

Action Requested: Call for Public Hearing on Rezoning

On January 25, 2016 the Planning Board recommended rezoning 4883 North Oxford St from Community Business (B-2) to Highway Business (B-3). The applicant's immediate proposal is to sell cars in addition to repairing cars on that property, but in the long term, rezoning the property to B-3 allows motels, big box stores, and other uses that are currently not permitted. The B-3 list of permitted uses is in the attached staff report. Claremont's Comprehensive Plan recommends the change. A copy of the future land use plan which demonstrates that the City intended for almost all of North Oxford Street to become Highway Business is included in the staff report as well. North Oxford Street is appropriate for high-intensity uses because it has a high traffic count and is not residential. The attached staff report was presented at the Planning Board meeting and is attached for reference only.

If Council calls for the public hearing, in mid-February a rezoning sign will be posted on the property and the adjacent owners will be notified of the public hearing.

Recommendation: Call for Public Hearing

March 7, 2016 at 7:00 in Council Chambers

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: Amend 2015-2016 Audit Contract

The original audit contract with Melanie Starr called for an audit completion date of October 31, 2015. However, the audit was not completed until January 29, 2016. The Local Government Commission requires an amended contract be adopted if submitted after the due date. The amended contract is attached, including an explanation from the auditor as to why the submission was delayed. The monetary amount of the contract has not changed. In addition, the City worked closely with the Local Government Commission to inform them of our situation throughout the process. For your reference, the original audit contract is also attached.

Recommendation: Approve Amendment to Audit Contract

Contract to Audit Accounts (cont.)

City of Claremont

Governmental Unit

Discretely Presented Component Units (DPCU) if applicable

Audit Firm Signature:

Melanie M Starr, CPA, PLLC
Name of Audit Firm

By Melanie M Starr, CPA
Authorized Audit firm representative name: Type or print

Signature of authorized audit firm representative

Signature Date

mstarrcpa@charter.net
Email Address of Audit Firm

By
Chair of Audit Committee - Type or print name

**Signature of Audit Committee Chairperson

Signature Date

** If Governmental Unit has no audit committee, mark this section "N/A"

N/A

Governmental Unit Signatures:

City of Claremont
Name of Primary Government

By Shawn R. Brown
Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Signature Date

Date Primary Government Governing Body Approved
Amended Audit Contract - G.S. 159-34(a)

Pre-Audit Certificate to be completed if the Primary Government audit fee is changed in the Amended Contract:

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

By Stephanie Corn, Finance Officer

Primary Governmental Unit Finance Officer:
Type or print name

Primary Government Finance Officer Signature

Date

(Pre-audit Certificate must be dated.)

scorn@cityofclaremont.org
Email Address of Finance Officer

Contract to Audit Accounts (cont.) City of Claremont
Governmental Unit
Discretely Presented Component Units (DPCU) if applicable

**** This page to be completed by Discretely Presented Component Unit named in this Audit contract****

DPCU Governmental Unit Signatures:

Name of Discretely Presented Government

By _____
DPCU Board Chairperson: Type or print name and title

Signature of Chairperson of DPCU governing board

Signature Date _____

By _____
Chair of Audit Committee - Type or print name

Signature of Audit Committee Chairperson **

Signature Date _____

*** If Discretely Presented Government Unit has no audit committee, mark this section "N/A"*

Date DPCU Governing Body Approved Audit Contract - G.S. 159-34(a)

Pre-Audit Certificate to be completed if the DPCU audit fee is changed in the Amended Contract:

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)

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

By _____
DPCU Finance Officer:
Type or print name

DPCU Finance Officer Signature

Date _____
(Pre-audit Certificate must be dated.)

Email Address of Finance Officer

Governmental Unit

Discretely Presented Component Units (DPCU) if applicable

Steps to Completing the Amended Audit Contract

1. **Complete all parts of the Header Information** – Include the audit firm name, Unit name, Discretely Presented Component Unit (DPCU) name if applicable (indicate N/A if not applicable), original contract date, fiscal year end date, and original audit report due date.
2. **Explanation for Amending Audit contract** - Previously we required a separate letter of explanation to accompany amended audit contracts. The explanation is now to be included in the body of the amended audit contract detailing the reason for the extension of time request and the steps the unit and auditor will take to prevent a recurrence of lateness with subsequent year's audits.
3. **Signature Area** – The same people that signed the original audit contract must also sign the amended audit contract. If there has been a change in staff of the person(s) who signed the original audit contract, indicate this in the explanation area of the amended contract. Make sure all applicable signatures are evident and properly dated. NOTE - If the original audit contract named and included auditing a DPCU that is a *Public Authority under the Local Government Budget and Fiscal Control Act*, the Board chairperson (and finance officer if there is a fee change) of the DPCU **must also sign** the amended audit contract in the areas indicated on Page 3.
4. **Governing Board Approval** - Amended audit contracts must ALSO be approved by the Unit's governing board pursuant to G.S. 159-34(a). Indicate this new date on the amended contract under the signatures on Page 2. This includes the date the DPCU governing board approved the amended audit contract (if applicable) on page 3.
5. **Pre-Audit Certificate** is to be completed by the finance officers if there is a change in fee. This should be noted in the explanation.
6. **Reminders:**
 - a. Provide correct email addresses for the audit firm and Unit finance officer as these will be used to communicate official approval of the audit contract.
 - b. Has the name and title of the Mayor or Chairperson of the Unit's Governing Board and the DPCU's Chairperson (if applicable) been typed or legibly printed on the contract and has he/she signed in the correct area directly under the Auditor's signature?
7. **Sending amended audit contract** - After all the signatures have been obtained and the amended audit contract and is complete, please convert the signed contract into PDF form and submit it for LGC approval. Send the amended audit contract using the most current audit contract submission process. The current process will be found at the NC Treasurer's web site at the following link – <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>.

CONTRACT TO AUDIT ACCOUNTS

Of City of Claremont
Primary Governmental Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

On this 1st day of June, 2015,

Auditor: Melanie M. Starr, CPA, PLLC Auditor Mailing Address: 2041 PL Propst Road
Maiden, NC 28650 Hereinafter referred to as The Auditor

and City Council (Governing Board(s)) of City of Claremont
 (Primary Government)
 and N/A: hereinafter referred to as the Governmental Unit(s), agree as follows:
 (Discretely Presented Component Unit)

1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2014, and ending June 30, 2015. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCU's, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated workpapers may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and/or workpapers are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC CPA Board).

County and Multi-County Health Departments: The Office of State Auditor will designate certain programs that have eligibility requirements to be considered major programs in accordance with OMB Circular A-133 for the State of North Carolina. The LGC will notify the auditor and the County and Multi-Health Department of these programs. A County or a Multi-County Health Department may be selected to audit any of these programs as major.

3. If an entity is determined to be a component of another government as defined by the group audit standards - the entity's auditor will make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in *Government*

Governmental Unit

N/A

Discretely Presented Component Unit's (DPCU) if applicable

Auditing Standards. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract (See Item 22). **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to Government Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment..

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: October 31, 2015. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the secretary of the LGC for approval.
7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relates to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC.** (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work must be submitted by email in PDF format to the Secretary of the LGC for approval. The invoices must be sent to: lgc.invoice@nctreasurer.com. Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date will be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. In consideration of the satisfactory performance of the provisions of this contract, the Primary Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. **Fees listed on signature pages.**
10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall include documentation either in the notes to the audited financial statements or as a separate report submitted to the SLGFD along with the audit report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the SLGFD simultaneously with the Governmental Unit's audited financial statements unless otherwise specified in the bond documents.

Governmental Unit

N/A

Discretely Presented Component Unit's (DPCU) if applicable

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include but not be limited to the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the client or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.
12. If the audit firm is required by the NC CPA Board or the Secretary of the LGC to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Governmental Unit will not be billed for the pre-issuance review. The pre-issuance review must be performed **prior** to the completed audit being submitted to the LGC. The pre-issuance report must accompany the audit report upon submission to the LGC.
13. The Auditor shall electronically submit the report of audit to the LGC when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. Any subsequent revisions to these reports must be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings, by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit's financial statements, they should be provided within three days of notification unless another time frame is agreed to by the LGC.

If the OSA designates certain programs to be audited as major programs, as discussed in item #2, a turnaround document and a representation letter addressed to the OSA shall be submitted to the LGC.

The LGC's process for submitting contracts, audit reports and Invoices is subject to change. Auditors should use the submission process in effect at the time of submission. The most current instructions will be found on our website: <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor
15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, signed and dated by all parties and pre-audited if the change includes a change in audit fee. This document and a written explanation of the change must be submitted by email in PDF format to the Secretary of the LGC for approval. The portal address to upload your amended contract and letter of explanation documents is <http://nctreasurer.slgfd.leapfile.net> No change shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.
16. Whenever the Auditor uses an engagement letter with the Governmental Unit, Item #17 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control. Engagement letter terms are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #22 of this contract. Engagement letters containing indemnification clauses will not be approved by the LGC.

Governmental Unit

N/A

Discretely Presented Component Unit's (DPCU) if applicable

17. Special provisions should be limited. Please list any special provisions in an attachment.
18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU must be named along with the parent government on this audit contract. Signatures from the DPCU Board chairman and finance officer also must be included on this contract.
19. The contract must be executed, pre-audited, physically signed by all parties including Governmental Unit and Auditor signatures and submitted in PDF format to the Secretary of the LGC. The current portal address to upload your contractual documents is <http://nctreasurer.slgfd.leapfile.net> Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of February, 2015. These instructions are subject to change. Please check the NC Treasurer's web site at www.nctreasurer.com for the most recent instructions.
20. The contract is not valid until it is approved by the LGC Secretary. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.
21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.
22. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item 16 for clarification).

SIGNATURE PAGES FOLLOW

Contract to Audit Accounts (cont.) City of Claremont
Governmental Unit N/A
Discretely Presented Component Unit's (DPCU) if applicable

City of Claremont - FEES
Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards] _____
Audit \$15,500

Preparation of the annual financial Statements \$2,500
Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.
The 75% cap for interim invoice approval for this audit contract is \$ 13,500
** NA if there is to be no interim billing

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.
Audit Firm Signature:
Melanie M. Starr, CPA, PLLC
Name of Audit Firm
By Melanie M. Starr, CPA
Authorized Audit firm representative name: Type or print
Melanie M. Starr, CPA
Signature of authorized audit firm representative
Date June 1, 2015
mstarrcpa@charter.net
Email Address of Audit Firm

Governmental Unit Signatures:
City of Claremont
Name of Primary Government
By Shawn Brown, Mayor
Mayor / Chairperson: Type or print name and title
Shawn R Brown
Signature of Mayor/Chairperson of governing board
Date June 1, 2015

By N/A
Chair of Audit Committee - Type or print name

Signature of Audit Committee Chairperson
Date _____
** If Governmental Unit has no audit committee, mark this section "N/A"

City of Claremont
PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)
This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.
By Stephanie Corn
Primary Governmental Unit Finance Officer:
Type or print name
Stephanie Corn
Primary Government Finance Officer Signature
Date June 1, 2015
(Pre-audit Certificate must be dated.)
scorn@cityofclaremont.org
Email Address of Finance Officer

Date Primary Government Governing Body Approved Audit Contract - G.S. 159-34(a)
June 1, 2015

Contract to Audit Accounts (cont.) City of Claremont
 Governmental Unit N/A
 Discretely Presented Component Unit's (DPCU) if applicable

**** This page to only be completed by Discretely Presented Component Units ****

N/A FEES
 Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards] _____

Audit

Preparation of the annual financial Statements _____

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is \$ _____
 ** NA if there is to be no interim billing

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

DPCU Governmental Unit Signatures:

N/A
 Name of Discretely Presented Government

By _____
 DPCU Board Chairperson: Type or print name and title

Signature of Chairperson of DPCU governing board

Date _____

By _____
 Chair of Audit Committee - Type or print name

Signature of Audit Committee Chairperson

Date _____

** If Governmental Unit has no audit committee, mark this section "N/A"

N/A

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

By _____

DPCU Finance Officer:

Type or print name

Primary Government Finance Officer Signature

Date _____

(Pre-audit Certificate must be dated.)

Email Address of Finance Officer

Date DPCU Governing Body Approved Audit Contract - G.S. 159-34(a)

Governmental Unit

N/A

Discretely Presented Component Unit's (DPCU) if applicable

Steps to Completing the Audit Contract

1. Complete the Header Information – NEW: If a DPCU is subject to the audit requirements as detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not issued for the DPCU and is to be included in the Primary Government's audit, the DPCU must be named with the parent government on this Audit contract. The Board chairman of the DPCU also must sign the Audit contract.
2. Item No. 1 – Complete the period covered by the audit
3. Item No. 6 – Fill in the audit due date. For Governmental Unit (s), the contract due date can be no later than 4 months after the end of the fiscal year, even though amended contracts may not be required until a later date.
4. Item No. 8 – if the process for invoice approval instructions changed, the Auditor should make sure he and his administrative staff are familiar with the current process. Instructions for each process can be found at the following link. <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>
5. Item No. 9 – NEW: Please note that the fee section has been moved to the signature pages, Pages 5 & 6.
6. Item No. 16 – If there is a reference to an engagement letter or other document (ex: Addendum), has the engagement letter or other document been acknowledged by the Governmental Unit and attached to the contract submitted to the SLGFD?
 - a. Do the terms and fees specified in the engagement letter agree with the Audit contract? *"In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control."*
 - b. Does the engagement letter contain an indemnification clause? **The audit contract will not be approved if there is an indemnification clause – refer to LGC Memo # 986.**
7. Complete the fee section for BOTH the Primary Government and the DPCU (if applicable) on the signature pages, please note:
 - The cap on interim payments is 75% of the current audit fee for services rendered if the contracted fee amount is a fixed amount. If any part of the fee is variable, interim payments are limited to 75% of the prior year's total audit fee. If the contract fee is partially variable, we will compare the authorized interim payment on the contract to 75% of last year's actual approved total audit fee amount according to our records. There is a report of audit fees paid by each governmental unit on our web site: <https://www.nctreasurer.com/slg/Pages/Non-Audit-Services-and-Audit-Fees.aspx> - Auditors and Audit Fees.
Please call or email Steven Holmberg of our office at 919-807-2394 steven.holmberg@nctreasurer.com if you have any questions about the fees on this list.
 - For variable fees for services, are the hourly rates or other rates clearly stated in detail? If issued separately in an addendum, has the separate page been acknowledged in writing by the Governmental Unit?

Governmental Unit

N/A

Discretely Presented Component Unit's (DPCU) if applicable

- For fees for services that are a combination of fixed and variable fees, are the services to be provided for the fixed portion of the fee clearly stated? Are the hourly rates or other rates clearly stated for the variable portion of the fee? See previous bullet point regarding variable fees.
 - If there is to be no interim billing, please indicate N/A instead of leaving the line blank.
8. Signature Area – There are now 2 Signature Pages: one for the Primary Government and one for the DPCU. Send the page(s) that are applicable to your Unit of Government. Make sure all signatures have been obtained, and properly dated. **The contract must be approved by Governing Boards pursuant to G.S. 159-34(a), NEW** - If this contract includes auditing a DPCU that is a Public Authority under the Local Government Budget and Fiscal Control Act it must be named in this Audit contract and the Board chairperson of the DPCU **must also sign** the Audit contract in the area indicated. If the DPCU has a separate Audit, a separate Audit contract is required for the DPCU.
 9. Please place the date the Unit's Governing Board and the DPCU's governing Board (if applicable) approved the audit contract in the space provided.
 - a. Please make sure that you provide email addresses for the audit firm and finance officer as these will be used to communicate official approval of the contract.
 - b. Has the pre-audit certificate for the Primary Government (and the DPCU if applicable) been signed and dated by the appropriate party?
 - c. Has the name and title of the Mayor or Chairperson of the Unit's Governing Board and the DPCU's Chairperson (if applicable) been typed or printed on the contract and has he/she signed in the correct area directly under the Auditor's signature?
 10. If the Auditor is performing an audit under the yellow book or single audit rules, has year-end bookkeeping assistance been limited to those areas permitted under the revised GAO Independence Standards? Although not required, we encourage Governmental Units and Auditors to disclose the nature of these services in the contract or an engagement letter. Fees for these services should be shown in the space indicated on the applicable signature page(s) of the contract.
 11. Has the most recently issued peer review report for the audit firm been included with the contract? This is required if the audit firm has received a new peer review report that has not yet been forwarded to us. The audit firm is only required to send the most current Peer Review report to us once – not multiple times.
 12. After all the signatures have been obtained and the contract and is complete, please convert the contract and all other supporting documentation to be submitted for approval into a PDF copy. Peer Review Reports should be submitted in a separate PDF file. These documents should be submitted using the most current submission process which can be obtained at the NC Treasurer's web site – <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>.

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Michael Orders, Parks and Recreation Coordinator

Action Requested: Information only; No action Requested

This presentation will review the Comprehensive Parks and Recreation Plan originally presented to Council in March of 2014 by the Western Piedmont Council of Governments and the City of Claremont Parks and Recreation Committee and solicit direction from Council. A copy of the Parks and Recreation Plan is attached.

Recommendation: Information only; No action Requested

City of Claremont Comprehensive Parks and Recreation Plan



March 2014

City of Claremont Comprehensive Parks and Recreation Plan

Prepared for:

City of Claremont

Prepared by:

**Western Piedmont Council of Governments
Samuel W. Erwin, Environmental Administrator**

March 2014

City of Claremont
Comprehensive Parks and Recreation Plan

Contents

I.	Introduction	Page
	Section Overview	1
	Claremont Recreation Background	2
	Methodology	2
	Acknowledgements	3
II.	Demographics	
	Section Overview	4
	Demographics	5
III.	Public Input	
	Section Overview	7
	Background	8
	Recreation Committee	8
	Survey	8
	Focus Group Meetings	16
	Summary	18
IV.	Existing Facilities	
	Section Overview	19

	Claremont Park	20
	Other Facilities	24
V.	Site Plans	
	Section Overview	26
	Exhibit 1, Claremont Park Recommendations	27
VI.	Future Parks and Facilities	
	Section Overview	28
	White Oak Area	29
	Small Neighborhood Park	29
	Multi-Purpose Recreation Building	30
	Create Southern Greenway	31
VII.	Cost Estimate	
	Section Overview	32
	Background	33
	Cost Estimate	33
VIII.	Recommendations	
	Section Overview	36
	Short Term Recommendation	37
	Intermediate Recommendations	38
	Long Term Recommendations	38
IX.	Appendix	
	Section Overview	39

Adopt-A-Park	40
Funding and Resource Guide	41

Tables

1. Population Change (2000-2010)	5
2. Claremont Population Change Age Groups (2000-2010)	5

Exhibits

1. Claremont Park Recommendations	27
-----------------------------------	----

Section I Introduction

Section Overview

Background

Methodology

Acknowledgements

City of Claremont

Comprehensive Parks and Recreation Plan

I. Introduction

Background

The City of Claremont is a small city located in Catawba County and the Piedmont region of North Carolina. The City has been involved with and supported recreation since the creation of City Park which is located on Main Street and adjacent to Claremont Elementary School. Over the years, the City has expanded and added facilities to City Park and continues to sponsor events at the park. In 2006, the City received a Parks and Recreation Trust Fund grant which provided funding assistance to renovate several facilities as well as purchase new playground equipment. In the past, the City has also been involved with Frances Sigman park located in the southern part of the City.



Entrance Claremont Park

Recently, the City began looking at the future of recreation. Since City Park has limited space for future facilities, the City felt it may have to look at other areas for future facilities. Claremont has never had a recreation plan and city leaders wanted to plan a future course as well as get input from its citizens as to what recreation facilities and activities they would like to see in the future. In 2013, the City contracted with the Western Piedmont Council of Governments to develop a comprehensive city-wide plan that could serve as a blue print for renovation and development over the next 15 years. A key element of the plan would be citizen input. WPCOG staff worked with both City staff and the Recreation Committee on the development of the plan.

Methodology

The City realized that for this plan to be successful public input would be needed. During the development of the plan, the project team met with City staff and attended several meetings of the Recreation Committee. A city-wide survey was developed and

there were 77 responses to the survey. In addition, two advertised focus group meetings were conducted to determine what facilities needed to be addressed and the priority for development or renovation.

Acknowledgments

Doug Barrick – Claremont City Manager

Jessica Miller – Claremont Recreation Coordinator

Claremont Recreation Committee – Henry Helton, Tim Lowrance, Kendra Hedrick, Danny Hedrick, Susan Tucker, Mason Beard, Lisa Travis, Cole Travis and Angie Sigmon

Claremont City Planner – Laurie Locicero

Western Piedmont Council of Governments – Scott Miller

Section II Demographics

Section Overview

This section of the study looks at the City's growth from 2000 to 2010 and compares it to other governmental units. It also looks at age groups in Claremont that have population increases and which groups have population decreases.

II. Demographics

The population in the City of Claremont in 2010 was 1,352 and in 2000 it was 1,038. This represents an increase of 30.3%. During the same period, Catawba County where Claremont is located increased 8.9% and the population in North Carolina increased 18.5%

**Table 1
Population Change (2000-2010)**

Place	2000	2010	Change 2000-2010	% Increase 2000-2010
Claremont	1,038	1,352	314	30.3
Catawba Co.	141,685	154,358	12,673	8.9
Hickory MSA	341,851	365,497	23,646	6.9
N. Carolina	8,049,313	9,535,483	1,486,170	18.5
U.S.A	281,421,900	308,745,538	27,323,638	9.7

From 2000 to 2010, the largest increase in age groups was from 60 and over which showed an increase of 150 people. On the other hand, from 2000 to 2010, for ages 45-59 there was an increase of only 24 people. All age groups showed an increase in population from 2000 to 2010. These statistics show that the City of Claremont has had an increase in older people many of whom are retired.

**Table 2
Claremont Population Change Age Groups (2000-2010)**

Age Group	2000	2010	Change + or (-)
Under 10	121	172	51
10-19	117	148	31
20-44	392	450	58
45-59	269	293	24
60 and Over	139	289	150

The tables show that Claremont is a growing City with a senior population that is growing. The age group that showed the largest increase from 2000 to 2010 was 60 and over

which showed an increase of 150 people. With this increase in senior population, Claremont should focus some new recreational activities for this group.

Section III Public Input

Section Overview

This section of the study looks at how Claremont involved a broad range and representative number of citizens in preparing the plan.

Background

Claremont Park Advisory Committee

Survey

Focus Group Meetings

Summary

III. Public Input

Background

The City of Claremont realized that a key component of a successful plan was to have public input. The project team developed a two page survey that was distributed city wide asking the citizens pertinent questions regarding current and future recreation in the City. There were 77 responses to the survey.

Two pre-pre-advertised focus group meetings were held by the City in November 2013. The input gathered from citizens attending was used to determine priorities for development and renovation at the existing park and for development at future parks.

Recreation Committee

Throughout the project, the project team worked with the Recreation Committee, a committee of citizens appointed by the City. The committee evaluates current policies and makes recommendations for recreation policies and issues in the City.

The project team met five times during the project with the Committee. At the meetings, the schedule was reviewed and project elements were discussed. The Committee reviewed recommendations for the existing park and gave input regarding park land and facilities needed for future facilities.

Survey

In October 2013, the project team developed a two page survey to be distributed in Claremont which asked for citizen preferences to activities at the park, facilities and other recreation issues. The City distributed the survey and seventy seven people responded. The survey and results can be seen on the following pages.

City of Claremont Recreation Survey

Thank you for taking the time to complete this important survey. Please check the response that most closely matches your opinion. **YOUR RESPONSES ARE CONFIDENTIAL.** Please return the survey to the office at the Claremont City Hall by **October 23, 2013**

1. How many persons living in your household (counting yourself) are?

Under age 10 _____ Age 25-34 _____ Age 55-64 _____
 Age 10-19 _____ Age 35-44 _____ Age 65-74 _____
 Age 20-24 _____ Age 45-54 _____ Age 75+ _____

2. Do you live in the City of Claremont?

Yes _____ No _____

3. Overall, how would you rate the physical condition of Claremont Park?

(1) Excellent _____ (3) _____
 (2) Good _____ (4) _____

4. Please check ALL the ways you learn about parks and recreation activities?

(1) Newspaper _____ (5) Flyers and brochures _____
 (2) Radio _____ (6) Website _____
 (3) From Friends and neighbors _____ (7) Social Media _____
 (4) City Newsletter _____ (8) Other _____

5. What facilities have you used at the park: Please list.

6. Following are a potential repair/improvements that could be made at the park.

Please indicate the facilities listed below that you would SUPPORT being developed or renovated at the park by checking the column beside the name.

City Park

Resurface Walking Area	
More Playground Equipment	
Update Tennis Courts	

Dedicated Basketball Court	
Renovate Stage	
Other	

7. Which new park areas or facilities would you support

Develop a multi-purpose sports field	
Develop new multi-purpose facility	
Develop more walking trails/greenway	
Other – please list	

8. Any other suggestions for facilities or improvements not listed:

9. In priority, list four facilities and their desired locations that you would be willing to support with tax dollars.

10. The costs to build, renovate and operate facilities over and above the availability of grants and donations should be paid for by:

- (1) Property Taxes _____
- (2) User Fees _____
- (3) Sales Taxes _____

11. Would you be interested in attending any community meetings regarding future recreation in Claremont? If yes, please list contact information.

City of Claremont Recreation Survey Results

A Recreation Survey was recently completed in the City of Valdese with 74 people responding to the survey. The results to the questions are shown below:

1. How many persons living in your household (counting yourself are:)

1) Under Age 10	26
2) Age 10-19	25
3) Age 35-44	23
4) Age 55-64	19
5) Age 25-34	14
Age 45-54	14
7) Age 65-74	10
8) Age 75+	7
9) Age 20-24	5

answered question 72

skipped question 2

2. Do you live in the City of Claremont?

1) Yes	59
2) No	15

answered question 59

skipped question 15

3. Overall, how would you rate the physical condition of Claremont Park?

1) Good	44
2) Fair	17
3) Excellent	9
4) Poor	0

answered question 70

skipped question 4

4. Please check ALL the ways you learn about parks and recreation activities?

1) City newsletter	49
2) From friends and neighbors	37
3) Social media	29
4) Newspaper	25
5) Flyers and brochures	18
6) Website	14

Other	14
8) Radio	6

Answered question 72

Skipped question 2

5. What facilities have you used at the park? Please list:

1) Playground	40
2) Walking track	39
3) Picnic shelter (picnicking)	28
4) Tennis courts	12
5) Amphitheater (stage)	6
6) Restrooms	5
7) None	4
8) All areas	3
9) Community activities	1
Movies in park	1
Basketball	1
Tennis courts for skateboarding	1
Church events	1
Multi-purpose facility	1
Benches	1
Creek	1
Sand Box	1
Pool in 1960's	1

Answered question 63

Skipped question 11

6. The following are potential repair/improvements that could be made at the park. Please indicate the facilities listed below that you would support being developed or renovated at the park by checking the column beside the name.

1) More playground equipment	39
2) Resurface walking area	35
3) Renovate stage	26
4) Dedicated basketball court	22
5) Update tennis courts	17
6) Other (please specify)	13
-Additional shelters	
-Level playing area	

- Clean/update bathrooms and grills
- Redouble effort to label trees/wildlife billboard etc.
- Frisbee golf
- They need updated grills, updated landscaping, the walking track needs updated bad, it needs to be more level for those that are unable to walk up or down hills, also folks like to push strollers and wagons, if money available, a community building, community pool would be great.
- Having some playground equipment enclosed for the safety of younger kids
- Dog park for little dogs
- Water pad
- Refinish tables
- Water feature
- Playground equipment for special needs children
- Better lighting for walking path

Answered question 58
 Skipped question 16

7. Which new park areas or facilities would you support?

- | | |
|---|----|
| 1) Develop more walking trails/greenway | 42 |
| 2) Develop new multi-purpose facility | 25 |
| 3) Develop a multi-purpose sports field | 19 |
| 4) Other (please specify) | 13 |

- Bike Trail
- More play equipment/better restrooms
- Disk golf course
- Make law when walking dogs to pick up dogs mess
- Racquet ball court
- Frances Sigmon park
- Dog park
- Greenway for bicycle path
- Something like a YMCA
- Field used for Claremont Days too, plus other parts of the park
- Pool
- Dog park
- Skateboarding Ramps and rails

Answered question 55
 Skipped question 19

8. Any other suggestions for facilities or improvements not listed.

- Water park with splash pad
- Bike trail and more lights
- Update with more variety of play equipment for all kid, update restrooms
- Merge park and school areas for more use
- Install sidewalk on Centennial Blvd.
- Update current baseball field behind school
- Better maintain park
- Sidewalks in front of school should be cleared of limbs
- Update Francis Sigmon Park
- Develop youth recreation program
- Update park. Park is too hilly
- Pedestrian improvements for Main Street
- Develop walking trails along sewer right-of-ways
- Look for other areas in town for park
- Splash pad at City park, walking trail at White Oak Park, kids playground equipment at Oak Park, park bridge over creek at White Oak Park
- Sidewalks
- Repair sidewalks on Catawba Street Flowering trees
- City pool
- Leave trees in park, consider a wooden play structure
- More things to involve areas like Catfish and Bunker Hill
- Splash pad for kids
- Activity areas for children 6 to 12 years old
- Water feature, remove old junk, grade a level playing area just grass, put playgrounds In one area.
- Skateboarding
- Have on recreation building
- Update restrooms
- Build a bathroom and concession area for the old ball park

Answered question 27

Skipped question 47

9. In priority, list four facilities and their desired locations that you would be willing to support with tax dollars.

- | | |
|--|----|
| 1) Walking trails/Greenway | 34 |
| 2) Multi-purpose facility/Community Center | 24 |
| 3) Playground equipment/Playgrounds | 18 |

4) Frances Sigmon Park	16
5) Multi-purpose sports field	14
6) Basketball	13
Claremont Park/Update City Park	13
8) Swimming pool	9
Tennis courts/City Park	7
Update City Park	7
White Oak Park	7
12) Lighting in park	5
13) None	4
Senior friendly walking trails	4
Equipment	4
Create Recreation Department	4
Create youth sports program	4
Update lights and trees on main street	4
19) Sidewalks	3
If town grows expand facilities	3
Update street signs	3
Amphitheater with seating	3
23) Green space	2
Stage	2
Renovate railroad track near Claremont Hardware	2
Fitness Trail	2
27) Better signage	1
Update restrooms	1
Public art	1

Answered question 34

Skipped question 40

10. The cost to build, renovate and operate facilities over and above the availability of grants and donations should be paid for by:

1) User fees	31
2) Property taxes	30
3) Sales Taxes	23
4) Other (please specify)	9

-Rather have curbside P/U over parks

-Increased taxes and user fees should both be affordable

-Donations

- Find a way we pay enough
- Depends on what you build
- Taxes are too high now
- Up taxes on all the companies in town
- All depends
- Taxes already too high

Answered question 57
 Skipped question 17

11. Would you be interested in attending any community meetings regarding future recreation in Claremont? If yes, please provide your contact information.

- 1) Yes 18
- 2) No 0

Answered question 18
 Skipped question 56

As can be seen from the survey, the three most popular facilities that citizens have used at the park are playground, walking track and picnic shelter (picnicking). The three most popular facilities at the park that citizens would support renovating or developing would be more playground equipment, resurface walking area and renovating the stage. The three new park areas or facilities that citizens would support are more walking trails/greenway, develop new multi-purpose facility and develop multi-purpose sports field. In priority, citizens felt that they would be more willing to support with tax dollars; walking trails/greenway, multi-purpose facility/community center, playground equipment/playgrounds and improvements to Frances Sigmon Park. Citizens also felt that the cost to build, renovate and operate facilities should be paid for by user fees and property taxes. Citizens also felt that the Claremont Park was in good condition. It is apparent from the survey, that citizens would like more walking trails/greenways and a multi-purpose building.

Focus Group Meetings

As a further way to gather public input, two pre-advertised public focus group meetings were conducted by the City. Both of the meetings were held on November 15, 2013. At each of the meetings, the project team updated the audience on the plan, reviewed the survey results and led discussion among the participants on what programs and facilities they would

like to see in Claremont. There were a total of 11 participants for the meetings. Programs and facilities discussed at the two meetings are listed below:

- Work with YMCA on program youth sports
- Develop an agreement with School for sports facilities including indoor basketball
- Install a basketball court at Park
- Develop a fitness trail at Park
- Install a vending machine at park
- Develop a disc golf course at park and possibly on school property
- Install a splash pad at park
- Install a misting room at park
- Install a mini zip line at park
- There was considerable discussion on additional playground equipment needed at park. The following types of playground equipment were discussed.
 1. Tether Ball
 2. Various types of climbing walls were discussed including a 7' wall.
 3. Large see-saw
 4. Flywheel
 5. Dino Climber
 6. Pod Bridge
 7. Swinging steps playground equipment
 8. Replace adult swing and slide
 9. Tire swing
 10. Balance beam
- There was considerable discussion about the City working with local girl scouts for the selection of future playground equipment.
- There was discussion on the need for more hiking trails in the City. The proposed Carolina Thread greenway plan for Claremont was discussed and reviewed.
- The City should be more active with holiday celebrations
- Develop geocaching at the park and other locations in the city.
- There was discussion on the City finding developing a building which would have multi-purpose rooms for activities such as exercise classes, yoga and classroom programs. The City could construct a building or try to find a vacant building which could be renovated.
- Develop a silver sneakers program for older adults in Claremont similar to other programs in the County.
- Construct a bridge across the creek at the property the City owns at White Oak.
- Construct a dog park at the property the City owns at White Oak

Summary

From the input gathered from the survey and focus group meetings, it appears that there are several facilities that the citizens would like to continue supporting. On both the survey and the focus group meetings, more playground equipment was mentioned. Also, the City should consider working with the Girl Scouts on selection of the equipment installed. The Girl Scouts were consulted when the City last purchased playground equipment in 2006. The citizens want to see more walking trails/greenways. The walking track at Claremont Park is very popular but needs some maintenance for it to continue to be in good condition. The citizens like the potential that the Carolina Thread Trail has for the city and the connect ability to other public facilities. Fitness equipment and a place for citizens to exercise was one of the top potential facilities mentioned. Everyone seemed to like the concept of a multi-purpose building which would have a large exercise room, meeting rooms and restrooms.

Section IV Existing Facilities

Section Overview

This section of the study looks at the existing Claremont Park located in Claremont. The park and land are owned and maintained by the City of Claremont. Observations and recommendations from the study follow are listed below. The existing facilities were reviewed to avoid unnecessary duplication for future facilities at the park and to recommend renovations as necessary. The recommendations are broken down into three phases. These are short term (1-5) years, intermediate (6-10) years and long term (11-15 years). This section is broken down into the following:

Claremont Park

Other Facilities

IV. Existing Facilities

Claremont Park

The Town Park is an older park built in 1987 and located near downtown Claremont on Main Street and is adjacent to Claremont Elementary School. It is owned and maintained by the City of Claremont. The park is well used and was renovated with a Parks and Recreation Trust Fund (PARTF) grant in 2006 which provided renovation to several of the facilities in addition to new playground equipment. Current uses at the park include tennis, walking, picnicking, amphitheater and playground equipment.

RECOMMENDATIONS:

SHORT-TERM PHASE

As previously mentioned the park has been in existence for many years. There are some renovations and updates that are needed to keep it in good condition and up to current standards. Several new facilities are recommended that would bring new activities to the park and city.

- 1) REFURBISH WALKING TRACK Although the track was refurbished in 2006 with a PARTF grant there are sections of the trail where there are cracks. The cracks need to be filled and the entire track needs to be resealed.
- 2) REFURBISH ONE TENNIS COURT There are two tennis courts in the park. One tennis court should be converted to a full court basketball court and the other should be refurbished. The courts were renovated in 2006 as part of the PARTF grant. There are some cracks on the courts that need to be fixed in order to keep the courts in good condition.
- 3) REPAIR WATER FOUNTAIN The water fountain was installed at the park several years ago and has not worked. The fountain either needs to be repaired or removed.



Existing Tennis Courts

- 4) REMOVE OLD METAL SLIDING BOARD The old metal sliding board in the playground area does not have handrails and does not meet the current safety standards. It could also be a liability issue for the City. The slide should be removed and replaced with a functional safe piece of playground equipment.



Old Sliding Board

- 5) REFURBISH PLAYGROUND AREA The fall zones that surround the existing playground equipment need rehabilitating. In many spots, there is not enough mulch to soften the impact from youth falling from existing equipment. Rubber mulch is currently used and this should be continued since it has a longer life than wooden mulch and in the long run will result in less maintenance.

- 6) DEMOLISH AMPHITHEATER/GRADE AREA AND REPLACE WITH GAZEBO/MULTI-PURPOSE



Existing Amphitheater

FIELD. The amphitheater at the lower end of the park gets a lot of use particularly in the summer with the outdoor movies. The amphitheater was renovated with the PARTF grant in 2006 but it needs extensive renovation. Also, the area surrounding the amphitheater is uneven and needs to be graded to a level position. The City should demolish amphitheater and grade the area near

where the amphitheater is currently located. This graded area could also serve as a multi-purpose field for certain activities such as unorganized football. The graded area where the multi-purpose field would be located would also make it more suitable for events and provide a better area for seating. In addition, the City should construct a gazebo which could be used for events such as movies and could be more functional than the old amphitheater. The City should consider constructing the gazebo with composite materials that would have a longer life than wooden components.

- 7) NEW PLAYGROUND EQUIPMENT To keep the playground popular with kids, new playground equipment is needed. Examples of equipment that were mentioned at the Public Meetings include climbing wall, large see-saw, dino climber and flywheel. The City should continue to use the Girl Scouts to help in the selection of playground equipment.

8) **ENLARGE CAMPING AREA FOR ORGANIZED GROUPS** Over the years, there has been interest in developing a camping area on the undeveloped north side of the creek and park. In recent years, the City has worked with the Scouts to develop a camping area for organized groups and some improvements have already occurred such as tent pads and cooking area. Other improvements needed would be clearing, more camping areas and cooking areas. The groups could use the parks existing restrooms. This would be a joint venture between the scouts and the City.

9) **CONSTRUCT SEGMENT OF CAROLINA THREAD TRAIL ADJACENT CREEK TO BUNKER HILL COVERED BRIDGE AREA.** Catawba County and the City of Claremont are a part of the Carolina Thread Trail which when completed will cover 15 counties in North and South Carolina. The City was an active participant in the Catawba County Greenway Plan which was funded by the Carolina Thread Trail. From the plan, there were numerous priorities and priority #5



Existing Carolina Thread Trail in Newton

was to construct a trail from Claremont City Hall to the Bunker Hill Covered Bridge. This trail would be a segment of the Lyle Creek Corridor and would ultimately go from the Claremont City Hall to the Town of Catawba. The trail would go through the park to connect to City Hall. The City is working with Catawba County on planning the proposed trail and at the present time a route has not yet been determined.

10) **CREATE NEW PARKING AREA (8 Spaces)** Because of the popularity of the park, there are times when overflow parking is needed. There is an area above the picnic shelter and adjacent to the school property that is fairly flat and could be used for extra parking for up to 8 vehicles. In the future, if the City and School are able to do joint recreation ventures such as disc golf and a ballfield, the extra parking spaces would be convenient for users. The parking spaces could be graveled initially and in the future they could be paved.

11) RENOVATE/ENLARGE RESTROOMS TO INCLUDE CONCESSION/VENDING/ADD STORAGE

The current restrooms have not been updated in recent years and need to be renovated and enlarged. The current structure and location allows for expansion. There has been



Existing Restrooms

interest expressed in having a concession/vending area in the park for special events such as family movie night. An addition could be made to the current restroom facility for items that are used at the park. Having a storage facility at the park for items that are used only at the park would be convenient and more efficient for the upkeep of the park.

- 12) CONVERT TENNIS COURT TO FULL COURT BASKETBALL COURT From the survey and input from the focus group meetings, citizens want to see an outdoor basketball court in the city. Because of terrain challenges and limited additional space at the park for a court, the City should look at converting one of the existing tennis courts to a full court basketball court. By using the existing court, the City could lower costs since the area is already graded and concrete and a fence exists around the court. The other tennis court would continue to be used for tennis.

RECOMMENDATIONS:

INTERMEDIATE PHASE

- 1) POTENTIAL JOINT VENTURE WITH COUNTY SCHOOL SYSTEM The existing park is adjacent to Claremont Elementary School and there are numerous potential joint recreation opportunities that could benefit both the City and School. The City and School system should meet in the future to examine recreation opportunities that could benefit each entity.

- 2) POTENTIAL JOINT VENTURE WITH SCHOOL TO DEVELOP 9-HOLE DISC GOLF COURSE Disc golf is a recreation activity that is growing in popularity at parks across the region and the state. It can be enjoyed by young and old. In Caldwell County, the Town of Sawmills has recently developed an 18-hole course at Veterans Park and the Town of Hudson is developing a course at Redwood Park. In Burke County, there are three courses at Hildebran Town Park, Bethel Park and Catawba Meadows Park. Disc golf courses are fairly inexpensive to construct and in many cases vendors will assist with the design and costs. The largest expense is for the pads and baskets. Many parks are

finding that areas they thought were undevelopable are great locations for courses. Typical courses in the region have 9 and 18 holes. The size of the course is dependent



Typical Disc Golf Basket

on the amount of land available and terrain. The City of Claremont should explore a potential joint venture with Claremont Elementary School to develop a 9 hole course on property owned by the City and the Catawba County Schools. The course would be located near the northern edge of the park along the creek. Such a project could benefit both entities.

- 3) **POTENTIAL JOINT VENTURE WITH SCHOOL TO USE BALLFIELD** From the survey and public meetings, there was interest expressed in the City developing a ballfield. There are very few large parcels of property in the City that would be suitable for the development of a ballfield. There is an existing ballfield at Claremont Elementary School adjacent to the park. The City should look at potential joint venture with the school to use the ballfield. This could benefit the schools in that they would have assistance from the City to update the ballfield and with maintenance. The joint venture would benefit the City in that they would not have to acquire suitable property to construct a ballfield. The ballfield would be for unorganized leagues and games. Having organized leagues would require the City to hire a person to program the leagues and games. If the City would like to see organized leagues, an alternative would be to work with the Catawba County YMCA,

- 4) **POTENTIAL JOINT VENTURE WITH SCHOOL TO DEVELOP WALKING TRAIL TO BALLFIELD** The construction of the trail would be dependent on the City and School working out an agreement for joint usage of the ballfield. If this occurs, a simple natural surface trail could be constructed from the proposed additional parking lot to the ballfield approximately 400 feet. In the future, the trail could be paved.

Other Facilities

There are other facilities in the City that are not operated or maintained by the City but provide recreation activities to the public.

These are as follows:

1) St. Marks Lutheran Church

St. Marks Lutheran Church in Claremont has a large family life center which can seat more people than any other facility in the city. The center is used for large community events.

2) First Baptist Church

First Baptist Church in Claremont is similar to St. Marks Lutheran Church in that they have a meeting room smaller than the Lutheran Church. The Church is also used for community meetings specifically senior breakfast meetings.

Section V Site Plans

Section Overview

This section looks at the recommended renovations and development for Claremont Park. The proposed renovations and development are shown on the map for the park. Also, listed are future park facilities at locations that have not yet been determined.

Exhibit 1, Claremont Park - Recommendations



City of Claremont

COMPREHENSIVE PARKS and RECREATION PLAN

Exhibit 1

Recommendations

-  (Years 1-5) **Short Term Recommendations**
-  (Years 6-10) **Intermediate Term Recommendations**
-  (Years 6-10) **Long Term Recommendations**
-  **Park Boundary**

Other intermediate recommendations outside of Claremont Park include:

- White Oak Area Park
- Small Neighborhood Park
(Locations not yet determined)

Long term recommendations are outside of Claremont Park and include:

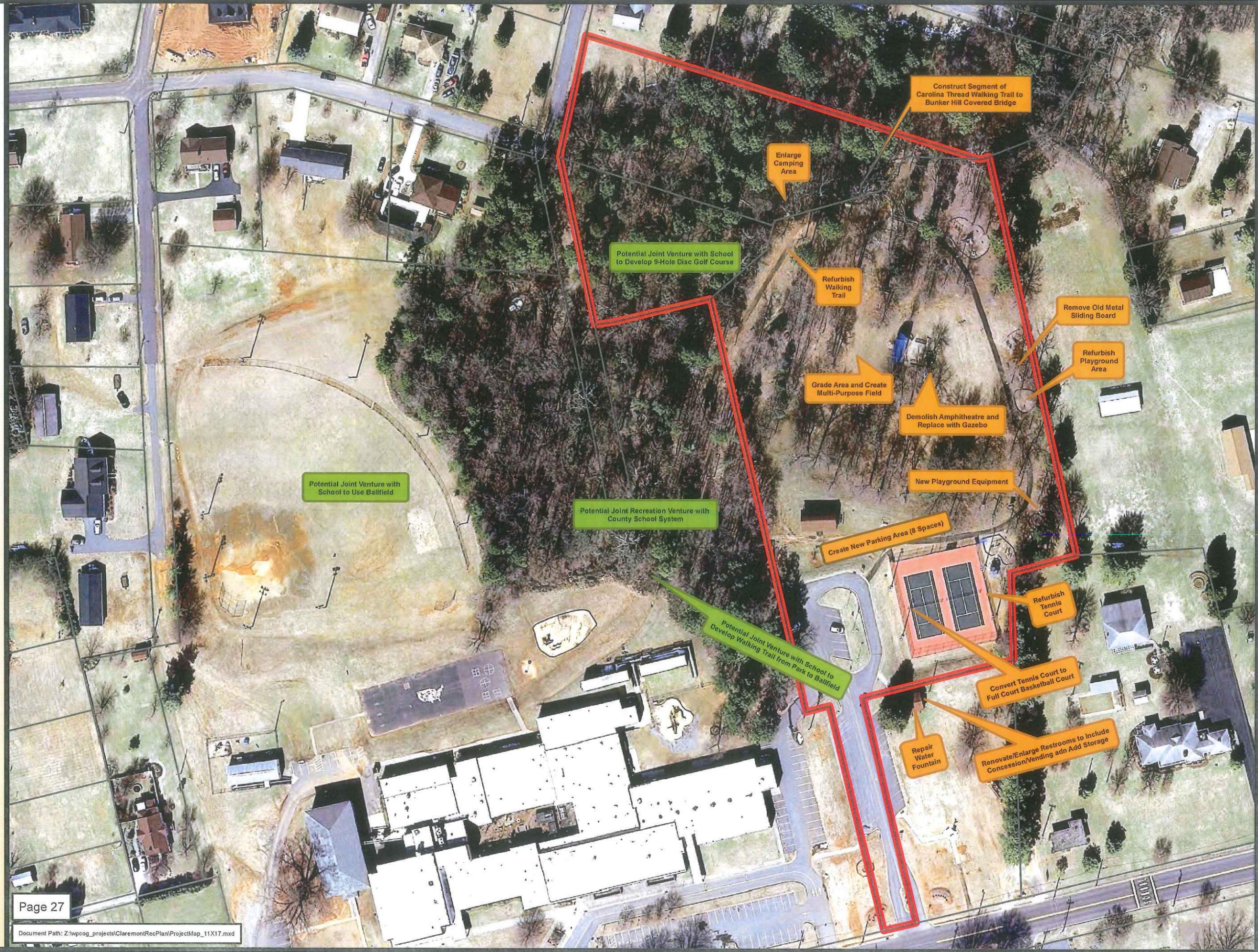
- Multi-Purpose Recreation Building
(Location not yet determined)
- Southern Greenway
(Location not yet determined)



0 100 200
Feet



This map was created on March 28, 2014 by the Western Piedmont Council of Governments, Hickory, NC using the latest data from the Catawba County GIS.



Section VI Future Parks and Facilities

Section Overview

This section looks at new parks and facilities the City will need in the future. These would be located outside of Claremont Park. In all cases the locations for the parks and facilities are not known at the present time.

White Oak Area

Small Neighborhood Park

Multi-Purpose Building

Southern Greenway

VI. Future Parks and Facilities

White Oak Park Area

During the survey and focus group meeting, there was interest expressed in the development of a small passive recreation park in the White Oak area of the City. The project could be a joint venture of the City and citizens that live in the White Oak area. The city currently owns a small tract of property in the area that could be used.

RECOMMENDATIONS

INTERMEDIATE PHASE

- Construct a small bridge/culvert

The small tract of property owned by the city has a small stream that runs through the property. In order for the site to be fully utilized, there must be a way to cross the creek. Depending on the location, either a small bridge or a culvert needs to be constructed. The City could look for a volunteer group such as the Boy Scouts to assist with project since they completed a similar project in the City Park crossing the creek to the camping area.

- Construct a walking trail

A 1,000 foot long walking trail could be built on the parcel that would follow the Property lines and cross the creek. The trail would be natural surface and would follow the contours of the terrain. The City and the citizens of the White Oak area could work together to complete the trail. Depending on the popularity and trail usage, it could be paved in the future.

Small Neighborhood Park

Interest was expressed on building a small neighborhood park in a residential area of Claremont in the future. The park would be family oriented and would consist of facilities that were easy to maintain. At the present time, a location has not been selected for the small neighborhood park.

RECOMMENDATIONS

INTERMEDIATE PHASE

- Install playground equipment

Playground equipment could be installed at the neighborhood park. The equipment Selected would be dependent on the age of the user group. The City should look to an organization such as the girl scouts for assistance in the selection of the equipment since they would know the latest trends and popularity in playground equipment. The equipment should have adequate fall zones with material such as mulch to cushion impact from users.

- Construct a picnic shelter

A picnic shelter would be an excellent complimentary facility to construct with the playground equipment. This would allow families to venture to the park and have a meal while the kids play. The size of the shelter should be dependent on the size of the neighborhood to be served. A typical size is 16' x 24' and would include picnic tables and grill. It would be similar to the shelter at City Park.

Construct a New or Renovate Existing Building into a Multi-Purpose Building

During the focus group meetings and from the results of the survey, there was interest expressed in the City having a multi-purpose facility that could host meetings, have an exercise room with equipment and have space for such activities as yoga or fitness classes. As the population of Claremont becomes older, this type of facility will be needed.

RECOMMENDATIONS

LONG TERM PHASE

- Construct a new or renovate existing building into a multi-purpose building



Typical Exercise Room

In the future, the City should find land and construct a multi-purpose building dedicated For recreation or if any vacant building becomes available that would be suitable they should renovate into a multi-purpose building. Local governments in the region either have or are constructing such facilities. The Town of Hudson is constructing an addition to their Recreation Center that would include a meeting room, fitness room and restrooms. The dimensions of the building are 40' x 108'. There are no uniform

dimensions for such building. There is no space at the current Claremont Park for such a structure.

Southern Greenway

More walking trails are a recreation activity that the citizens for Claremont expressed a desire for on the survey and during the focus group meetings. A greenway could be constructed that would connect the downtown area of Claremont with Frances Sigman Park area.

RECOMMENDATIONS

LONG TERM PHASE

- Construct a greenway in the southern part of the city.

In the future, the City should look at constructing a greenway from the downtown District going south to Frances Sigman Park. The greenway would begin near South Depot Street and cross the railroad tracks and go south along Bethany Church Road to Keisler Dairy Road and to the park. Along the way, there could be spurs to areas such as White Oak. The greenway would be several miles in length at a minimum and could be longer depending how many spurs were constructed. The cost at this point would be hard to determine since a definite route has not yet been determined and it is not known whether the trail will be paved or natural surface. Since Depot Street is near the City Hall which is part of the planned corridor, the southern greenway section of trail could be certified with the Carolina Thread Trail..

Section VII Cost Estimate

Section Overview

The facility improvements planned for the City are divided into three phases over the next fifteen years. This section provides a cost estimate for each phase as well as the total cost to renovate and develop the parks.

Background

Cost Estimate

VII. Cost Estimate

Background

The renovation of the existing park and creation of new facilities will involve significant funding over the next 15 years. With limited resources, the City felt that it would be best to phase improvements and future facilities over the next 15 years. The phases are as follows: Short Term (Years 1-5), Intermediate (Years 6-10) and Long Term (Years 11-15)

Cost Estimate

Short Term (Years 1-5)	Cost
Claremont Park	
Refurbish Walking Trail	\$ 7,000
Refurbish Tennis Court	\$ 3,500
Repair Water Fountain	\$ 2,000
Remove Old Metal Sliding Board	\$ 500
Refurbish Playground Area	\$ 5,000
Demolish Amphitheater/Grade Area/Multi-Purpose Field	\$ 20,000
Replace with Gazebo	
New Playground Equipment	\$ 40,000
Enlarge Camping Area	\$ 1,000
Construct Segment of Carolina Thread Walking Trail to Bunker Hill Covered Bridge Area	Price Uncertain
Create New Parking Area (8 spaces)	\$ 8,000
Renovate/Enlarge Restroom to include concessions/vending/ add storage	\$ 45,000
Convert Tennis Court to Full Court Basketball Court	\$ 8,500
TOTAL COST SHORT TERM	\$ 140,500
Intermediate Term (Years 6-10)	
Claremont Park	
Potential Joint Venture with School to Develop	\$ 15,000

9-Hole Disc Golf Course	
Potential Joint Venture with School to Use Ballfield	\$ 35,000
Potential Joint Venture with School to Develop Walking Trail from Park to Ballfield	\$ 1,200

TOTAL COST INTERMEDIATE	\$ 51,200
-------------------------	-----------

TOTAL COST TO DEVELOP CLAREMONT PARK

SHORT TERM	\$ 120,500
INTERMEDIATE	\$ 71,200
TOTAL COST	\$191,700

Future Park and Facilities Outside Claremont Park

Intermediate Term (Years 6-10)

White Oak Area Park

Bridge/Culvert	\$ 10,000
Walking Trail (1,000 LF @\$3.00 a foot) natural surface	\$ 3,000

TOTAL COST	\$ 13,000
------------	-----------

Small Neighborhood Park

Playground Equipment	\$ 20,000
Picnic Shelter (16' x 24')	\$ 15,000

TOTAL COST	\$ 35,000
------------	-----------

Long Term Phase (Years 11-15)

Multi-Purpose Building

Construct a New or Renovate Existing Building into a 40' x 108'

Multi-Purpose Recreation Facility to include fitness room, meeting Rooms and Restrooms.	\$ 450,000
---	------------

Southern Greenway

Long Term Phase (Years 11-15)

Construct a greenway from downtown to Francis Sigman Park. Route not yet selected.	\$1,000,000
---	-------------

TOTAL COST FOR PARKS AND FACILITIES

Claremont Park	\$ 191,700	
White Oak Area Park	\$ 13,000	
Small Neighborhood Park	\$ 35,000	
Multi-Purpose Building	\$ 450,000	
Southern Greenway	\$1,000,000	
TOTAL COST		\$1,689,700

TOTAL COST BY PHASES

Short Term	\$ 120,500	
Intermediate	\$ 119,200	
Long Term	\$ 1,450,000	
TOTAL COST		\$1,689,700

Section VIII Recommendations

Section Overview

This section provides a strategy for the City to implement the plan. Recommendations are grouped into three phases over the next fifteen years. The recommendations are as follows:

Short Term Recommendations (Years 1-5)	Recommendations 1-11
Intermediate Recommendations (Years 6-10)	Recommendations 12-18
Long Term Recommendations (Years 11-15)	Recommendations 19 and 20

VIII. Recommendations

The recommendations in the plan are summarized in this section. They have been assigned target dates for implementation and grouped according to target dates. The recommendations are grouped into the following phases: Short Term (Years 1-5), Intermediate (years 6-10) and Long Term (Years 11-15)

The City of Claremont should use this summary as a guide and planning tool to prioritize the recommendations, set annual goals, prepare budgets, and set specific dates. The recommendation summary can also be used as a check off list for accomplishing the recommendations.

Short Term Recommendations (Years 1-5)

Claremont Park

1. Refurbish Walking Track
2. Refurbish one Tennis Court
3. Repair Water Fountain
4. Remove Old Metal Sliding Board
5. Refurbish Playground Area
6. Demolish Amphitheater/Grade Area and Replace with Gazebo/Multi-Purpose Field
7. New Playground Equipment
8. Expand Camping Area For Organized Groups
9. Construct Segment of Carolina Thread Trail Adjacent Creek to Bunker Hill Covered Bridge Area
10. Create New Parking Area

11. Renovate/Enlarge Restrooms To Include Concession/Vending/Add Storage

12. Convert Tennis Court to Full Court Basketball Court

Intermediate Phase (Years 6-10)

Claremont Park

13. Potential Joint Venture With County School System

14. Potential Joint Venture With School To Develop 9-Hole Disc Golf Course

15. Potential Joint Venture With School To Use Ballfield

16. Potential Joint Venture With School to Develop Walking Trail to Ballfield

Facilities Outside Claremont Park

17. White Oak Area Park

18. Small Neighborhood Park

Long Term Phase (Years 11-15)

Facilities Outside Claremont Park

19. Construct a New or Renovate Existing Building into a Multi-Purpose Building

20. Southern Greenway

Section IX Appendix

This section contains a listing of various funding sources that are available to the City of Claremont. There are several options that are available for assistance through foundations, and state and local governments.

Adopt-a-Park

- Concession Stand Equipment
 - Ice Machine
 - Industrial Crockpots
 - Coffee Maker
 - Popcorn Machine
 - Sno-Cone Machine
 - Nacho Machine
 - Wire shelves
 - Refrigerators
 - Chest Freezer
 - Sinks
 - Drink Machine (outside the concession stand)
 - Menu

- Bike rack
- Pet Waste Station
- Message Board
- Cornhole Boards – replace current horseshoe pits
- Additional picnic tables & benches (close to concession stand to not interfere with the covered picnic areas)
- Plant-a-tree (with special plaque/certificate of recognition)

The City is considering incorporating some of the things from the list above into a corporate sponsorship package. This could be a funding source for projects at the park.

Funding and Resource Guide

Parks, Open Space, Land Preservation

NC Department of Environmental and Natural Resources

Extensive list of funding and tax credit resources

NC Department of Commerce

Invaluable economic statistics and funding opportunities in areas such as Heritage Tourism, Economic Impact/Tourism Research and Community Development

North Carolina Rural Economic Development Center

The center is dedicated to the development of innovative strategies to improve the lives of rural North Carolinians, with a special focus on economic opportunities for citizens with low to moderate incomes.

Parks and Recreation Trust Fund

The fund provides dollar-for-dollar matching grants to local governments for park and recreation purposes. Funding is available for acquisition, development or renovation.

NC Dept of Transportation Enhancements Fund (TEA21)

There are twelve funding categories including acquisition, landscaping, bicycle and pedestrian facilities.

North Carolina Trails Program

- Adopt-A-Trail Grant awards funds annually to government agencies, non-profit organizations, and private trail groups for such projects as trail building, trail signage and facilities, trail maintenance, and trail information brochures and maps.
- Recreation Trails Program (RTP) trail grant program funded by Congress with money from the federal gas taxes paid on fuel used by off-highway vehicles. Its intent is to meet the trail and trail-related recreational needs identified by the Statewide Comprehensive Outdoor Recreation Plan (SCORP). The grant applicants must be able to contribute 20% of the project cost with cash or in-kind contributions.

Urban & Community Forestry Grant Program

This is a federally funded program, which awards matching funds to encourage citizen involvement in creating and sustaining urban and community forestry programs. Municipalities, counties, regional agencies, interest groups, educational facilities and private organizations are eligible to apply for funding for projects that enhance and promote the urban forest.

The North Carolina Natural Heritage Trust Fund

This fund provides assistance to purchase land that has significant aquatic or plant communities. These properties can be used for passive parks.

Resource Conservation & Development

Provides leadership in a partnership effort to help people conserve, improve, and sustain our natural resources and environment. There are nine regional offices serving North Carolina counties.

The Trust for Public Land

TPL helps conserve land for recreation and spiritual nourishment and to improve the health and quality of life of American communities.

Other Resources**Eat Smart, Move More NC Funding Opportunities**

Sponsored by the Division of Health and Human Services, and Department of Public Health.

Blue Cross Blue Shield Foundation of North Carolina

The foundation supports programs that increase access to health services for the uninsured, provides health education, promotes healthy lifestyles and supports health initiatives that target children, older adults and minorities

Z. Smith Reynolds Foundation

The foundation makes grants in North Carolina for non-profit, tax-exempt charitable organizations and institutions.

Shade Structure Grant Program

Grant opportunity for common areas without shade trees.

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: Update on Wastewater Treatment Needs Study- Information only; No action Requested

During this item, staff will update Council on the progress being made with the Wastewater Treatment needs study. Wooten will also be on hand to answer any questions about the identified alternatives.

Recommendation: Information only; No action Requested

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: Department Dashboard

Recommendation: Informational

Claremont January 2016 Dashboard Report

Police Dept.			Fire Dept.			Financials		
	Month	YTD		Month	YTD		% In	% Out
Calls Answered	508	508	Calls for Service	30	30	General Fund	43%	55%
Citations Served	123	123	Working Fires	3	3	Water/Sewer Fund	52%	36%
Warnings	62	62	Training Hours	222	222			
Number of Arrests	9	9	Prevention Programs	29	29	Rescue Squad		
Accidents	6	6	Structure Responses	8	8		Month	YTD
Warrants	18	18	EMS Calls	7	7	Calls for Service	80	80
Open Cases	5	5				Training Hours	24	24
Other Activities & Announcements			Other Activities & Announcements			Other Activities & Announcements		
Officer Bumgarner made 1 arrest for Assault with a Deadly Weapon. Officer Russell made 3 arrest for poss. Of Meth and seized over 1/2 oz. aslo charged 2 for poss. Of Marijuana and seized over 5 grams. Cpl. Martin and Officer Bumgarner participated in Career Day at Claremont Elementary School. Chief Bost , Cpl. Martin and Officer Kirby all attended Intox Re-Certification class.			8 Structural Responses, Personnel per call 11.8 average.			16th Annual Pig Picking and Poker Run to be held in April.		
Public Works			Utility Dept.			Planning & Zoning Dept.		
	Month	YTD		Month	YTD		Month	YTD
Vehicles Serviced	17	17	Water Turned Off	11	11	Total Zoning Permits	0	0
Recycling %-Dec 2015	72%		Water Taps	1	1	Commercial Projects	0	0
Solid Waste Tonnage	48.53	48.53	Water Purchased		0	New Dwelling Units	0	0
Street Lights Replaced	9	9	Water Sold		6,525,171	Customers w/ Inquiries	11	11
Work Orders	21	21	McLin WWTP Avg.		0	New Plats Reviewed	1	1
Sewer Line Jetted	1,126	1,126	North WWTP Avg.		0	Plng Brd Agenda Items	4	4
Other Activities & Announcements			Other Activities & Announcements			Other Activities & Announcements		
Bottom Floor of Jessup Klein building has been cleaned out for inspection.			Performed sewer line aerials, creek bank wash outs.			Action Plan 2016		



**PLANNING BOARD
MINUTES
January 25, 2016**

Members Present

Robert Smith
Jeff Barkley
Rupert Little
Gene Monday
Larry Pannell
Todd Setzer
Crystal Clark

Members Absent

Nick Colson

Staff Present

Elinor Hiltz, Planner
Catherine Renbarger, City Manager

Call to Order

Chairman Robert Smith called the meeting to order at 7:03 pm.

Adopt Agenda

Jeff Barkley moved and Gene Monday seconded the motion to adopt the agenda. The agenda was unanimously adopted.

Approval of November 16, 2015 Planning Board Minutes

Larry Pannell moved and Rupert Little seconded the motion to approve the minutes. The minutes were unanimously approved.

4883 North Oxford St Rezoning

Elinor Hiltz presented the staff report for rezoning 4883 North Oxford St (Town and Country Tire) from Community Business (B-2) to Highway Business (B-3). The property was currently a car repair shop. The owner wanted to sell cars in addition to repairing cars on the property. Since the business is nonconforming, the owner needed to request a rezoning for the permission to sell cars. The planner read the new uses that would be allowed under Highway Business zoning in the future if the car repair shop were to close. The traffic count would rise by 10 trips per day if the entire property was converted to a car sales lot. Claremont's Future Land Use Map supported the change.

Chairman Robert Smith read the following statements "High-traffic areas such as North Oxford Street are appropriate for highway businesses because they are convenient to regional shoppers and residents." and the board "recommends approval because this amendment is consistent with the Land Development Plan".

Gene Monday moved to approve the rezoning and Jeff Barkely seconded. The rezoning was **unanimously recommended by the Board.**

Residential Architectural Standards Zoning Text Amendment

The State legislature recently passed a bill disallowing local governments to regulate architecture in single family houses and duplexes. Claremont needed to delete a number of architectural standards in order to comply with the new law. Planner Elinor Hiltz presented passages that were definitely not in compliance in red text and debatable passages in purple text.

As such, the Planning Board recommended deleting certain passages but they requested revisions on a number of other passages. The Planner will make changes and bring another proposal back to the Planning Board in February.

The Planning Board wanted to fit carports in the “garages and parking” section of the ordinance and allow carports of any material in sideyards. This would be a new allowance in Claremont. A section that said “a detached garage may be located only in the rear yard” was changed to say “rear or side yard”.

The Planning Board liked the rule that new buildings must match the “massing and scale” of existing buildings on the street and wanted to keep that regulation in all districts.

Elinor Hiltz was asked to research how to regulate “main pedestrian access” to a house and settle the question of which direction a house faces, legally and in practice. The Board wanted houses to be visually primarily oriented towards the streetfront and not be only oriented towards the parking areas (if the parking areas were not the streetfront).

After finding that this text amendment is not urgent to any citizens with pending cases, Crystal Clark moved to table this amendment until the next month. Jeff Barkely seconded the motion, and the Board **voted unanimously to table.**

Protest Petition Text Amendment

The state legislature also changed the “protest petition” statutes. A protest petition is petition that the opposition to a rezoning signs. With the new state law, if 5 percent of adjacent property owners sign a petition then a ¾ vote of Council is required to approve a rezoning (instead of a simple majority vote). Before the legislature changed the statute, 20 percent of adjacent property owners had to sign a protest petition for it to be valid.

Chairman Robert Smith read the statement of public interest and the consistency statement: “rezoning and protest petitions are useful tools for land-use planning and in the public interest” and “I move to recommend approval because this amendment is required by state law”.

The Planning Board voted **unanimously to recommend approval** of this amendment.

Election of Officers

Jeff Barkely nominated to keep Robert Smith as Planning Board Chair. Gene Monday seconded and the Board voted unanimously on the matter. Crystal Clark recommended that Larry Pannell remain as Vice-Chair and Jeff Barkely seconded. The vote to keep Mr. Pannell as Vice-Chair was also unanimous.

COMPREHENSIVE PLAN ACTIVITIES

Transportation Presentation

John Marshall, Transportation Coordinator for the Greater Hickory MPO, presented Claremont's current and future transportation projects to the committee. Compared to other municipalities in the region Claremont has a great proportion of proposed connectors. Mr. Marshall said those types of projects are likely to be built through public-private partnerships-the way the Centennial Extension is being built today. Mr. Marshall talked about congestion and turn lane projects at Exit 135.

Establish Transportation Objectives for the City

The committee indicated two sidewalk projects that are priorities to them and they commented on areas with drainage problems and areas that need traffic signals and turn lanes. The Planner will pursue the committee's ideas in the Comprehensive Plan and with City Administration.

Next Meeting Date: February 15, 2016 at 7:00

Adjourn

The group officially adjourned at 8:38 before establishing transportation objectives for the City.

Robert Smith, Chairman

Elinor Hiltz, Planner

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: City Managers Report

Recommendation: Informational

REQUEST FOR COUNCIL ACTION

Date of Meeting: February 1, 2016

To: Mayor and the City Council

From: Catherine Renbarger, City Manager

Action Requested: Closed Session

Council needs to hold a closed session in reference to G.S. 143-318.11(6) Personnel.

Recommendation: Motion needed to go into closed session