



# Agenda

## Greenville City Council

November 7, 2016  
6:00 PM  
City Council Chambers  
200 West Fifth Street

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Assistive listening devices are available upon request for meetings held in the Council Chambers. If an interpreter is needed for deaf or hearing impaired citizens, please call 252-329-4422 (voice) or 252-329-4060 (TDD) no later than two business days prior to the meeting.

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**I. Call Meeting To Order**

**II. Invocation - Council Member Glover**

**III. Pledge of Allegiance**

**IV. Roll Call**

**V. Approval of Agenda**

- **Public Comment Period**

The Public Comment Period is a period reserved for comments by the public. Items that were or are scheduled to be the subject of public hearings conducted at the same meeting or another meeting during the same week shall not be discussed. A total of 30 minutes is allocated with each individual being allowed no more than 3 minutes. Individuals who registered with the City Clerk to speak will speak in the order registered until the allocated 30 minutes expires. If time remains after all persons who registered have spoken, individuals who did not register will have an opportunity to speak until the allocated 30 minutes expires.

**VI. Consent Agenda**

1. Minutes from the June 16, 2016 City Council meeting
2. Authorization to sell City-owned property at 1203 Davenport Street
3. Resolution accepting dedication of rights-of-way and easements for Langston West, Section 7
4. Resolution of Intent to Close a Portion of South Pitt Street

5. Naming of Computer Lab at South Greenville Recreation Center
6. Request to increase the total number of fleet vehicles in the Police Department by five vehicles
7. Report on Bids and Contracts Awarded
8. Various tax refunds greater than \$100
9. Budget ordinance amendment #3 to the 2016-2017 City of Greenville budget (Ordinance #16-036) and amendments to the Special Revenue Grant Fund (Ordinance #11-003), Police Capital Projects Fund (Ordinance #15-053), CD-Housing Fund (Ordinance #16-036), and Recreation and Parks Capital Projects Fund (Ordinance #15-053).

**VII. New Business**

10. Presentation by Boards and Commissions
  - a. Investment Advisory Committee
11. Renewal of contract with Mercer Health & Benefits, LLC
12. Agreement with Pitt County Schools for Use of South Greenville Gymnasium
13. Acceptance of a grant from the U.S. Department of Justice for the Sexual Assault Kit Initiative
14. Resolution Providing for the Issuance of General Obligation Street and Pedestrian Transportation Bonds, Series 2016

**VIII. Review of November 10, 2016, City Council Agenda**

**IX. City Manager's Report**

15. Trillium Playground Ribbon Cutting Ceremony - Saturday, November 19, 2016 at 10:00 AM

**X. Comments from Mayor and City Council**

**XI. Closed Session**

- To prevent the disclosure of information that is privileged or confidential pursuant to the law of this State or of the United States, or not considered a public record within the meaning of Chapter 132 of the General Statutes, said law rendering the information as privileged or confidential being the Open Meetings Law
- To establish or to instruct the public body's staff or negotiating agents concerning the position to

be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease

## **XII. Adjournment**



# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

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- Title of Item:** Minutes from the June 16, 2016 City Council meeting
- Explanation:** Proposed minutes from the regular City Council meeting held on June 16, 2016 are presented for review and approval
- Fiscal Note:** There is no direct cost to the City.
- Recommendation:** Review and approve proposed minutes from the regular City Council meeting held on June 16, 2016.
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Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

**Attachments / click to download**

[Proposed\\_Minutes\\_of\\_the\\_June\\_16\\_2016\\_City\\_Council\\_Meeting\\_1037981](#)

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PROPOSED MINUTES  
MEETING OF THE CITY COUNCIL  
CITY OF GREENVILLE, NORTH CAROLINA  
THURSDAY, JUNE 16, 2016



A regular meeting of the Greenville City Council was held on Thursday, June 16, 2016 in the Council Chambers, located on the third floor at City Hall, with Mayor Allen M. Thomas presiding. Mayor Thomas called the meeting to order at 6:00 pm, then Council Member Godley gave the invocation, followed by the Pledge of Allegiance.

Those Present:

Mayor Allen M. Thomas, Mayor Pro-Tem Kandie Smith, Council Member Rose H. Glover, Council Member McLean Godley, Council Member Rick Smiley, Council Member P. J. Connelly and Council Member Calvin Mercer

Those Absent:

None

Also Present:

City Manager Barbara Lipscomb, City Attorney David A. Holec, City Clerk Carol L. Barwick and Deputy City Clerk Polly W. Jones

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**APPROVAL OF THE AGENDA**

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City Manager Barbara Lipscomb recommended that "Consideration of the Project Scope for Contract Amendment for Phase II of the Town Common Improvement Plan" and "Consideration of the Designation of US 264 as a Future Interstate Highway from Greenville to US 64 in Zebulon" be added to the agenda under Other Items of Business.

Upon motion by Mayor Pro-Tem Smith and second by Council Member Godley, the City Council voted unanimously to approve the agenda with the recommended additions.

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**PUBLIC COMMENT PERIOD**

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Mayor Thomas opened the public comment period at 6:04 pm, explaining procedures which should be followed by all speakers.



Nancy Colville – 113 Lord Ashley Drive

Ms. Colville stated her comments tonight would not be pleasant, but she feels they are necessary. She was at the last meeting, and was very upset at the way the mayor addressed the public and the way he cut off comments by the District 5 Council Member. She stated she has supported the mayor and feels he is doing a good job. She recognizes they will not always agree, and this is one time that a lot of the public is in agreement with purchase of the facility he wanted to approve. She stated if the mayor was going to limit the council members' time to speak that he should do so for all council members. All members deserve the same respect because they were all elected.

\*Mayor Thomas asked the City Attorney to clarify the City's policy on Council Member comments. City Attorney Dave Holec responded that the City Council has adopted a policy which establishes two rounds of opportunity for each council member to make comments on an item, exclusive of questions to the presenter. In the first round, each council member is allowed 5 minutes, and in the second round, he or she is allowed 3 minutes. If there is another motion, then they are afforded time to speak on that as well. Mayor Thomas asked City Attorney Holec to review the comments made at the last meeting and advise if there was anything out of the ordinary.

Don Cavellini – No Address Given

Mr. Cavellini, Co-Chair of the Coalition Against Racism, stated he had the choice of going to three meetings tonight and he may make it to two. The one he is missing right now is his Neighborhood Advisory meeting in District 2. This is a very busy time of the year, and he appreciates the Council's service to the City. The charge that the Council has is to do right by the residents of Greenville, and he prays they will do so tonight. He thinks a consensus was reached on the budget at the last meeting and he hopes the Council will stick to that in making the final decision tonight.

Missy Hill – No Address Given

Ms. Hill stated she feels the newspaper release yesterday by certain members of the City Council was both disrespectful and reckless. If it represents the budget the Council intends to provide for the citizens, it is the budget that should have been put forth in the beginning.

Lee Glover – 2115 South Village Drive

Mr. Glover stated he has been a resident of Greenville all of his life. Since Ms. Colville expressed how she felt about attitudes at the last meeting, he would like to say something on the same point. His feelings were hurt and he was angered at how his wife was treated at the last meeting. He said he does not want to see the attitude that was put forth toward her again.

There being no one else present who wished to address the City Council, Mayor Thomas closed the public comment period at 6:10 pm.



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**SPECIAL RECOGNITIONS**

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**RECYCLING ART CONTEST WINNERS**

Sanitation Manager Delbert Bryant and Recycling Coordinator Cheryl Tafoya recognized recent winners of the Recycling Art Contest, noting that winning artwork would be featured on the back of the City's recycling trucks. Winners included Aminah Coppage, 8<sup>th</sup> grade at C. M. Eppes Middle School; Alaya Cobb, 8<sup>th</sup> grade at E. B. Aycock Middle School; Ashiya Jones, 2<sup>nd</sup> grade at Eastern Elementary and Samuel Stocks, 5<sup>th</sup> grade at Eastern Elementary.

**WILMA DIANE JOHNSON – POLICE DEPARTMENT RETIREE**

City Manager Barbara Lipscomb, along with Mayor Thomas, recognized Lead Telecommunicator Diane Johnson of the Police Department on the occasion of her retirement from the City. She read and presented her with a plaque commemorating 29 years and 5 months service.

**GUY WAYNE HARRIS – FIRE-RESCUE DEPARTMENT RETIREE**

City Manager Lipscomb, along with Mayor Thomas and Fire/Rescue Chief Eric Griffin, recognized Captain Wayne Harris of the Fire/Rescue Department on the occasion of his retirement from the City. She read and presented him with a plaque commemorating 29 years and 9 months service.

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**APPOINTMENTS**

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**APPOINTMENTS TO BOARDS AND COMMISSIONS**

**Board of Adjustment**

Council Member Godley made a motion to appoint Michael Glenn to a first three-year term that will expire July 2019 in replacement of Charles Ewen, who was no longer eligible to serve. Council Member Smiley seconded the motion, which carried unanimously.

Council Member Glover continued the appointment of Scott Shook's seat.

**Community Appearance Commission**

Council Member Godley made a motion to appoint Ryan Naziri to an unexpired term that will expire July 2018 in replacement of Sharon Gray who had resigned and to appoint



Jonathan Taft to fill an unexpired term that will expire July 2017 in replacement of Cora Tyson who had resigned. Mayor Pro-Tem Smith seconded the motion, which carried unanimously.

#### Greenville Bicycle & Pedestrian Commission

Council Member Mercer made a motion to appoint Chad Carwein to fill an unexpired term that will expire January 2019 in replacement of Ann Eleanor, who had resigned. Mayor Pro-Tem Smith seconded the motion, which carried unanimously.

#### Greenville Utilities Commission

Council Member Smiley made a motion to continue with the automatic reappoints of Rebecca Blount and Don Mills for second three-year terms that will expire June 2019. Council Member Godley seconded the motion, which carried unanimously.

Mayor Pro-Tem Smith made a motion to appoint Toya Jacobs to fill an unexpired term that will commence June 30, 2016, and expire June 30, 2017 in replacement of Dennis Mitchell, who had resigned. Council Member Godley seconded the motion, which carried unanimously.

Council Member Glover continued the appointment of John Minges' seat.

#### Housing Authority

Council Member Godley made a motion to appoint Gwen Greene to fill an unexpired term that will expire May 2017 in replacement of Dewitt Newkirk, who had resigned. Mayor Pro-Tem Smith seconded the motion, which carried unanimously.

#### Human Relations Council

All appointments were continued.

#### Pitt-Greenville Airport Authority

Council Member Mercer made a motion to reappoint L.H. Zincone to a second four-year term that will expire June 2020. Council Member Godley seconded the motion, which carried unanimously.

#### Pitt-Greenville Convention & Visitors Authority

Council Member Glover made a motion to reappoint Hanna Magnusson to a second three-year term that will expire July 2019 and to nominate Monta Stegall to the Pitt County Board of Commissioners to serve a first three-year term that will expire July 2019. Mayor Pro-Tem Smith seconded the motion, which carried unanimously.

#### Planning & Zoning Commission

Council Member Connelly continued the appointment of Doug Schrade's seat.





Police Community Relations Committee

Council Member Godley appointed Greg Rubel to fill an unexpired term that will expire October 2016 in replacement of Jennifer Betz who had resigned.

Recreation & Parks Commission

Council Member Godley made a motion to appoint Mike Saad to a first three-year term that will expire May 2019 in replacement of Donald Williams. Council Member Connelly seconded the motion, which carried unanimously.

Youth Council

Council Member Mercer continued all appointments.

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**CONSENT AGENDA**

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City Manager Barbara Lipscomb introduced the following items on the Consent Agenda:

**REIMBURSEMENT RESOLUTION FOR FINANCING GREENVILLE UTILITIES COMMISSION'S CAPITAL PROJECTS** – (Resolution No. 039-16)

**REIMBURSEMENT RESOLUTION FOR GREENVILLE UTILITIES COMMISSION'S VEHICLES AND HEAVY EQUIPMENT PURCHASES THROUGH INSTALLMENT FINANCING** – (Resolution No. 040-16)

Upon motion by Council Member Smiley and second by Council Member Connelly, the City Council voted unanimously to approve both items on the Consent Agenda.

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**NEW BUSINESS**

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**PUBLIC HEARINGS**

**ORDINANCE TO ANNEX SPRINGSHIRE RETIREMENT, LLC INVOLVING 125.92+ ACRES LOCATED ON THE NORTHEASTERN SIDE OF NC HIGHWAY 43 NORTH AND 1,000+ FEET WEST OF MARTIN LUTHER KING, JR. HIGHWAY** – (Ordinance No. 16-033)

Planner Chantae Gooby showed a map depicting the proposed annexation area, which is located within Faulkland Township in voting district #1. The property is currently vacant with no population. A population of 356 people is estimated at full development. Current zoning is OR (Office-Residential), with the proposed use being 12 single-family lots and 150



multi-family units. Present tax value is \$492,692, with tax value at full development estimated at \$17,292,692. The property is located within Vision Area F.

Mayor Thomas declared the public hearing for the proposed annexation open at 6:27 pm and invited anyone wishing to speak in favor to come forward.

Jim Walker – No Address Given

Mr. Walker, speaking on behalf of Springshire Retirement, LLC, showed a map depicting the proposed project, stating that work on the project began in 2007, but was put on hold due to the economic downturn. They are ready to proceed now and are planning for a facility very similar to Cypress Glen.

Hearing no one else wishing to comment in favor of the proposed annexation, Mayor Thomas invited comment in opposition. Hearing no one, Mayor Thomas closed the public hearing at 6:30 pm.

Council Member Godley moved to adopt the ordinance to annex Springshire Retirement, LLC involving 125.92+ acres located on the northeastern side of NC Highway 43 North and 1,000+ feet west of Martin Luther King, Jr. Highway. Council Member Glover seconded the motion, which passed by unanimous vote.

**ORDINANCE TO ANNEX WILLIAM E. DANSEY, JR. HEIRS, LOT 8 INVOLVING 3.673 ACRES LOCATED AT THE NORTHEASTERN CORNER OF THE INTERSECTION OF EAST ARLINGTON BOULEVARD AND HYDE DRIVE** – (Ordinance No. 16-034)

Planner Chantae Gooby showed a map depicting the proposed annexation area, which is located within Winterville Township in voting district #4. The property is currently vacant with no population and none expected at full development. Current zoning is OR (Office-Residential), with the proposed use being 31,000+/- square feet of office space. Present tax value is \$956,578 with tax value at full development estimated at \$4,056,578. The property is located within Vision Area D.

Mayor Thomas declared the public hearing for the proposed annexation open at 6:32 pm and invited anyone wishing to speak in favor to come forward.

Hearing no one, Mayor Thomas invited comment in opposition. Also hearing none, Mayor Thomas closed the public hearing at 6:33 pm.

Council Member Glover moved to adopt the ordinance to annex William E. Dansey, Jr. Heirs, Lot 8 involving 3.673 acres located at the northeastern corner of the intersection of East Arlington Boulevard and Hyde Drive. Council Member Mercer seconded the motion, which passed by unanimous vote.



**ORDINANCE REQUESTED BY PORTERS CROSSING RESIDENTIAL, LLC TO REZONE 2.155 ACRES LOCATED AT THE INTERSECTION OF DICKINSON AVENUE AND SPRING CREEK ROAD FROM OR (OFFICE-RESIDENTIAL [HIGH DENSITY MULTI-FAMILY]) TO CG (GENERAL COMMERCIAL) – (Ordinance No. 16-035)**

Planner Chantae Gooby stated Porters Crossing Residential, LLC has requested to rezone 2.155 acres located at the intersection of Dickinson Avenue and Spring Creek Road from OR (Office-Residential [High Density Multi-Family]) to CG (General Commercial). The subject area is located in Vision Area F.

According to Ms. Gooby, Dickinson Avenue is considered a connector corridor from Reade Circle to Arlington Boulevard, and as a residential corridor from Arlington Boulevard to Allen Road. Connector corridors are anticipated to contain a variety of higher intensity activities and uses, whereas residential corridors are preferred to accommodate lower intensity residential uses. The Future Land Use Plan Map recommends office/institutional /multi-family (OIMF) at the southeast corner of the intersection of Arlington Boulevard and Dickinson Avenue and continuing south to Green Mill Run. Conservation/open space (COS) is recommended along Green Mill Run.

Based on possible uses permitted by the requested rezoning, the proposed rezoning classification could generate 1,518 trips to and from the site on Dickinson Avenue, which is a net increase of 1,385 additional trips per day. During the review process, measures to mitigate traffic impacts will be determined.

In 1972, the subject properties were incorporated into the City's ETJ (extra-territorial jurisdiction) and were zoned RA20 (Residential-Agricultural). In 2004 and 2005, the properties were rezoned to OR (Office-Residential).

Surrounding land uses and zoning are as follows:

North: RA20 – One (1) single-family residence

South: RA20 – One (1) single-family residence

East: OR – Cross Creek Townhomes; RA20 - Farmland

West: CH – One (1) Vacant Lot, North Carolina Education Lottery and Computer Geeks

Ms. Gooby stated under the current zoning (OR) for Tract 1, staff would anticipate the site to yield 5+/- multi-family units having 1, 2 or 3 bedrooms. Under the proposed zoning (CG) for Tract 1, the property could accommodate 2,000+/- square feet of personal services uses.

Under the current zoning (OR) for Tract 2, staff would anticipate the site to yield 15+/- multi-family units having 1, 2 or 3 bedrooms. Under the proposed zoning (CG) for Tract 2, the property could accommodate 3,000+/- square feet of convenience store/fast food restaurant uses.



Ms. Gooby stated that, in staff's opinion, the request is in not compliance with Horizons: Greenville's Community Plan and the Future Land Use Plan Map. "Not in compliance with the comprehensive plan" should be construed as meaning the requested zoning is (i) specifically non-compliant with plan objectives and recommendations including the range of allowable uses in the proposed zone, etc. and/or is of a scale, dimension, configuration or location that is not objectively in keeping with plan intent and (ii) does not promote or preserve the desired urban form. The requested zoning is considered undesirable and not in the public interest, and staff recommends denial of the requested rezoning.

Ms. Gooby stated the Planning and Zoning Commission voted 4-3 to recommend approval of the request at its May 17, 2016 meeting.

Mayor Thomas declared the public hearing for the proposed rezoning open at 6:38 pm and invited anyone wishing to speak in favor to come forward.

Mike Baldwin – No Address Given

Mr. Baldwin stated he is representing Porters Crossing Residential, LLC, which is owned and managed by Woody Whichard. What is important to remember in this request is that Mr. Whichard owns the majority of the undeveloped land behind this, which is known as Cross Creek Apartments and Cross Creek Townhomes. Cross Creek Apartments has vacant space for 68 units and corresponding parking to be built. Space is available and utilities are in place for 121 units and parking in Cross Creek Townhomes. Mr. Whichard has a vested financial interest in this area and the last thing he would want to do is something inappropriate for the area. He has to protect his interest as well. On the smaller tract, he feels a salon and a drycleaners would be the worst case scenario for what might be there. On the larger tract, a convenience store and/or restaurant were mentioned as the worst case scenario of what might go there. With the Southwest Loop connecting to Dickinson Avenue several miles out, Dickinson Avenue is going to experience growth. There are non-access easements along the front of this tract, so access will be brought in from the side street and a right turn lane for these lots is already in place. There is already a commercial node across the street.

Hearing no one else wishing to comment in favor of the application to rezone, Mayor Thomas invited comment in opposition.

Stan Kittrell – No address Given

Mr. Kittrell stated his mother owns property just to the west of the subject area and he has several objections to this rezoning. He worries about the safety of his mother, who will be 89 later this year. His aunt owns a lot a little further east, and the same would apply to her. He realizes that is a personal issue, which does not impact the City as a whole, but the resulting traffic would if there was a restaurant or convenience store there. Also, this is not in compliance with the Horizons Plan and he is concerned that if a plan exists and



exceptions are made, there should be extenuating circumstances – a reason to violate the plan and not just a request. If exceptions are made without a reason, the time and money spent on development of the plan is wasted. Mr. Whichard has told his mother he wouldn't put a restaurant or convenience store there, and he doesn't doubt that is his plan now, but he is a developer and if he is offered enough money for the property, he'd be crazy not to sell it. When the connector is put in, situations may change. At the right time, Mr. Kittrell stated he would stand next to Mr. Baldwin and support rezoning, but that time is not now. He respectfully requested the City Council deny the rezoning request.

Hearing no one else wishing to speak in opposition, Mayor Thomas closed the public hearing at 6:52 pm.

Council Member Smiley agreed this is a marginal call, but feels in a marginal situation, it is appropriate to be guided by the Comprehensive Plan. He recognizes the plan is currently being revised and feels that is additional reason for not changing the zoning at this point. Once the plan is complete would be a better time to consider a potential zoning change. He moved to deny the request to rezone and to make a finding and determination that the denial of the rezoning request is consistent with the adopted comprehensive plan and that the denial of the rezoning request is reasonable and in the public interest due to the denial being consistent with the comprehensive plan and, as a result, the denial furthers the goals and objectives of the comprehensive plan.

Mayor Thomas asked if fast food or convenience stores are approved uses under the requested zoning.

Planner Gooby stated fast food would be allowed under the proposed zoning. A gasoline station/convenience store would require a special use permit under the proposed zoning.

Council Member Mercer seconded the motion previously stated by Council Member Smiley. Council Members Godley, Smiley and Mercer voted in favor of the motion to deny and Mayor Pro-Tem Smith and Council Members Connelly and Glover voted against. Mayor Thomas broke the tie, voting in against the motion, which failed 3 to 4.

Council Member Connelly moved to adopt the ordinance to rezone 2.155 acres located at the intersection of Dickinson Avenue and Spring Creek Road from OR (Office-Residential [High Density Multi-Family]) to CG (General Commercial). Council Member Glover seconded the motion, which resulted in a tie vote with Mayor Pro-Tem Smith and Council Members Connelly and Glover voting in favor and Council Members Godley, Smiley and Mercer voting against. Mayor Thomas broke the tie, voting in favor of the motion, which passed 4 to 3.



## **AMENDMENT TO ECONOMIC DEVELOPMENT AGREEMENT FOR THE BOUNDARY**

City Attorney Dave Holec stated the City and the County entered into Economic Development Agreements with Taft-Ward Campus Edge Apts., LLC in 2013. Taft-Ward committed to construct a commercial mixed-use development consisting of 245 multi-family or apartment units with high-end finishes, in approximately 310,000 gross square feet, a 429-space parking deck, 11,500 gross square feet of retail space and approximately 3,500 square feet of outdoor retail area patio space located at the corner of Reade Circle and Evans Street. Taft-Ward has met this requirement with the construction of the Boundary.

The City's Agreement provides for the payment of incentive payments to Taft-Ward for the upcoming 7 years based upon taxes paid for the increased tax valuation of the property. The annual amount to be paid by the City is to be 49.5% of this amount or \$74,498, whichever is less. The first payment is scheduled to be made after the taxes have been paid for 2016.

City Attorney Holec stated the Agreement provides that the incentives paid are to be paid back if a default of the Agreement occurs. A Deed of Trust for the benefit of the City and County is provided as security for this payment, but it is subordinated to the main Deed of Trust for construction financing by a Subordination Agreement. The Agreement provides that when the permanent financing which replaces the construction financing occurs, the Deed of Trust for the benefit of the City and County is also to be subordinated to the main Deed of Trust for the permanent financing by a Subordination Agreement.

Taft-Ward is converting the construction financing to permanent financing. However, the provisions of the Economic Development Agreement have impacted Taft-Ward's ability to have favorable terms for their permanent financing. The Lender needs to ensure that, if a foreclosure occurs as a result of a default or there is a deed in lieu of foreclosure as a result of a default, that the purchaser would have the benefit of the economic development agreement incentive payments. With a foreclosure sale or a deed in lieu of a foreclosure, or a permitted refinancing, this change would not adversely impact the City and the County since all incentives are only paid after the taxes have been paid by the owner.

The proposed amendment affects the scope of permitted transfer and indemnification provisions under the current agreement and does the following:

- Allows a transfer of title by a Deed of Trust as a result of a refinancing to occur provided that the balance of any outstanding debt does not exceed 90% of the fair market value of the property. The current owner would continue to have the benefit of any future incentive payments and be subject to the obligations to receive these payments (such as payment of the property taxes).



- Allows a transfer of title as a result of a foreclosure or deed in lieu of foreclosure to the lender, a transfer to a third party after a foreclosure sale, or a transfer by a lender to a third party. The new owner would have the benefit of any future incentive payments and be subject to the obligations to receive these payments (such as payment of the property taxes).
- Provides for indemnification to the City and County in the event of litigation relating to payment of the incentives. Indemnification by Taft-Ward and individually by Thomas Taft and James Ward.
- Provides for a guaranty to the City and County of required clawback payments individually by Thomas Taft and James Ward.

City Attorney Holec stated the amendment does not change the amounts required to be paid pursuant to the Economic Development Agreement but does provide that the payments will continue in the event of a foreclosure, a deed in lieu of foreclosure or another permitted financing.

Mayor Thomas declared the public hearing for the proposed amendment open at 7:03 pm and invited anyone wishing to speak in favor to come forward.

Hearing no one, Mayor Thomas invited comment in opposition. Also hearing none, Mayor Thomas closed the public hearing at 7:04 pm.

Council Member Smiley moved to approve the amendment to the Deed of Subordination and amendment to the Economic Development Agreement for The Boundary. Council Member Mercer seconded the motion, which passed by unanimous vote.

**RESOLUTION AUTHORIZING AN APPLICATION TO THE FEDERAL TRANSIT ADMINISTRATION (FTA) FOR A SECTION 5307 GRANT FOR FEDERAL OPERATING AND CAPITAL ASSISTANCE FOR GREENVILLE AREA TRANSIT (GREAT) FOR FISCAL YEAR 2016-2017** – (Resolution No. 041-16)

Transit Manager Lamont Jackson stated that each year, the City relies upon funding from the Federal Transit Administration (FTA) to help support the operating and capital needs of the Greenville Area Transit (GREAT) system. Obtaining this funding requires a public hearing on the proposed grant application and adoption of a resolution approving the grant request.

Grant funding supports transit systems that are open to the public in areas with populations between 50,000 and 200,000. These federal funds are available to reimburse the City for 50% of the operating deficit and 80% of the preventive maintenance, ADA, and capital expenditures.





The City Council has previously authorized the City Manager to file and execute all Section 5307 grant applications. Once City Council adopts the attached resolution, the City Manager will file and execute the application. The total amount of the allocation is \$1,666,769. Maximum matching funds are estimated at \$581,030 and are already included in the fiscal year 2016-2017 budget.

Mayor Thomas declared the public hearing for the proposed grant application open at 7:06 pm and invited anyone wishing to speak in favor to come forward.

Hearing no one, Mayor Thomas invited comment in opposition. Also hearing none, Mayor Thomas closed the public hearing at 7:07 pm.

Council Member Glover moved to adopt the resolution authorizing an application to the FTA for a Section 5307 Grant for Federal operating and capital assistance for GREAT for Fiscal Year 2016-2017. Mayor Pro-Tem Smith seconded the motion, which passed by unanimous vote.

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**OTHER ITEMS OF BUSINESS**

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**ORDINANCES ADOPTING THE FISCAL YEAR 2016-17 BUDGET AND APPROVING THE FISCAL YEAR 2017-18 FINANCIAL PLAN FOR:**

- **CITY OF GREENVILLE INCLUDING SHEPPARD MEMORIAL LIBRARY AND PITT-GREENVILLE CONVENTION & VISITORS AUTHORITY** – (Ordinance No. 16-036)
- **GREENVILLE UTILITIES COMMISSION** – (Ordinance No. 16-037)

Assistant City Manager Michael Cowin stated a few minor changes were requested at the last City Council meeting with regard to the FY2016-2017 annual budget. The proposed budget currently stands at \$392.6 million, which breaks down as follows:

		2016-17 BUDGET OVERVIEW	
<u>2016-17 Proposed Budget</u>			
City Managed Funds	\$ 131,346,644	33.5%	
Sheppard Memorial Library	2,528,942	0.6%	
Convention & Visitors Authority	1,215,824	0.3%	
Greenville Utilities Commission	257,499,629	65.6%	
<b>Total</b>	<b>\$ 392,591,039</b>	<b>100.0%</b>	





Assistant City Manager Cowin stated there are no changes to the budgets presented for Sheppard Memorial Library, the Convention and Visitors Authority or Greenville Utilities Commission from what was presented at the June 6<sup>th</sup> City Council meeting. Changes are in City Managed Funds include revenue increases of 5.9% increase reflective of a 52.1¢ property tax rate, \$10 increase in motor vehicle fees and a \$1.04 million appropriation for purchase of the Imperial Warehouse site. He then reviewed the following expenditure changes which were requested at the June 6<sup>th</sup> meeting:

#### Property Taxes:

- Property Tax Rate: Increased to 52.1¢ from 51.3¢
- Increase in Property Tax Revenue:
  - FY 2016-17 Proposed Budget: \$498,692
  - FY 2017-18 Financial Plan: \$498,692

#### Motor Vehicle Fee:

- Increased to \$30 per Vehicle from \$20
- Increase in Fee of \$10 Appropriated to Street Maintenance / Improvements
- Increase in Motor Vehicle Revenue:
  - FY 2016-17 Proposed Budget: \$494,500
  - FY 2017-18 Financial Plan: \$494,500

#### Vacancy Rate:

- Increased to 4.0% From 3.0%
- Personnel Expense Budget Reduced by 1.0% to Reflect 4.0% Vacancy Allowance
- Reduction in Personnel Expense Budget / Plan:
  - FY 2016-17 Proposed Budget: \$(388,000)
  - FY 2017-18 Financial Plan: \$(400,000)
- Reduction Slightly Less Than That Presented at June 6<sup>th</sup> Meeting

#### Police Grant Match Pool:

- Increase in Funding for Additional 2.0 – 4.0 Positions
- This is in addition to Increase in Funding for 2.0 – 4.0 Positions Already Proposed in Budget
- Police Grant Pool Will Serve as Match for Additional Police Positions Through Grants
- Increase in Personnel Expense Budget / Plan:
  - FY 2016-17 Proposed Budget: \$120,000
  - FY 2017-18 Financial Plan: \$240,000

#### Street Maintenance / Improvements:

- Increase in Budget / Plan:
  - FY 2016-17 Proposed Budget: \$700,000
  - FY 2017-18 Financial Plan: \$960,000
- Increase Slightly Less Than That Presented at June 6<sup>th</sup> Meeting



- \$494,500 of Increase Funded by \$10 Increase in Motor Vehicle Fee
- Summary of Streets Appropriation:

	FY2016-17	FY2017-18
Original Appropriation	\$ 1,000,000	\$ 1,000,000
Budget / Plan Adjustment	7 00,000	960,000
Adjusted Appropriation	\$ 1,700,000	\$ 1,960,000

Other Capital Outlay Projects:

- Increase in Funding for the Following Projects:
  - Street Lights / Cameras \$150,000 (FY2017 Only)
  - Eastside Park \$150,000
  - Tar River Legacy Plan \$150,000
- Increase in Capital Outlay Budget:
  - FY 2016-17 Proposed Budget: \$450,000
  - FY 2017-18 Financial Plan: \$300,000

Purchase of Imperial Site:

- Funded Through Appropriated Fund Balance: \$1,040,000

Next, Assistant City Manager reviewed budgeted capital outlay projects, with adjustments approved on June 6<sup>th</sup>:



**Summary of Budgeted Capital Outlay Projects**

	FY2016-17	FY2017-18	Total
Town Creek Culvert (Stormwater Fund)	\$ 7,332,995	\$ 7,332,995	\$ 14,665,990
* Street Resurfacing (Incl Bond Money)	4,200,000	4,460,000	8,660,000
Dickinson Parking Project	1,961,266	-	1,961,266
West Fifth Streetscape (Bond Project)	1,950,000	-	1,950,000
Town Common Renovation	851,663	461,033	1,312,696
* Purchase of Imperial Site	1,040,000	-	1,040,000
Sidewalk Construction (Bond Project)	503,000	500,000	1,003,000
South Greenville Athletic Fields	365,000	-	365,000
* Tar River Legacy Plan	250,000	369,000	619,000
* Street Light Improvements	250,000	100,000	350,000
Westside Park	300,000	200,000	500,000
* Eastside Park	150,000	150,000	300,000
ECU Neighborhood Area Cameras	21,970	21,967	43,937
<b>Total</b>	<b>\$ 19,175,894</b>	<b>\$ 13,594,995</b>	<b>\$ 32,770,889</b>

\* The Above Project Budgets Include Recommended Adjustments Approved on June 6th



Assistant City Manager Cowin noted that the FY2016-17 Budget Includes:

- 2.0% Salary Increase
- Reinstatement of a Merit Program that will allow the City to:
  - Minimize Salary Compression
  - Stay Competitive with External Market Place
  - Provide Employees More Motivation and Job Satisfaction
- Recommendation is to Implement GUC Model:
  - 0.5% Market Increase
  - 1.5% Merit Increase

He concluded his presentation with a recap of changes to revenues and expenses approved on June 6<sup>th</sup> in comparison to what was presented on May 23<sup>rd</sup>:

	FY2016-17 Adjusted Budget	FY2017-18 Financial Plan		FY2016-17 Adjusted Budget	FY2017-18 Financial Plan
<b>GENERAL FUND REVENUE</b>			<b>GENERAL FUND EXPENSE</b>		
<b>Proposed Budget / Plan (May 23, 2016)</b>	<b>\$ 80,780,885</b>	<b>\$ 80,913,134</b>	<b>Proposed Budget / Plan (May 23, 2016)</b>	<b>\$ 80,780,885</b>	<b>\$ 80,913,134</b>
Revenue Adjustments:			Expense Adjustments:		
Tax Revenue:			Personnel:		
Property Tax Revenue	498,692	498,692	Increase Vacancy to 4.0%	(388,000)	(400,000)
Motor Vehicle Fee	494,500	494,500	Police Grant Pool	120,000	240,000
	993,192	993,192		(268,000)	(160,000)
Fund Balance Appropriated:			Capital Outlay / Capital Improvement:		
Operations	(111,192)	106,808	Street Lights / Cameras	150,000	-
Purchase of Imperial	1,040,000	-	Eastside Park Development	150,000	150,000
	928,808	106,808	Tar River Legacy Plan	150,000	150,000
Total Revenue Adjustments	1,922,000	1,100,000		450,000	300,000
<b>Adjusted Budget / Plan (June 6, 2016)</b>	<b>\$ 82,702,885</b>	<b>\$ 82,013,134</b>	Transfers:		
			Transfer to Streets Improvement Fund	700,000	960,000
			Transfer to Capital Project Fund: Imperial	1,040,000	-
				1,740,000	960,000
			Total Expense Adjustments	\$ 1,922,000	\$ 1,100,000
			<b>Adjusted Budget / Plan (June 6, 2016)</b>	<b>\$ 82,702,885</b>	<b>\$ 82,013,134</b>

Council Member Connelly asked if the 4% vacancy rate would ever catch up to the actual salaries of the extra police officers that are funded by the grant.

Assistant City Manager Cowin stated the grants are matching grants, so every year escalates. What is allocated to the Police grant pool plus adjustments to vacancy should cover at least the first two years.

Council Member Smiley moved to adopt the Budget Ordinance for FY2016-2017 based on the direction given by the City Council at the June 6, 2016 meeting with an amendment to establish a tax rate of 52¢, reduce the allocation to the Tar River Legacy Plan by \$50,000 and make other adjustments as needed, make a 2% adjustment to the pay grade system with the 2% salary adjustment for FY2016-2017 being for an Across the Board increase and for FY2017-2018, allocating 1% for an Across the Board increase and 1% for a Merit increase. Council Member Mercer seconded the motion.

Council Member Connelly stated he had heard nothing about Eastside Park until the previous Monday. Funding for the police officers through the grant is not sustainable and more revenues will be needed in 2-3 years. It is disheartening to be in this situation right



now. He stated he has been dumbfounded by this whole process, and feels that much of the budget represents wants and not needs. Extra money is being dedicated to parks that are nowhere near completion, but nothing is on the board for pedestrian safety. That is a huge deal, and he totally disagrees with this budget proposal.

Council Member Godley asked for clarification of how much money was directed to pedestrian safety.

Assistant City Manager Cowin stated there is no specific line item for pedestrian safety; however, \$500,000 is included for sidewalks. There is also funding for street lights, crosswalks and rapid flashing beacons. He said he did not have the dollar amounts in front of him.

Council Member Godley stated there is a crisis right now with regard to pedestrian safety. Many members of the community rely on bicycles or walking for their transportation needs. There is \$300,000 going to Eastside Park, which is in his district, but that park will cost \$12 million to complete. The proposed park improvements are great, but he feels that money should go toward pedestrian safety. He asked to make that a friendly amendment to Council Member Smiley's motion.

Mayor Thomas asked about the total cost of Town Common.

Recreation and Parks Director Gary Fenton stated it was around \$12 million with the old Master Plan, but cost has not yet been established for the revised Master Plan.

Council Member Godley stated the City should take more steps toward being a business-friendly community by creating an environment that does not raise taxes on the community. The City needs good paying, dignified jobs. He stated a revenue neutral budget would put the needs of the community above all else.

Council Member Smiley asked if the \$300,000 from Eastside Park was Council Member Godley's only proposed amendment.

Council Member Godley stated he would like to include lowering the tax rate back to the revenue neutral rate.

Council Member Smiley declined the friendly amendment, stating he didn't know how those numbers would add up.

Council Member Glover stated she understands Council Member Connelly's concerns about lighting. Many people in West Greenville are hit by cars when biking or walking. She suggested a review of fund balance and making public safety concerns the first thing on the agenda.



Mayor Pro-Tem Smith noted the recommended \$50,000 reduction to the Tar River Legacy Plan. She suggested a friendly amendment to take the remaining \$200,000, decrease the \$10 motor vehicle fee increase to \$5 and use it to fund 10 police officers.

Council Member Smiley declined the amendment.

Mayor Pro-Tem Smith stated the budget presented on June 6<sup>th</sup> was a lazy budget, which had not been vetted. The budget proposed by herself and Council Members Connelly and Godley was vetted by Staff and was not made on the backs of citizens. No taxes would have to be raised to meet needs. Their budget was based on needs and not wants. She stated she has heard rhetoric on a budget being presented at the last minute, but their proposal was presented two days earlier than the one being presented now. To invest in citizen safety as an afterthought is unacceptable to her. She is very disappointed.

Council Member Smiley stated he is very interested in finding a consensus. His proposals are aimed at finding something people can vote for, and if the suggestions made will cause someone to support the budget, he is interested. But if the suggestions are to change something for which people still won't vote, that is frustrating. He finds it difficult to work toward a modification his peers won't support.

Council Member Connelly stated he doesn't recall ever being asked about anything in this budget. He came up with his own proposal and has been adamant about a revenue neutral rate.

Mayor Thomas stated taking on new debt to handle everyday road issues is not responsible.

Council Member Glover stated the bond was done because roads were crumbling. Albemarle Avenue was once the heartbeat of the African American Community, but not it shakes her vehicle so much it seems like the wheels will fall off. She has been on the City Council for 17 years and this has been her most difficult budget process. Many roads need work. The City has too few police officers. The City Council should be able to sit down and discuss a budget that meets needs, but there cannot be a discourse on the Council no matter how the budget goes.

On the motion to adopt the Budget Ordinance for FY2016-2017 based on the direction given by the City Council at the June 6, 2016 meeting with an amendment to establish a tax rate of 52¢, reduce the allocation to the Tar River Legacy Plan by \$50,000 and make other adjustments as needed, make a 2% adjustment to the pay grade system with the 2% salary adjustment for FY2016-2017 being for an Across the Board increase and for FY2017-2018, allocating 1% for an Across the Board increase and 1% for a Merit increase, the vote resulted in a tie with Council Members Smiley, Mercer and Glover voting in favor and



Mayor Pro-Tem Smith and Council Members Godley and Connelly voting against. Mayor Thomas broke the tie, voting in favor of the motion, and the motion passed by 4 to 3.

Upon motion by Council Member Smiley and second by Council Member Glover, the City Council voted unanimously to adopt the FY2016-2017 Budget Ordinance for the Greenville Utilities Commission.

Upon motion by Council Member Smiley and second by Council Member Mercer, to approve the FY2017-2018 Financial Plan for the City of Greenville, the vote again resulted in a tie with Council Members Smiley, Mercer and Glover voting in favor and Mayor Pro-Tem Smith and Council Members Godley and Connelly voting against. Mayor Thomas broke the tie, voting in favor of the motion, and the motion passed by 4 to 3.

### **OUTDOOR RECREATION LEGACY PARTNERSHIP GRANT APPLICATION FOR GREENFIELD TERRACE PARK EXPANSION**

Recreation and Parks Director Gary Fenton stated the National Parks Service (NPS) released guidelines in March for \$15 million in federal matching grants through the Outdoor Recreation Legacy Partnership (ORLP) Program. The program accepts grant applications for park improvements focusing on connecting people to outdoor places, particularly in communities that are underserved in terms of parks or outdoor recreation areas and have significant numbers of individuals who are economically disadvantaged, minority and/or youth. The ORLP program will provide matching grants of \$250,000 to \$750,000 to successful applicants for park projects. These federal monies will be provided through the Land and Water Conservation Fund (LWCF) and, like the LWCF, ORLP grants require a 1:1 local match. Depending on the size of the selected projects, 20 to 60 projects will be selected for funding. Eighteen (18) North Carolina communities, including Greenville, were eligible to submit pre-applications, based on grant requirements.

Director Fenton stated that pre-applications were due to the NC Division of Parks and Recreation (NCDPR) by May 2, 2016. In addition to reaching the program's targeted populations, evaluation criteria for a proposed project include that project's ability to engage members of the affected community in the planning of the project as well as advancing the goals of the 2015-2020 North Carolina Statewide Comprehensive Outdoor Recreation Plan. The required "quick turnaround" for a pre-application submission necessitated that Greenville's proposal involve a park that already had an existing master plan, the development of which had included an extensive public input process. Staff searched for a local park project proposal that could meet the goals and priorities of the ORLP. An expansion of Greenfield Terrace Park was deemed the best match for the grant requirements. The City's Comprehensive Master Plan for Parks had recommended an expansion of the park, which currently utilizes only about 1/5 of its available land, and a park-specific master plan had already been developed. Therefore, staff submitted an ORLP



pre-application for various park improvements at Greenfield Terrace Park, each of which was recommended in the Greenfield Terrace Park Master Plan.

Each state may recommend just two (2) communities' projects for ORLP funding. NCDPR reviewed and ranked all statewide applications, and recommended their two highest ranking projects for NPS funding consideration. The Greenfield Terrace Park Expansion was one of NCDPR's two recommended projects.

An NPS panel will evaluate and score all of the projects based on ORLP requirements and each project's purpose, benefits and relevance to ORLP's objectives. A ranked list of projects will be recommended to the NPS Director for final selection. Applicants from recommended projects will then submit final grant applications by December 31, 2016. A grant start date is likely to fall between January and April 2017.

Director Fenton cautioned that this grant has the Land and Water Conservation Fund requirement that the property remain in recreational use in perpetuity. In order to use this land for anything other than recreation, an equivalent amount of land in proximity to this land would be required for recreational purposes. The land for the entire Greenfield Terrace Park was originally donated to the City and may already have similar stipulations. Recreation and Parks staff are researching whether there are already existing stipulations. If a final application is requested, an environmental assessment of the park property will be required.

If the Greenfield Terrace Park Expansion project is selected for ORLP funding, the City would be responsible for providing 50% of the \$975,610 estimated project cost, or \$487,805.

Mayor Pro-Tem Smith moved to approve submitting a final application for the Greenfield Terrace Park Expansion Project, if invited by the National Park Service to do so, and to approve funding the City's 50% match of \$487,805 from the General Fund Fund Balance. Council Member Smiley seconded the motion, which passed by unanimous vote.

**(ADDED) CONSIDERATION OF THE PROJECT SCOPE FOR CONTRACT AMENDMENT FOR PHASE II OF THE TOWN COMMON IMPROVEMENT PLAN**

Parks Planner Lamarco Morrison reviewed the status of projects currently ongoing at the Town Common including the Inclusive Playground and the Fishing Pier and Kayak Launch.

He then stated that, at the April 14<sup>th</sup> City Council meeting, consultants Rhodeside and Harwell presented two design alternatives for Town Common Phase I improvements. At that meeting, the City Council directed staff to contract with Rhodeside and Harwell to complete a schematic plan for the entire park, update the Town Common Master Plan and continue with design development for the Sycamore Hill Baptist Church Tower and the





parking lot associated with the playground. With completion of the Phase I Schematic Plan, based on Option A, staff is requesting to amend the contract to complete a schematic design for the entire park. They are not asking for design development of the tower and the parking lot with this amendment because they still need to get public feedback on both, to include three different designs for the clock tower. Those will be brought to Council at a later date. Parks Planner Morrison stated a complete listing of the scope of this contract amendment was included in materials provided to the City Council.

Mayor Pro-Tem Smith moved to authorize City staff to move forward with the Town Common Development schematic plan, and master plan update, and to amend the contract for professional services with Rhodeside and Harwell, Inc. in an amount not to exceed \$125,000. Council Member Godley seconded the motion, which passed by unanimous vote.

**(ADDED) CONSIDERATION OF THE DESIGNATION OF US 264 AS A FUTURE INTERSTATE HIGHWAY FROM GREENVILLE TO US 64 IN ZEBULON** – (Resolution No. 042-16)

Economic Development and Revitalization Manager Roger Johnson stated that, in an effort to address some of the challenges identified as obstacles to economic development following the most recent site selector visit by the SCA group, the City Manager initiated a process to designate US264 as an interstate highway. Findings from the SCA group revealed that Greenville and Pitt County may be eliminated from consideration by site selectors due to the lack of proximity to an interstate highway. The City Manager's office contacted Congressional Representatives Walter Jones and G.K. Butterfield for their advisement on the federal designation process of US264 as an interstate.

At the January City Council Planning Session, there was general support for seeking interstate designation for US264. Staff later met with NCDOT representatives to determine the feasibility and support for the initiative. The result of the meeting and conference calls identified a state process for federal designation through the MPO. Concurrently, Congressmen Jones and Butterfield will propose a bill seeking interstate designation for US264, ranging from US64 intersection in Zebulon to US264 and North Memorial intersection in Greenville. This project may also include connectivity from US264 to US64.

Both Congressman Jones and Congressman Butterfield are willing to seek a federal designation through a bill. Borne from these discussions was a request from both Congressmen and advisement by the Ferguson Group to complete an economic impact analysis for the project, as well as, a more refined estimate for the cost of construction. The Congressmen intend to use this data as justification.

The NCDOT supported the original project and recommended an expansion of the City's original request. The original request for interstate designation started on US264 in Greenville heading west and ending at I795. Specifically, the NCDOT recommended that





interstate designation continue west past I795 until reaching the intersection of US264 and US64 near Zebulon.

City staff, Pitt County staff and Pitt County Development Commission staff will present this project to their respective boards for concurrence. Importantly, it was felt that much of the US264 corridor is currently considered to be of interstate quality by the interested parties and as a result, makes this a priority for funding due to limited costs involved in improvements to meet interstate standards. City and County staff agreed to recommend an even split for the cost of the economic impact analysis. The estimated cost of this analysis is \$100,000; or an anticipated \$50,000 expense for the City of Greenville.

Economic Development and Revitalization Manager Johnson asked that the City Council consider adoption of a resolution which approves and endorses the US264 future interstate designation project and allow staff to solicit proposals for completion of an economic impact analysis. If approved, City Council will be asked to approve funding for the economic analysis following a required public hearing at the City Council meeting on August 18, 2016.

Council Member Connelly moved to adopt the resolution supporting Interstate designation of US264 in eastern North Carolina, between US64 and one mile east of NC11, and the Southwest Bypass that is currently under construction from US264/Stantonsburg Road routing south to NC11 in Ayden. Council Member Godley seconded the motion, which passed by unanimous vote.

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**CITY MANAGER'S REPORT**

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City Manager Lipscomb asked Human Resources Director Leah Futrell to provide an update on the Summer Youth at Work program.

Director Futrell stated the program began this week with 25 youth in the program, 20 of which are funded by the City. They are all in job readiness skills training at Pitt Community College this week and will begin working in various City departments thereafter. Throughout their seven weeks working with the City, they will be working to attain their Career Readiness Certificate that is required by many employers. This will be a great opportunity for the youth to learn and to showcase their skill set.

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**COMMENTS FROM THE MAYOR AND CITY COUNCIL**

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The Mayor and City Council made comments about past and future events.



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**ADJOURNMENT**

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Mayor Pro-Tem Smith moved to adjourn the meeting, seconded by Council Member Glover. There being no further discussion, the motion passed by unanimous vote and Mayor Thomas adjourned the meeting at 9:09 pm.

Respectfully submitted,

A handwritten signature in cursive script that reads "Carol L. Barwick".

Carol L. Barwick, CMC  
City Clerk



# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

**Title of Item:** Authorization to sell City-owned property at 1203 Davenport Street

**Explanation:** **Abstract:** The purpose of this item is to seek authorization to sell City-owned property at 1203 Davenport Street as allowed by North Carolina Session Law 2014-37 / HB 1159.

**Explanation:** The Community Development Department has received a letter (attached) from Ms. Felecia Henderson of 1207 Davenport Street, requesting to purchase property owned by the City of Greenville at its established tax value of \$2,291 in order to construct an addition to her home. The property is a vacant lot adjacent to her home, being Pitt County Tax Parcel Number 10169, also identified as 1203 Davenport Street. The subject parcel is approximately 40 feet in width and 115 feet deep, being approximately 0.10 acre in size. According to the Pitt County parcel data sheet (attached), the subject property has a tax value of \$2,291. A property appraisal (attached) was prepared by a local appraisal service in July 2016, when Ms. Henderson first inquired about purchasing the property, valuing the subject property at \$5,000.

Section 1.(a) of HB 1159 allows conveyance of real property by private negotiation and sale if specific criteria are met. HB 1159 was a local bill initiated by the City of Greenville to allow for the disposition of properties meeting this condition to adjacent property owners in order to get these properties back on the tax rolls and to reduce the advertising requirements. The bill as originally authored by the city proposed that the properties be deeded over without compensation. However, the General Assembly included a provision requiring payment of the lot which is to be determined by the city.

The subject property meets all of the required criteria as follows: a) it is zoned for single-family residential use, b) it is currently vacant, c) it does not meet the minimum lot size requirement of the zoning ordinance, and d) it must be sold to a person who owns the property adjacent to the real property being sold by the City.

If City Council authorizes the sale of the parcel at \$2,291, staff is required to

publish a legal notice pursuant to HB 1159. After the 10-day public notice period, barring any unforeseen reason, the subject property may then be conveyed to the new owner.

**Fiscal Note:**

Appraisal preparation cost was \$250 and advertising costs are estimated not to exceed \$250, for a total cost to the City of approximately \$500.


**Recommendation:**

Approve the sale of the subject property located at 1203 Davenport Street, also being Pitt County Tax Parcel Number 10169, in the amount of \$2,291 to Ms. Felecia Henderson. Authorize staff to publish the required legal notices, authorize the City Attorney to prepare the Guaranty Deed, and also authorize the City Manager and Mayor to execute said documents.

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Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

**Attachments / click to download**

 [request letter](#)

 [survey](#)

 [data sheet](#)

 [appraisal](#)

Felecia R. Henderson  
1207 Davenport Street  
Greenville, NC 27834  
252-341-1081

Ben Griffith, Director of Community Development  
City of Greenville  
Community Development  
PO Box 7207  
Greenville, NC 27835

Dear Ben Griffith:

My husband and I reside at 1207 Davenport Street, Parcel 08307. I am writing you to express our interest in 1203 Davenport Street (Parcel 10169) next to our home. We are interested in acquiring this property from the City of Greenville. It is our desire to combine this parcel with our current property and we would like to purchase it at the tax value of \$2,291.00. We are expecting another baby and to accommodate our growing family, we would like to build additional square footage onto our current home. I purchased this home in this area because I believed in the purpose behind the *45 Block Revitalization Program*. However, the house is more of a starter home. The lot of 1203 Davenport St would provide us with the necessary space to add the square footage that we need, without having to relocate.

We are asking that this request be placed on the Council's Agenda as soon as possible.

Thank you for your assistance. I look forward to hearing from you.

Sincerely,

  
Felecia R. Henderson







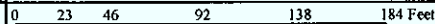
**Pitt County Government**  
Greenville, North Carolina  
[www.pittcountync.gov](http://www.pittcountync.gov)



Parcel	10169
Physical Address	1203 DAVENPORT ST
Owner Name	GREENVILLE CITY OF
OwnerAddress1	PO BOX 7207
OwnerAddress2	
OwnerAddress3	
City / State / Zip	GREENVILLE NC 27835
NC PIN	4678809266
Subdivision / Section / Phase	
Prior Legal Description	EPPE'S PARK
Block / Lot	D 18
Tract	
Building Number / Unit	
Acres	0.09
Current Owner Deed/Document	003230 00503
Map Book	3-305
Deed / Document Date	06/2014
Deed / Document Sales Price	\$0
Building Type / Use	
Number of Buildings	0
Year Built	
Total Living Area	
Building Value	
Extra Features Value	\$0
Land Value	\$2,291
Total Current Market Value	\$2,291
Total 2015 Market Value	\$2,291
Revaluation Year	2016
Municipality	GREENVILLE
Township	GREENVILLE
Fire Service District	INSIDE MUNICIPALITY
Census Tract	701
Neighborhood	004232
Elementary School	South Greenville ES
Middle School	C M Eppes MS
High School	J H Rose HS

**Disclaimer:** This tax record is prepared for the inventory of real property within Pitt County and is compiled from recorded deeds, plats, tax maps, surveys, and other public records. Users of this data are hereby notified that the aforementioned public primary information sources should be consulted for verification. Pitt County assumes no legal responsibility for the information contained herein.

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**PLEASE NOTE:**

Parcel ownership information updated nightly.  
Map printed 10/25/2016.

# INVOICE

**FROM:**

The Appraisal Advantage  
 Post Office Box 7101  
 Greenville, NC 27835

Telephone Number: (252) 758-9116 Fax Number: (252) 758-9117

**INVOICE NUMBER**

cofg2.16

**DATE**

July 11, 2016

**REFERENCE**

Internal Order #:  
 Lender Case #:  
 Client File #:  
 Main File # on form: cofg2.16 Attachment number 4  
 Other File # on form: Page 1 of 10  
 Federal Tax ID: 56-1799445  
 Employer ID:

**TO:**

City of Greenville  
 Post Office Box 7207  
 Greenville, NC 27835  
 Karen Gilkey

Telephone Number: (252) 329-4505 Fax Number:  
 Alternate Number: E-Mail:

**DESCRIPTION**

**Lender:** City of Greenville **Client:**  
**Purchaser/Borrower:** None  
**Property Address:** 1203 Davenport Street  
**City:** Greenville  
**County:** Pitt **State:** NC **Zip:** 27834  
**Legal Description:** Lot 18, Block D, Eppes Park Subdivision

**FEES**

**AMOUNT**

Appraisal Services	250.00
<b>SUBTOTAL</b>	250.00

**PAYMENTS**

**AMOUNT**

Check #:	Date:	Description:	
Check #:	Date:	Description:	
Check #:	Date:	Description:	
<b>SUBTOTAL</b>			
<b>TOTAL DUE</b>			<b>\$ 250.00</b>



## APPRAISAL OF REAL PROPERTY



Attachment number 4  
Page 2 of 10

### LOCATED AT

1203 Davenport Street  
Greenville, NC 27834  
Lot 18, Block D, Eppes Park Subdivision

### FOR

City of Greenville  
Post Office Box 7207, Greenville, NC 27835

### OPINION OF VALUE

5,000

### AS OF

July 6, 2016

### BY

L. Ashley Barker  
The Appraisal Advantage  
Post Office Box 7101  
Greenville, NC 27835  
(252) 758-9116  
ashley@appraisaladvantage.com

LAND APPRAISAL REPORT

File No. cofq2.16

Borrower None Census Tract 0007.01 Map Reference 3-305
Property Address 1203 Davenport Street
City Greenville County Pitt State NC Zip Code 27834
Legal Description Lot 18, Block D, Eppes Park Subdivision
Sale Price \$ N/A Date of Sale N/A Loan Term N/A yrs. Property Rights Appraised Fee Leasehold De Minimis PUD
Actual Real Estate Taxes \$ 28.51 (yr) Loan charges to be paid by seller \$ N/A Other sales concessions N/A
Lender/Client City of Greenville Address Post Office Box 7207, Greenville, NC 27835
Occupant Vacant site Appraiser L. Ashley Barker Instructions to Appraiser Estimate market value for asset valuation

Location Urban Suburban Rural
Built Up Over 75% 25% to 75% Under 25%
Growth Rate Fully Dev. Rapid Steady Slow
Property Values Increasing Stable Declining
Demand/Supply Shortage In Balance Oversupply
Marketing Time Under 3 Mos. 4-6 Mos. Over 6 Mos.
Present 70% One-Unit 05% 2-4 Unit % Apts. % Condo 10% Commercial
Land Use % Industrial 15% Vacant %
Change in Present Land Use Not Likely Likely (\*) Taking Place (\*)
Predominant Occupancy Owner Tenant % Vacant
One-Unit Price Range \$ 10,000 to \$ 70,000 Predominant Value \$ 35,000
One-Unit Age Range 10 yrs. to 75 yrs. Predominant Age 50+ yrs.
Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise) The subject property is located within the city limits of Greenville, NC in an area that provides close proximity to the downtown and medical districts. Land uses for this area are predominantly single-family residences. Nearby Farmville Boulevard is currently undergoing extensive expansion to allow for direct access from the nearby medical district to the downtown district and the East Carolina University campus.

Dimensions 40' x 115' x 40' x 116' = .10 Acres Corner Lot
Zoning Classification R6S Residential Present Improvements Do Do Not Conform to Zoning Regulations
Highest and Best Use Present Use Other (specify)
Elec. Gas Water San. Sewer
OFF SITE IMPROVEMENTS
Street Access Public Private
Surface Asphalt
Maintenance Public Private
Storm Sewer Curb/Gutter
Sidewalk Street Lights
Topo Mostly Level, Cleared
Size Typical
Shape Mostly Rectangular
View Average
Drainage Appears Adequate
Is the property located in a FEMA Special Flood Hazard Area? Yes No
Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions) My inspection and subsequent investigation revealed no apparent adverse easements or encroachments. Recommend review of current survey. The rationale for the highest and best use being residential is that this is a residential site within an area containing residential properties with residential zoning.

The undersigned has recited the following recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

Table with 5 columns: ITEM, SUBJECT PROPERTY, COMPARABLE NO. 1, COMPARABLE NO. 2, COMPARABLE NO. 3. Rows include Address, Proximity to Subject, Sales Price, Price \$/Sq. Ft., Data Source(s), Date of Sale/Time Adj., Location, Site/View, Sales or Financing Concessions, Net Adj. (Total), Indicated Value of Subject.

Comments on Market Data The above comparables are closed sales of similar properties located within the subject's immediate market area. All sales are older than typically desired but were utilized given their close proximity to the subject and Farmville Boulevard. Sales 2 and 3 were offered separately within the Multiple Listing Service but were purchased together by the same buyer.

Comments and Conditions of Appraisal This appraisal has been developed as an Appraisal Report as defined in the Uniform Standards of Professional Appraisal Practice. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Final Reconciliation Although older than typically desired, the above sales are deemed to be good indicators of the present market value of the subject property due to their equally close proximity to Farmville Boulevard, which is currently undergoing extensive expansion. Market data for this report is considered adequate to develop a reliable opinion of value for the subject property.

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE SUBJECT PROPERTY AS OF July 6, 2016 TO BE \$ 5,000
Appraiser L. Ashley Barker Supervisory Appraiser (if applicable)
Date of Signature and Report July 11, 2016 Date of Signature
Title North Carolina Certified Residential Appraiser Title
State Certification # A1184 ST NC State Certification # ST
Or State License # ST Or State License # ST
Expiration Date of State Certification or License 06/30/2017 Expiration Date of State Certification or License
Date of Inspection (if applicable) July 6, 2016 Did Did Not Inspect Property Date of Inspection

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale. (Source: FDIC Interagency Appraisal and Evaluation Guidelines, October 27, 1994.)

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

Attachment number 4  
Page 4 of 10

## STATEMENT OF LIMITING CONDITIONS AND CERTIFICATION

**CONTINGENT AND LIMITING CONDITIONS:** The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is valued on the basis of it being under responsible ownership.
2. Any sketch provided in the appraisal report may show approximate dimensions of the improvements and is included only to assist the reader of the report in visualizing the property. The appraiser has made no survey of the property.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. Any distribution of valuation between land and improvements in the report applies only under the existing program of utilization. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
5. The appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous waste, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. This appraisal report must not be considered an environmental assessment of the subject property.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
8. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
9. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
10. The appraiser is not an employee of the company or individual(s) ordering this report and compensation is not contingent upon the reporting of a predetermined value or direction of value or upon an action or event resulting from the analysis, opinions, conclusions, or the use of this report. This assignment is not based on a required minimum, specific valuation, or the approval of a loan.

**CERTIFICATION:** The appraiser certifies and agrees that:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
9. Unless otherwise indicated, I have made a personal inspection of the interior and exterior areas of the property that is the subject of this report, and the exteriors of all properties listed as comparables.
10. Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Attachment number 4  
Page 5 of 10

**ADDRESS OF PROPERTY ANALYZED:** 1203 Davenport Street, Greenville, NC 27834

**APPRAISER:**

Signature: *L. Ashley Barker*  
 Name: L. Ashley Barker  
 Title: North Carolina Certified Residential Appraiser  
 State Certification #: A1184  
 or State License #: \_\_\_\_\_  
 State: NC Expiration Date of Certification or License: 06/30/2017  
 Date Signed: July 11, 2016



**SUPERVISORY or CO-APPRAISER (if applicable):**

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_ Expiration Date of Certification or License: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_  
 Did  Did Not Inspect Property

**FIRREA / USPAP ADDENDUM**

Borrower None File No. cofg2.16  
 Property Address 1203 Davenport Street  
 City Greenville County Pitt State NC Zip Code 27834  
 Lender/Client City of Greenville

**Purpose**  
 The purpose of this appraisal is to provide an opinion of current market value for asset valuation.

**Scope of Work**  
 This appraiser has inspected the subject property and investigated the subject's market in order to develop an estimate of market value. Investigation of the subject's market involves research and analysis of current sales and listings of similar properties. Adjustments to the comparable sales have been developed from sales and listings within the subject's market area. Additional information for this report has been developed from Pitt County property records.

Attachment number 4  
 Page 6 of 10

**Intended Use / Intended User**  
 Intended Use: The Intended Use of this report is for asset valuation.  
 Intended User(s): The Intended User of this report is the City of Greenville.

**History of Property**  
 Current listing information: The subject property has not been listed for sale in the local Multiple Listing Service within the previous twelve months.  
 Prior sale: Ownership of the subject property was transferred to the present owner on 06/13/2014. No revenue tax was paid on this transaction. No additional transfers of ownership of the subject property have occurred within the previous three years.

**Exposure Time / Marketing Time**  
 Estimate of exposure time for the subject property would be 180 days. Marketing time for this area is currently estimated to be 90-180 days.

**Personal (non-realty) Transfers**  
 No personal property has been included within the final opinion of value.

**Additional Comments**  
 None.

**Certification Supplement**  
 1. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.  
 2. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

Appraiser: L. Ashley Barker  
 Signed Date: July 11, 2016  
 Certification or License #: A1184  
 Certification or License State: NC Expires: 06/30/2017  
 Effective Date of Appraisal: July 6, 2016



Supervisory Appraiser: \_\_\_\_\_  
 Signed Date: \_\_\_\_\_  
 Certification or License #: \_\_\_\_\_  
 Certification or License State: \_\_\_\_\_ Expires: \_\_\_\_\_  
 Inspection of Subject:  Did Not  Exterior Only  Interior and Exterior



### Photograph Addendum

Borrower	None				
Property Address	1203 Davenport Street				
City	Greenville	County	Pitt	State	NC Zip Code 27834
Lender/Client	City of Greenville				

Front view of subject

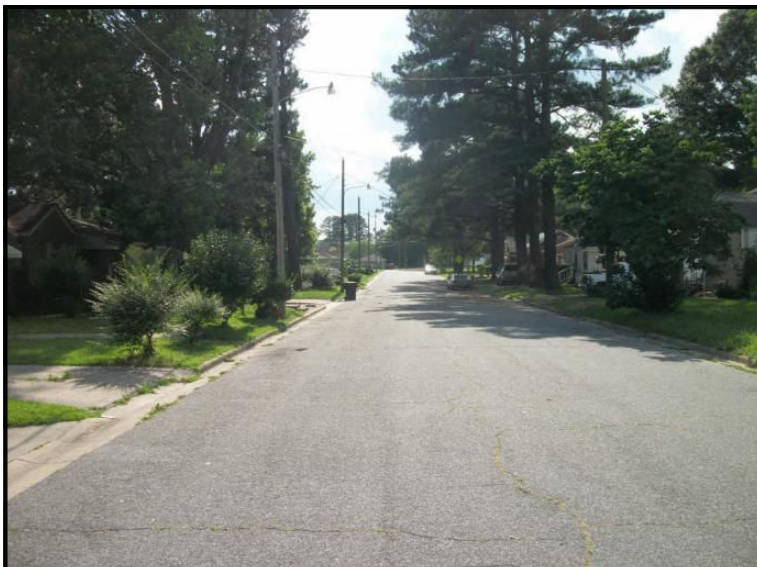


Attachment number 4  
Page 7 of 10

Street view



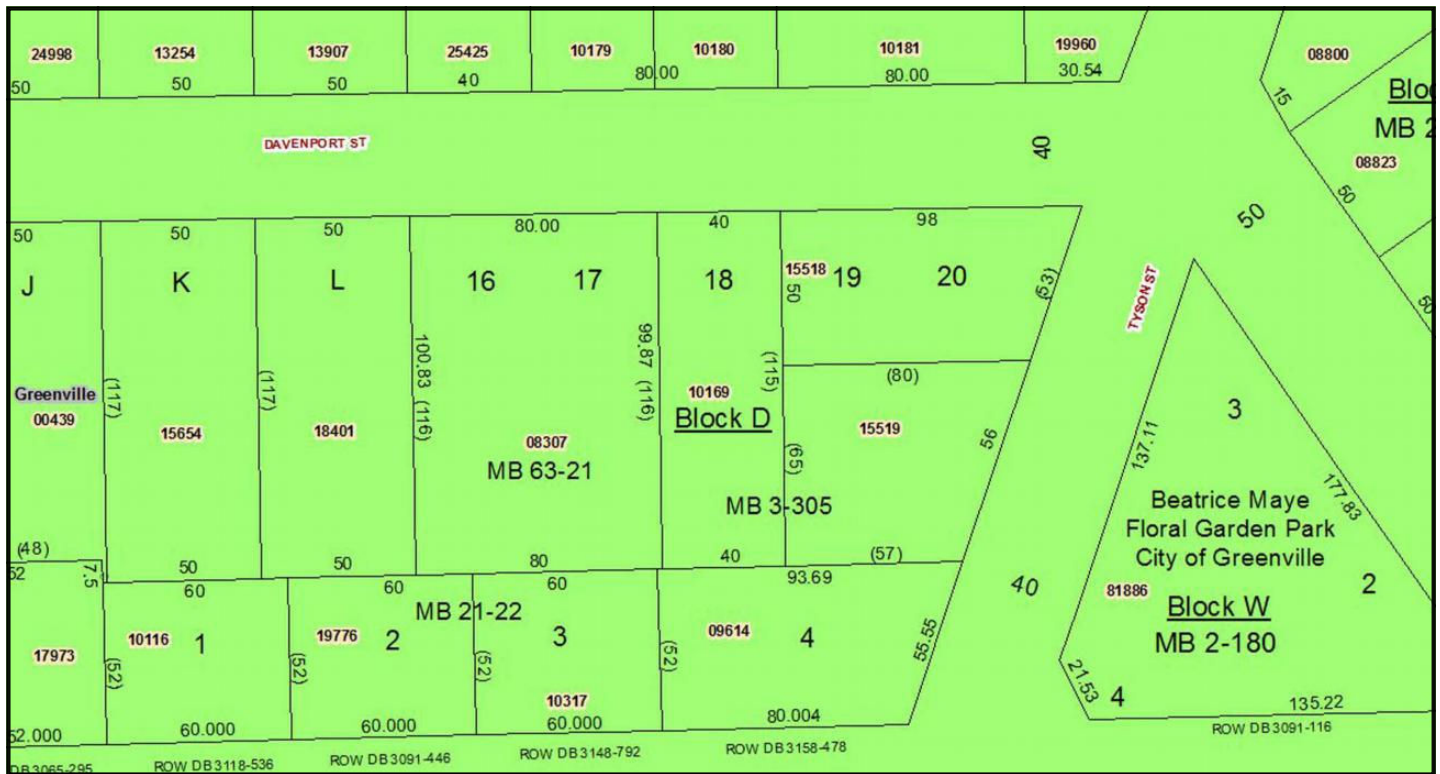
Additional street view



### Plat Map

Borrower	None			
Property Address	1203 Davenport Street			
City	Greenville	County	Pitt	State NC Zip Code 27834
Lender/Client	City of Greenville			

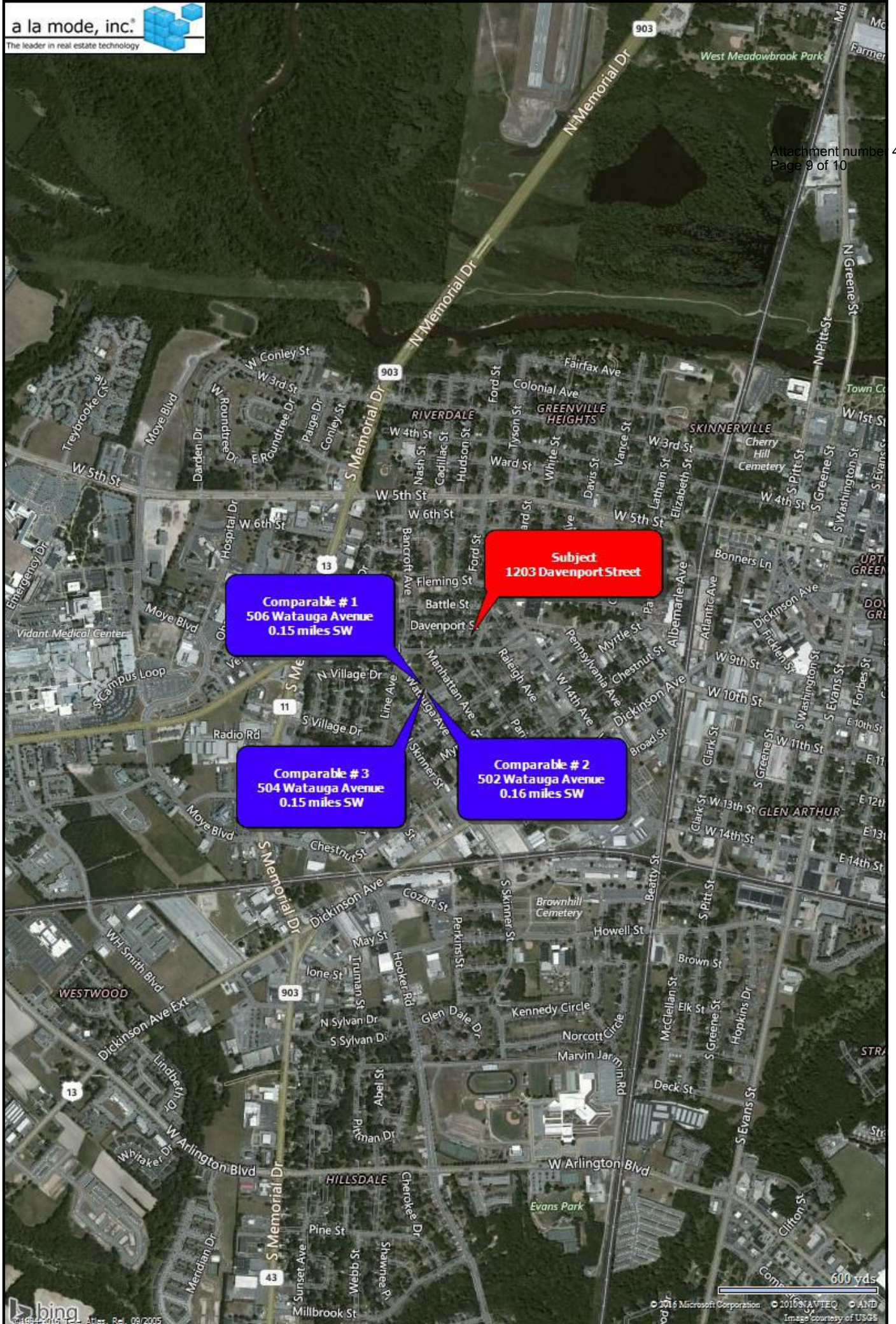
Attachment number 4  
Page 8 of 10





### Location Map

Borrower	None			
Property Address	1203 Davenport Street			
City	Greenville	County	Pitt	State NC Zip Code 27834
Lender/Client	City of Greenville			

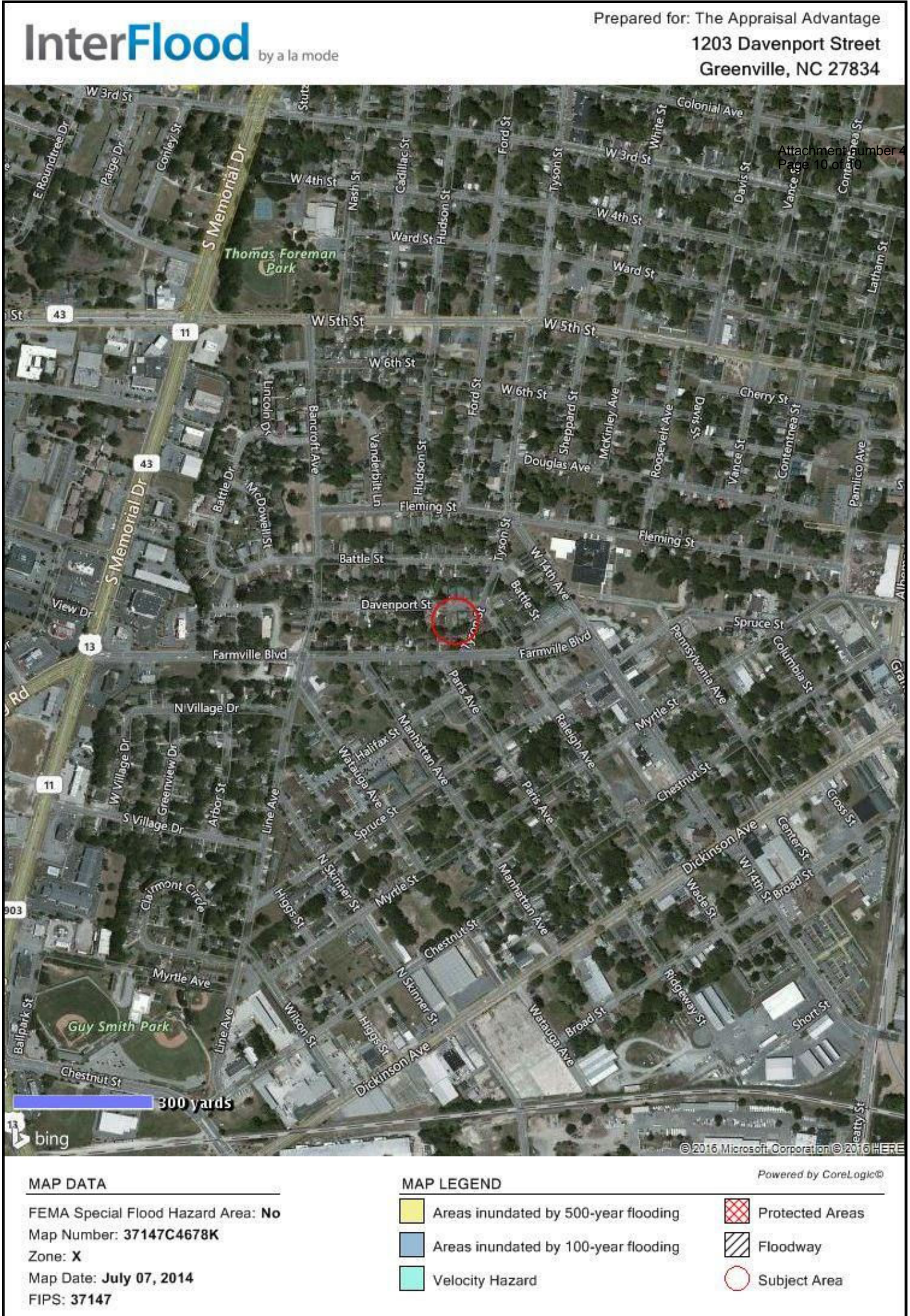


Attachment number 4  
Page 9 of 10



# Flood Map

Borrower	None			
Property Address	1203 Davenport Street			
City	Greenville	County	Pitt	State NC Zip Code 27834
Lender/Client	City of Greenville			







# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

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**Title of Item:** Resolution accepting dedication of rights-of-way and easements for Langston West, Section 7

**Explanation:** **Abstract:** This item proposes a resolution to accept dedication of rights-of-way and easements for Langston West, Section 7.

**Explanation:** In accordance with the City's Subdivision regulations, rights-of-way and easements have been dedicated for Langston West, Section 7 (Map Book 80 at Page 35). A resolution accepting the dedication of the aforementioned rights-of-way and easement is attached for City Council consideration. The final plat showing the rights-of-way and easements are also attached.

**Fiscal Note:** Funds for the maintenance of these rights-of-way and easements are included within the fiscal year 2016-2017 budget.

**Recommendation:** Adopt the attached resolution accepting dedication of rights-of-way and easements for Langston West, Section 7.

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Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

**Attachments / click to download**

- [Langston West Sect 7 Plat](#)
- [November 2016 Right of way Resolution 1039514](#)

RESOLUTION NO.  
A RESOLUTION ACCEPTING DEDICATION TO THE PUBLIC OF  
RIGHTS-OF-WAY AND EASEMENTS ON SUBDIVISION PLATS

WHEREAS, G.S. 160A-374 authorizes any City Council to accept by resolution any dedication made to the public of land or facilities for streets, parks, public utility lines, or other public purposes, when the lands or facilities are located within its subdivision-regulation jurisdiction; and

WHEREAS, the Subdivision Review Board of the City of Greenville has acted to approve the final plats named in this resolution, or the plats or maps that predate the Subdivision Review Process; and

WHEREAS, the final plats named in this resolution contain dedication to the public of lands or facilities for streets, parks, public utility lines, or other public purposes; and

WHEREAS, the Greenville City Council finds that it is in the best interest of the public health, safety, and general welfare of the citizens of the City of Greenville to accept the offered dedication on the plats named in this resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Greenville, North Carolina:

Section 1. The City of Greenville accepts the dedication made to the public of lands or facilities for streets, parks, public utility lines, or other public purposes offered by, shown on, or implied in the following approved subdivision plats:

Langston West Section 7

Map Book 80 Page 35

Section 2. Acceptance of dedication of lands or facilities shall not place on the City any duty to open, operate, repair, or maintain any street, utility line, or other land or facility except as provided by the ordinances, regulations or specific acts of the City, or as provided by the laws of the State of North Carolina.

Section 3. Acceptance of the dedications named in this resolution shall be effective upon adoption of this resolution.

Adopted the 7<sup>th</sup> day of November, 2016.

---

Allen M. Thomas, Mayor

ATTEST:

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Carol L. Barwick, City Clerk

NORTH CAROLINA  
PITT COUNTY

I, Polly Jones, Notary Public for said County and State, certify that Carol L. Barwick personally came before me this day and acknowledged that she is the City Clerk of the City of Greenville, a municipality, and that by authority duly given and as the act of the municipality, the foregoing instrument was signed in its name by its Mayor, sealed with the corporate seal, and attested by herself as its City Clerk.

WITNESS my hand and official seal this the 7<sup>th</sup> day of November, 2016.

---

Notary Public

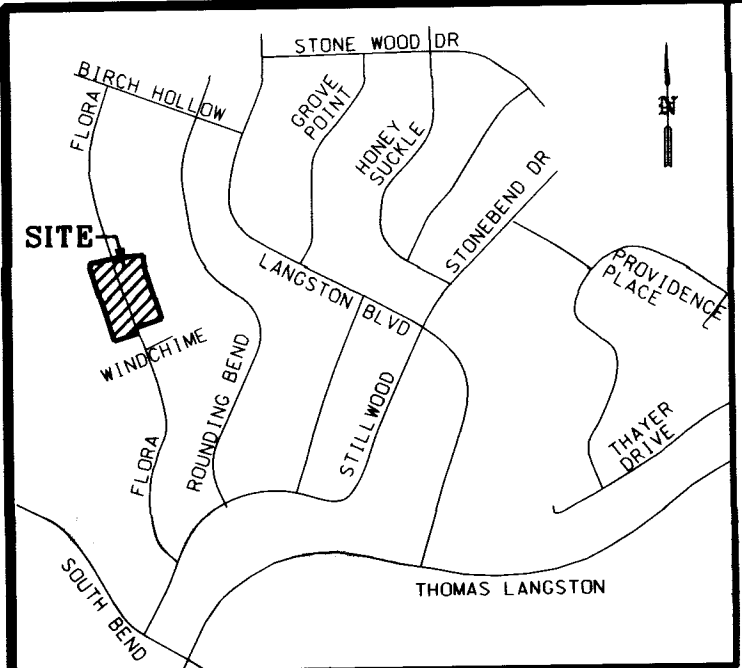
Attachment number 1  
Page 2 of 2

My Commission Expires:

**SITE DATA**

NUMBER OF LOTS CREATED.....13  
 TOTAL ACREAGE.....4.5049 AC  
 AREA IN COMMON AREA.....0  
 AREA IN PARKS, RECREATION  
 AREAS AND THE LIKE.....0

Doc ID: 013546050001 Type: CRP  
 Recorded: 05/25/2016 at 02:43:28 PM  
 Fee Amt: \$21.00 Page 1 of 1  
 Pitt County, NC  
 Lisa P. Nichols REG OF DEEDS  
 BK **80** PG **35**



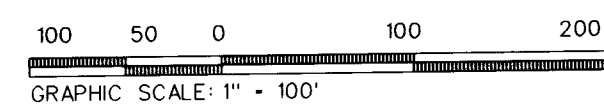
VICINITY MAP  
 SCALE: 1" = 1000'

**NOTES:**

1. THE DESIGNATION NOTED OVER WATER, SANITARY SEWER, GAS OR ELECTRIC LINES IS FOR THE PURPOSE OF ESTABLISHING THE WIDTH OF SAID EASEMENT. THE EASEMENTS SHOWN ARE NOT EXCLUSIVE AND WILL PERMIT THE FUTURE INSTALLATION OF WATER, SANITARY SEWER, GAS AND ELECTRIC LINES WITHIN THOSE DESIGNATED WIDTHS.
2. ALL AREAS CALCULATED BY COORDINATE GEOMETRY.
3. THIS PROPERTY IS NOT LOCATED IN A SPECIAL FLOOD HAZARD AREA AS DETERMINED BY THE NATIONAL FLOOD INSURANCE PROGRAM. REFERENCE: FIRM PANEL NUMBER 3720466600J, PRELIMINARY DATE JUNE 8, 2011.
4. IRON STAKES SET AT ALL LOT CORNERS UNLESS OTHERWISE NOTED.
5. NO PERMANENT STRUCTURE(S), INCLUDING BUT NOT LIMITED TO SUBDIVISION SIGNAGE, FENCES OR STORAGE BUILDINGS, SHALL BE CONSTRUCTED OR LOCATED IN ANY DRAINAGE EASEMENT SHOWN ON THIS PLAT WITHOUT PRIOR APPROVAL FROM THE CITY OF GREENVILLE PUBLIC WORKS DEPARTMENT.
6. NO BUILDINGS, STRUCTURES, OR OTHER IMPROVEMENTS, MATERIALS AND SURFACES, INCLUDING BUT NOT LIMITED TO PRINCIPAL AND ACCESSORY STRUCTURES AND ADDITIONS OR APPURTENANCES THERE TO, SIGNAGE, WALLS, MECHANICAL EQUIPMENT, CANOPIES, ANTENNAS, MASTS, AERIALS, MONUMENTS, LANDSCAPE PLANTINGS, FILL MATERIALS, DEBRIS, SOLID WASTE COLLECTION CONTAINERS, MAIL RECEPTACLES AND IMPERVIOUS SURFACES, SHALL ENCRANCH WITHIN ANY DEDICATED EASEMENT WITHOUT PRIOR WRITTEN APPROVAL OF THE CITY OF GREENVILLE.
7. 1' SIDEWALK EASEMENT ON LOTS 266-271.

**LEGEND**

- NPS — NO POINT SET
- EIS — EXISTING IRON STAKE
- EIR — EXISTING IRON ROD
- CH — CHORD
- PT — POINT OF TANGENCY
- PC — POINT OF CURVATURE
- Δ — DELTA
- R — RADIUS
- BC — BACK OF CURB
- Ac. — ACRES
- L — CURVE LENGTH
- C — CENTERLINE
- R/W — RIGHT-OF-WAY
- EPKN — EXISTING PARKER KALON NAIL
- NIS — NEW IRON STAKE
- CC — CONTROL CORNER
- HSW — HOLE IN THE SIDEWALK
- SPKN — SET PARKER KALON NAIL
- NPF — NO POINT FOUND
- DI — DROP INLET



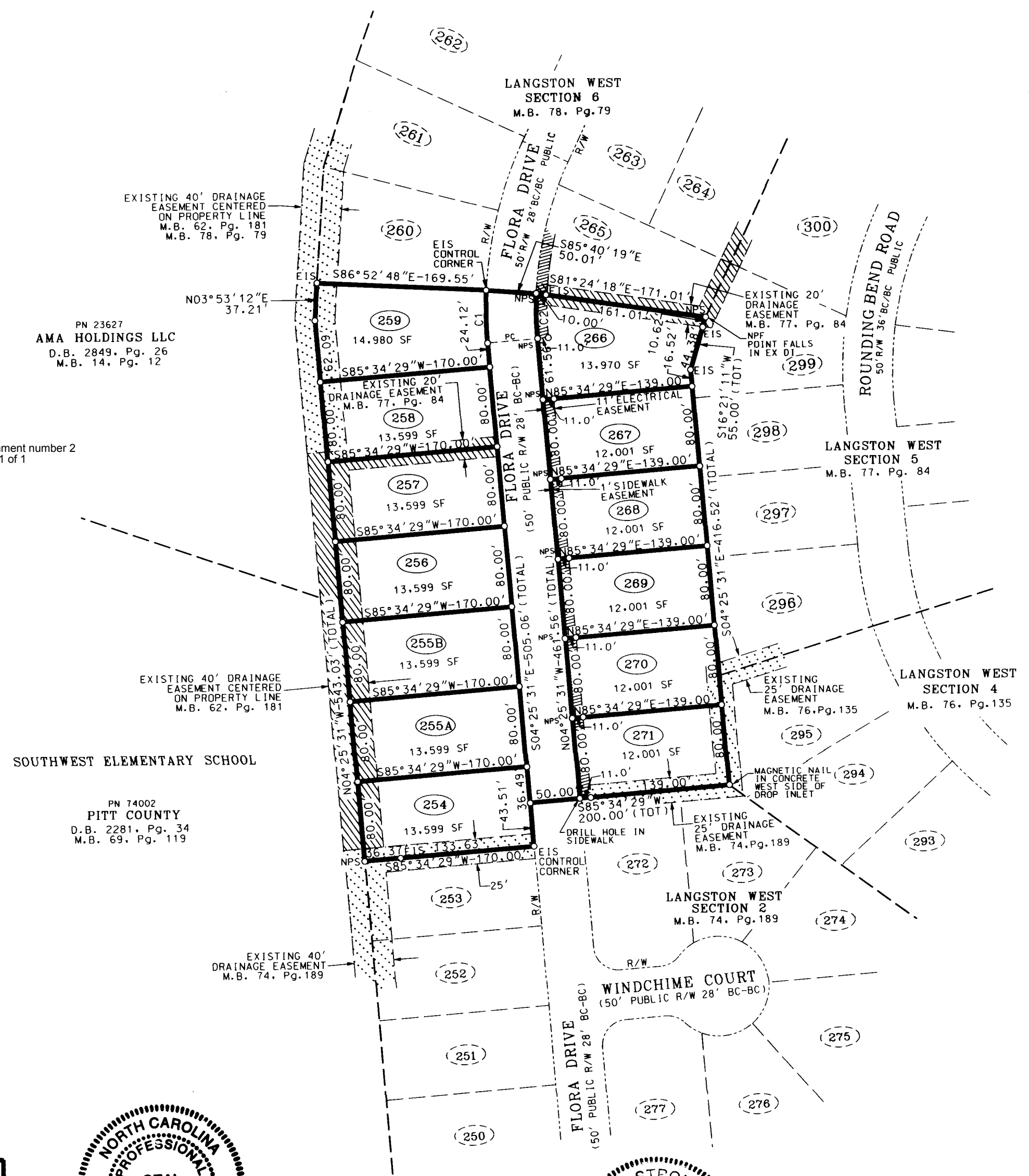
SHEET 1 OF 1 REFERENCE: PARCEL NUMBER 82229 AND MAP BOOK 62, PAGE 181

**MAP FOR RECORD**  
**LANGSTON WEST**  
 SECTION 7

GREENVILLE, WINTERVILLE TWP., PITT COUNTY, NORTH CAROLINA

OWNER: **BILL CLARK HOMES OF GREENVILLE, LLC**  
 200 E. ARLINGTON BLVD.  
 GREENVILLE, NC 27858  
 (252) 355-5805

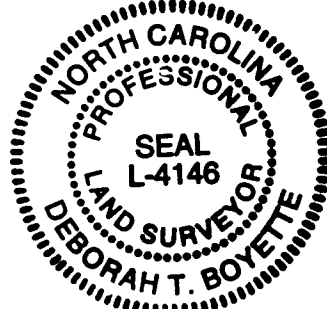
**STROUD ENGINEERING, P.A.**  
 107-B COMMERCE STREET  
 GREENVILLE, NC 27858  
 (252) 756-9352  
 LICENSE \*C-0647



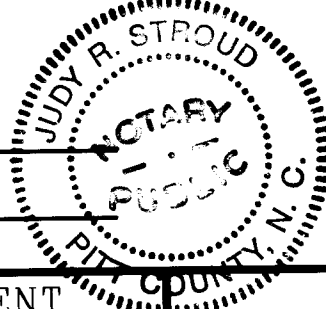
PN 23627  
**AMA HOLDINGS LLC**  
 D.B. 2849, Pg. 26  
 M.B. 14, Pg. 12

Attachment number 2  
 Page 1 of 1

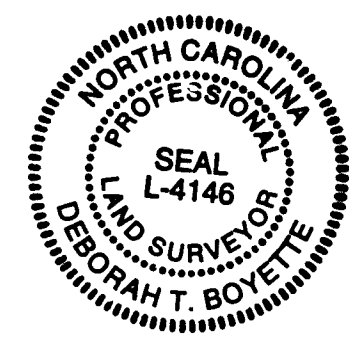
PN 74002  
**PITT COUNTY**  
 D.B. 2281, Pg. 34  
 M.B. 69, Pg. 119



OWNER: *Kathryn Smith*  
*Daniel Koch*



OWNER: *Kathryn Smith*  
*Daniel Koch*



**SURVEYOR'S CERTIFICATION**

I, **Deborah T. Boyette**, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL FIELD SURVEY MADE UNDER MY SUPERVISION (DEED DESCRIPTION RECORDED IN BOOK 1859, PAGE 119, OR FROM BOOKS REFERENCED HEREON); THAT THE BOUNDARIES NOT SURVEYED ARE CLEARLY INDICATED AS DRAWN FROM INFORMATION FOUND IN BOOK, SEE PAGE PLAT OR AS REFERENCED HEREON; THAT THE RATIO OF PRECISION IS 1:31,707 AS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED.  
 I FURTHER CERTIFY PURSUANT TO G.S. 47-30 (1)(1)(b), THIS SURVEY CREATES A SUBDIVISION OF LAND WITHIN A COUNTY OR MUNICIPALITY THAT HAS AN ORDINANCE THAT REGULATES PARCELS OF LAND.  
 WITNESS MY ORIGINAL SIGNATURE AND SEAL THIS THE 16 DAY OF May, 2016.  
 SIGNED: *Deborah T. Boyette*  
 PROFESSIONAL LAND SURVEYOR L-4146

**SOURCE OF TITLE**  
 THIS IS TO CERTIFY THAT THE LAST INSTRUMENT(S) IN THE CHAIN OF TITLE(S) OF THIS PROPERTY AS RECORDED IN THE PITT COUNTY REGISTRY AT GREENVILLE NORTH CAROLINA IS:  
 DEED BOOK 1859 PAGE 119  
 DEED BOOK \_\_\_\_\_ PAGE \_\_\_\_\_  
 DEED BOOK \_\_\_\_\_ PAGE \_\_\_\_\_  
 N.C. REG. NO. L-4146

**OWNERS STATEMENT**  
 THIS IS EVIDENCE THAT THIS SUB-DIVISION IS MADE AT THE REQUEST OF  
SEE ABOVE SIGNATURES  
 OWNER  
 SWORN AND SUBSCRIBED TO BEFORE ME THIS 16 DAY OF May, 2016  
*Judy R. Stroud*  
 NOTARY PUBLIC, MY COMMISSION EXPIRES ON \_\_\_\_\_

**APPROVAL**  
 THIS FINAL PLAT, 16-26 WAS APPROVED BY THE SUBDIVISION REVIEW BOARD IN ACCORDANCE WITH TITLE 9, CHAPTER 5 OF THE GREENVILLE CITY CODE THE 11th DAY OF MAY, 2016.  
 SIGNED: *M. R. R.*  
 CITY PLANNER

**DEDICATION**  
 THE UNDERSIGNED HEREBY ACKNOWLEDGE(S) THIS PLAT AND ALLOTMENT TO BE THAT FREE ACT AND DEED, AND HEREBY DEDICATES TO PUBLIC USE AS STREETS, PARKS, PLAY-GROUNDS, OPEN SPACES AND EASEMENTS FOREVER, ALL AREAS AS SHOWN OR AS INDICATED ON SAID PLAT.  
 SIGNED: SEE ABOVE SIGNATURES  
 ATTEST: *Judy R. Stroud*

**REVIEW OFFICER'S CERTIFICATE**  
 I, Michael D. ...  
 REVIEW OFFICER OF PITT COUNTY, CERTIFY THAT THE MAP OR PLAT TO WHICH THIS CERTIFICATION IS AFFIXED MEETS ALL STATUTORY REQUIREMENTS FOR RECORDING.  
*M. D.*  
 REVIEW OFFICER  
 DATE 5/25/16



# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

**Title of Item:** Resolution of Intent to Close a Portion of South Pitt Street

**Explanation:** **Abstract:** The City has received a request to close a portion of the right-of-way of South Pitt Street in connection with a development project on the block bounded by Pitt, Greene, 4th, and 5th Streets.

**Explanation:** The City received a petition from RDC Gather Uptown, LLC requesting a closure of a portion of the right-of-way of South Pitt Street. This closure is a reduction in the width of the existing street right-of-way with the reduction being taken from the eastern side of South Pitt Street between West Fourth Street and West Fifth Street. The petitioner is the owner of all of the property adjoining the street section requested to be closed.

**Staff Comments:** The petition has been reviewed by City of Greenville and Greenville Utilities Commission staff.

**Fiscal Note:** There will be no impact to the budget with this item.

**Recommendation:** Approve the Resolution of Intent to Close a Portion of South Pitt Street setting a public hearing on December 8, 2016, to consider the petition.

---

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

[S Pitt St Map](#)

[resolution of intent to close portion of S Pitt St 1039933](#)

RESOLUTION NO. \_\_\_\_\_  
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE  
DECLARING ITS INTENT TO CLOSE A PORTION OF SOUTH PITT STREET

WHEREAS, the City Council intends to close a portion South Pitt Street in accordance with the provisions of G.S. 160A-299;

THEREFORE, BE IT RESOLVED by the City Council of the City of Greenville, North Carolina, that it is the intent of the City Council to close a portion of said street, more particularly described as follows:

To Wit: Being a reduction in street right of way width of South Pitt Street with the reduction being from the eastern side of South Pitt Street between West Fourth Street and West Fifth Street as shown on the plat entitled, "Street Closure Plat of South Pitt Street Adjoining the Properties of RDC Gather Uptown, LLC", prepared by McKim & Creed and dated October 28, 2016.

Location: Lying and being situated in the City of Greenville, Greenville Township, Pitt County, North Carolina, located along the existing eastern right of way of South Pitt Street between West Fourth Street and West Fifth Street and adjoining properties of RDC Gather Uptown, LLC

Description: BEGINNING at a PK Nail set having NC Grid (NAD83/11) coordinates of Northing = 681,616.13 feet, Easting = 2,482,919.40 feet; thence along a tie line, S 70°15'19"W - 273.57 feet to a an iron rod set on the northern right-of-way line of West Fifth Street (allowing 60 feet), with said iron rod being the POINT OF BEGINNING; thence from said located beginning point and running along a new line within the existing right of way of South Pitt Street the following five calls: N 78°55'43" W - 15.40 feet to an iron rod set; N 14°58'34" W 23.54 feet to an iron rod set; N 12°07'01" E - 307.60 feet to an iron rod set; N59°37'15"E - 11.12 feet to an iron rod set; and S 78°16'30" E - 7.59 feet to an iron rod set in the existing eastern right of way of South Pitt Street, a point in the western property line of RDC Gather Uptown, LLC (DB 3476, Pg. 713); thence with eastern right of way line of South Pitt Street, the property line of RDC Gather Uptown, LLC the following five calls: S 53°39'59" W - 9.78 feet to an iron rod found; S 12°10'09" W - 86.01 feet to an iron rod set; N 78°22'01" W - 2.31 feet to an iron rod set; S 11°31'09" W-203.60 feet to an iron rod set; and S 11°34'53" E - 42.49 feet to an iron rod set, the POINT OF BEGINNING and containing +/- 0.070 acres (3,060 square feet) as shown on the plat entitled, "Street Closure Plat of South Pitt Street Adjoining the Property of RDC Gather Uptown, LLC", prepared by McKim & Creed and dated October 28, 2016.

BE IT FURTHER RESOLVED that a public hearing will be held in the Council Chambers, City Hall, Greenville, North Carolina, on the 8th<sup>th</sup> day of December, 2016 at 6:00 p.m., to consider the advisability of closing a portion of the aforesaid street. At such public hearing, all objections and suggestions will be duly considered.



BE IT FURTHER RESOLVED that a copy of this resolution be published once a week for four (4) consecutive weeks in The Daily Reflector; that a copy of this resolution be sent by certified mail to the owners of property adjacent to the above described street, as shown on the County tax records, and that a copy of this resolution be posted in at least two (2) places along the portions of the street to be closed.

Duly adopted this the 7th day of November, 2016.

\_\_\_\_\_  
Allen M. Thomas, Mayor

ATTEST:

\_\_\_\_\_  
Carol L. Barwick, City Clerk

Curve Table						
Curve #	Radius	Length	Tangent	Chord Bearing	Ch. Length	Delta
C1	5.00'	7.95'	5.10'	S32°43'08"E	7.14'	091°08'12"

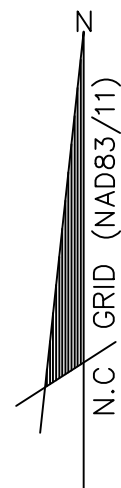
Line Table		
Line #	Direction	Length
L1	N78°55'43"W	15.40'
L2	N14°58'34"W	23.54'
L3	N59°37'15"E	11.12'
L4	S78°16'30"E	7.59'
L5	S53°39'59"W	9.78'
L6	N78°22'01"W	2.31'
L7	S11°34'53"E	42.49'
L8	S53°39'59"W	13.84'

LEGEND

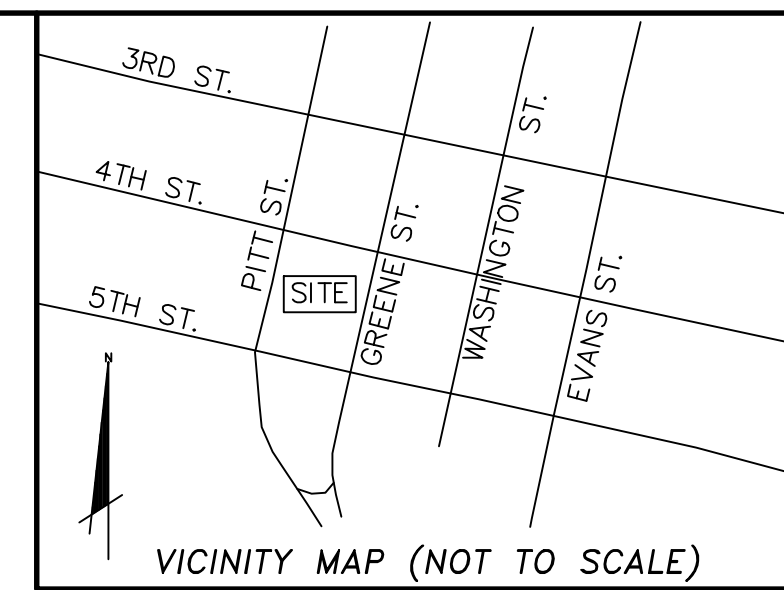
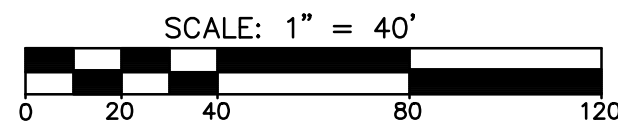
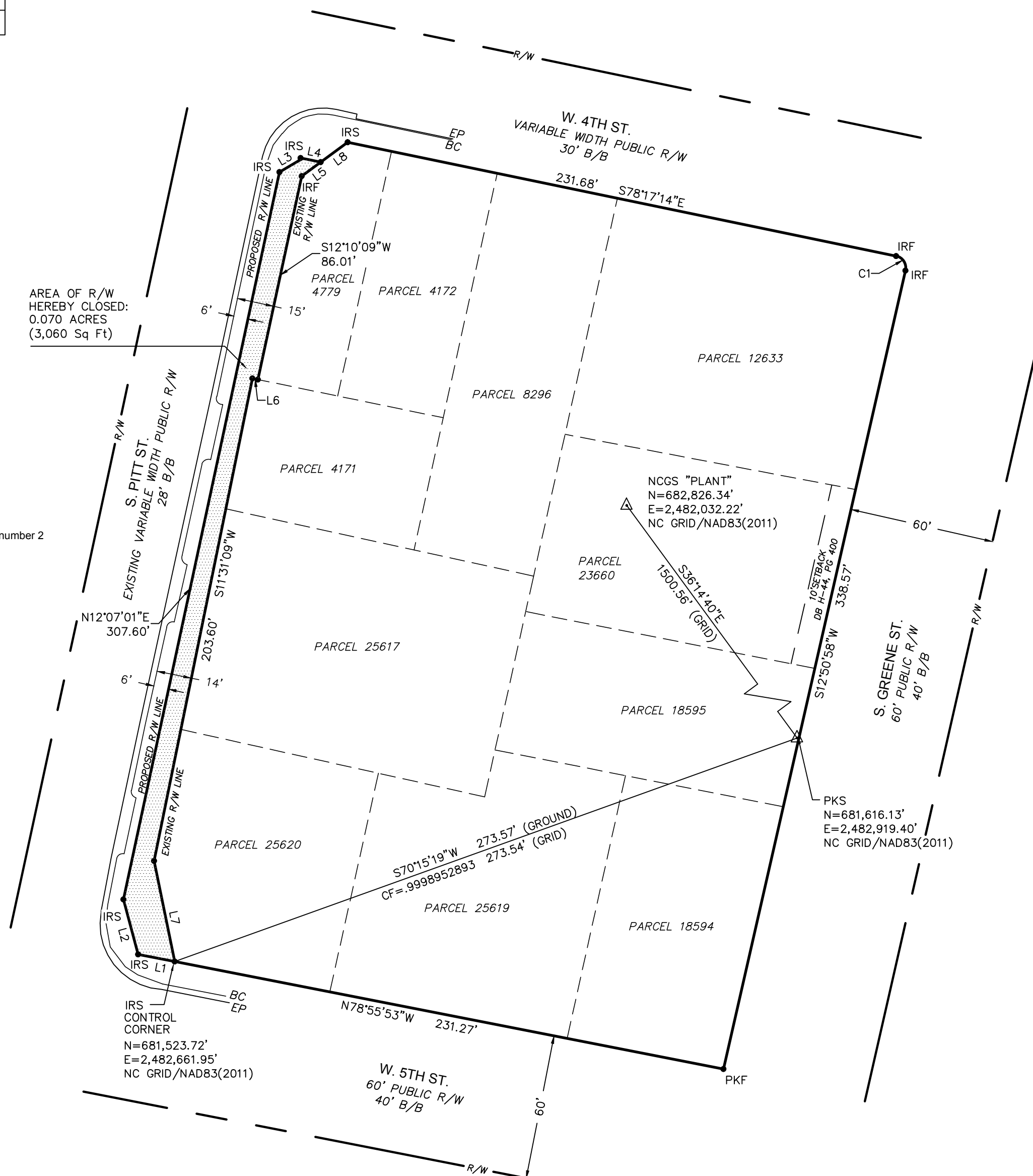
R/W	RIGHT-OF-WAY
B/B	BACK OF CURB TO BACK OF CURB
PKS	PK NAIL SET
PKF	PK NAIL FOUND
RC	REBAR WITH CAP
IRS	IRON ROD SET
IRF	IRON ROD FOUND
DB	DEED BOOK
MB	MAP BOOK
PG	PAGE
BC	BACK OF CURB
EP	EDGE OF PAVEMENT
△	CONTROL POINT

NOTES:

- ALL DISTANCES SHOWN ARE HORIZONTAL GROUND DISTANCES IN U.S. SURVEY FEET. (UNLESS OTHERWISE STATED)
- ALL BEARINGS ARE BASED ON THE NORTH CAROLINA STATE PLANE COORDINATE SYSTEM (NAD 1983\11).
- THIS PROPERTY IS IN ZONE X, AREAS DETERMINED TO BE OUTSIDE THE ANNUAL 0.2% ANNUAL CHANCE FLOODPLAIN ACCORDING TO FIRM MAP 37204688BOOK, WITH AN EFFECTIVE DATE OF 07/07/14.
- LINE NOT SURVEYED SHOWN AS DASHED.
- ZONING AND SETBACK INFORMATION SHOWN PER REPORT BY THE PLANNING & ZONING RESOURCE COMPANY, PZR SITE NUMBER 95091-1 DATED 7/20/2016. SEE ALSO DB H44, PG 401 FOR 10' SETBACK ALONG GREENE STREET AFFECTING PARCEL 23660.
- NO ABOVE-GROUND FEATURES ARE LOCATED WITHIN THE PROPOSED AREA OF CLOSURE.
- THE PURPOSE OF THIS PLAT IS TO CLOSE A PORTION OF THE PUBLIC RIGHT-OF-WAY OF SOUTH PITT STREET ADJOINING PARCEL NUMBERS 4779, 4171, 25617, AND 25620.



Attachment number 2  
Page 1 of 1



AREA SUMMARY OF STREET CLOSING
0.070 Acres 3,060 SqFt

REFERENCES

- DB 3476, PG 713
- DB 3453, PG 295
- DB 2705, PG 793
- DB 2705, PG 796
- DB 894, PG 466
- DB H-44, PG 400
- DB B-42, PG 601
- MB 61, PG 188
- MB 26, PG 10
- MB 24, PG 51
- PLANS FOR STATE HIGHWAY PROJECT 8.2220601

CLASS OF SURVEY: AA  
POSITIONAL ACCURACY: 0.01M(HORIZONTAL), 0.008M(VERTICAL)  
TYPE OF GPS FIELD PROCEDURE: VRS  
DATES OF SURVEY: 11-04-15 THRU 10-25-16  
DATUM/EPOCH: NAD 83/2011  
PUBLISHED/FIXED CONTROL USE: FIXED CONTROL  
GEOID MODEL: GEOID 12B  
COMBINED GRID FACTOR(S): 0.9998952893  
UNITS: US SURVEY FEET  
TYPE AND MODEL OF GPS RECEIVER USED: TRIMBLE R8

CERTIFICATION

NORTH CAROLINA PITT COUNTY  
I, DAVID S. CLARK, PLS L-4729, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION FROM INFORMATION SHOWN IN DEED BOOKS REFERENCED ON MAP AND MAP BOOKS REFERENCED ON MAP; THAT ANY LINES NOT ACTUALLY SURVEYED APPEAR AS BROKEN LINES AND WERE PLOTTED FROM INFORMATION AS NOTED ON THE PLAT; THAT THE RATIO OF PRECISION AS CALCULATED IS BETTER THAN 1:10,000; THAT THE AREA IS COMPUTED BY COORDINATE METHOD; THAT THIS MAP WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED.

I FURTHER CERTIFY PURSUANT TO G.S. 47-30 (f)(11): THAT THE SURVEY IS OF ANOTHER CATEGORY, BEING A SURVEY FOR A STREET CLOSING; WITNESS MY ORIGINAL SIGNATURE, LICENSE NUMBER, AND SEAL THIS \_\_\_\_ DAY OF \_\_\_\_ A.D., 2016.

DAVID S. CLARK L-4729  
PROFESSIONAL LAND SURVEYOR

STREET CLOSURE PLAT OF  
SOUTH PITT STREET  
ADJOINING PROPERTIES OF  
RDC GATHER UPTOWN, LLC

GREENVILLE, GREENVILLE TOWNSHIP, PITT COUNTY, NORTH CAROLINA

ADJOINING OWNER(S):  
RDC Gather Uptown, LLC  
ADDRESS:  
1100 Quail Street, Newport Beach, CA 92626



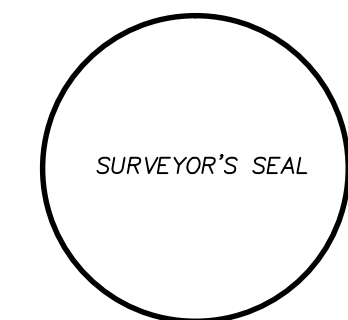
1730 Varsity Drive Suite 500 Phone: (919)233-8091  
Raleigh, North Carolina 27606 Fax: (919)233-8031  
NC FIRM # F-1222 www.mckimcreed.com

SURVEYED:  
TG/MR  
DRAWN:  
DSC  
CHECKED:  
DSC  
APPROVED:  
DSC  
DATE:  
10/28/2016  
SCALE:  
1"=40'

NORTH CAROLINA PITT COUNTY  
I, \_\_\_\_\_  
A REVIEW OFFICER OF PITT COUNTY, N.C.,  
CERTIFY THAT THE MAP OR PLAT TO WHICH  
THIS CERTIFICATION IS AFFIXED MEETS ALL  
STATUTORY REQUIREMENTS FOR RECORDING.  
BY \_\_\_\_\_  
REVIEW OFFICER  
DATE \_\_\_\_\_

SOURCE OF TITLE  
TO THE BEST OF MY KNOWLEDGE, THE LAST  
INSTRUMENT(S) IN THE CHAIN OF TITLE OF  
THIS PROPERTY AS RECORDED IN THE PITT  
COUNTY REGISTRY AT GREENVILLE, NORTH  
CAROLINA IS:  
DEED BOOK 3476, PAGE 713 (ADJOINERS)  
DEED BOOK 894, PAGE 466 (EX. R/W)  
NORTH CAROLINA LICENSE NO. \_\_\_\_\_

MAYOR'S CERTIFICATE  
THIS IS TO CERTIFY THAT THE CITY COUNCIL OF  
THE CITY OF GREENVILLE HAS PASSED A  
RESOLUTION TO CLOSE A PORTION OF SOUTH  
PITT STREET AS SHOWN HEREON.  
RESOLUTION NO. \_\_\_\_\_  
SIGNED (MAYOR) \_\_\_\_\_  
SIGNED (CITY CLERK) \_\_\_\_\_



PRELIMINARY PLAT  
NOT FOR RECORDATION, CONVEYANCE, OR SALES

DATE \_\_\_\_\_



# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

**Title of Item:** Naming of Computer Lab at South Greenville Recreation Center

**Explanation:** **Abstract:** Thanks to a generous donation, a computer lab is being added to the South Greenville Recreation Center during the center's renovation. Staff would like to name this computer lab in honor of the donor.

**Explanation:** Koinonia Christian Center previously donated \$10,000 to the City of Greenville in support of including a computer lab within the renovations to the South Greenville Recreation Center.

Staff would like to name the room the "Koinonia Computer Lab and Learning Center."

According to Section 6 of the City's policy for naming parks and related features, City Council "may name components of recreation buildings or grant the Recreation and Parks Commission authority to name certain types of components of recreation buildings without further Council involvement."

**Fiscal Note:** Cost of associated signage is included within the renovation project budget.

**Recommendation:** Council approve naming the computer lab at the new South Greenville Recreation Center as the "Koinonia Computer Lab and Learning Center."

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# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

**Title of Item:** Request to increase the total number of fleet vehicles in the Police Department by five vehicles

**Explanation:** **Abstract:** The Police Department is requesting an increase in the total number of fleet vehicles assigned to the Department by five (5) vehicles, to be utilized by additional grant-funded positions, through the appropriation of fund balance in the General Fund.

**Explanation:** Over the past two fiscal years (FY 2015-16 and FY 2016-17), three separate grant awards have led to an increase in sworn staffing for the Police Department by nine (9). Funding was included in the FY 17-18 Financial Plan for two (2) additional positions, thereby increasing the personnel in the Police Department by 11 total positions over the next year. Funding for personnel costs are addressed in the City's 2016-17 Adopted Budget and 2017-18 Approved Financial Plan. The Police Department is proceeding to staff up for these positions over the remainder of the fiscal year. However, funding of additional equipment needs for newly proposed grant-funded positions, such as vehicles, was not included in the adopted budget and approved financial plan as the grants had not yet been awarded.

To guarantee these positions have the vehicles necessary to make them effective, an increase of five (5) vehicles is needed to the fleet of vehicles assigned to the Police Department. Four (4) additional vehicles will allow the four officers assigned to the gun violence reduction unit the use of two vehicles and the six officers assigned as "Neighborhood Guardianship Officers" the use of two vehicles. The fifth vehicle will be for the newly added Child Victim Advocate, as this position will be designed to respond to calls versus investigate them after the fact.

**Fiscal Note:** The Interceptor Utility Vehicle currently in use by the Police Department, and on State contract, costs \$39,500 per vehicle. In order to purchase five additional

vehicles, \$197,500 in fund balance is requested to be appropriated from the General Fund.

**Recommendation:** Staff recommends approval to increase by five (5) the number of fleet vehicles assigned to the Police Department and requests authorization to use fund balance in the General Fund to proceed with the purchase of these additional vehicles.

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 [Police\\_Vehicle\\_Memo\\_1039966](#)

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## Memorandum

**To:** Barbara Lipscomb, City Manager  
**From:** Michael Cowin, Assistant City Manager  
**Date:** November 2, 2016  
**Subject:** Requested Increase in Police Department Vehicle Fleet

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Over the past two fiscal years (FY2015-16 and FY2016-17), three separate grant awards have led to an increase in sworn staffing for the Police Department by nine (9). Funding was included in the FY17-18 Financial Plan for two (2) additional positions, thereby increasing the personnel in the Police Department by 11 total positions over the next year. Funding for personnel costs are addressed in the City's 2016-17 Adopted Budget and 2017-18 Approved Financial Plan. The Police Department is proceeding to staff up for these positions over the remainder of the fiscal year. However, funding of additional equipment needs for newly proposed grant funded positions, such as vehicles, was not included in the adopted budget and approved financial plan as the grants had not yet been awarded.

To guarantee these positions have the vehicles necessary to make them effective, an increase of five (5) vehicles is needed to the fleet of vehicles assigned to the Police Department. Four (4) additional vehicles will allow the four officers assigned to the gun violence reduction unit the use of two vehicles and the six officers assigned as "Neighborhood Guardianship Officers" the use of two vehicles. The fifth vehicle will be for the newly added Child Victim Advocate, as this position will be designed to respond to calls versus investigate them after the fact.

The Interceptor Utility Vehicle, currently in use by the Police Department, costs approximately \$39,500 per vehicle on State contract. At this rate, an additional five vehicles would cost approximately \$197,500. As stated above, funding for the additional vehicles was not included in the 2016-17 Adopted Budget or the 2017-18 Approved Financial Plan. In order to move forward with this purchase, General fund balance in the amount of \$197,500 would need to be appropriated. This request from the Police Department will be included on the November 7<sup>th</sup> City Council agenda.

Please let me know if you have any questions. Thank you.



# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

**Title of Item:** Report on Bids and Contracts Awarded

**Explanation:** **Abstract:** The Director of Financial Services reports monthly the bids and/or contracts awarded over a certain dollar threshold by the Purchasing Manager and City Manager.

The Director of Financial Services reports that the following bids and contracts were awarded during the months of September and October.

<u>Date Awarded</u>	<u>Description</u>	<u>Vendor Purchase Order No.</u>	<u>Amount</u>	<u>MWBE Vendor? Yes/No</u>	<u>Does Local Preference Apply?</u>
9/30/2016	Aquatics and fitness center pool renovation and decking	Pool Pro of Greenville 17000103	\$50,000	Yes	No
9/30/2016	Purchase and installation of equipment for 14 Ford Police Interceptor Utilities	Adamson Industries Corp. 17000104 Note: GSA Contract	\$181,614.16	No	No
10/7/2016	Purchase of Vehicle	West Chatham Warning Devices	\$76,759.88	No	No



	Parts	17000116			
10/7/2016	Greenville Aquatics and Fitness Center Plumbing Renovations	American Builders, Inc 17000118	\$83,264.00	No	No
10/11/2016	Playground Equipment for Hillsdale Park	Cunningham & Assoc, Inc Note: US Commun Cooper Contract #110179	\$72,410.10	No	No

**Fiscal Note:** Funding for the bids and contracts awarded is included in the City of Greenville's 2016-17 budget ordinance.

**Recommendation:** That the award information be reflected in the City Council minutes

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**Attachments / click to download**

- [📄 Greenville Aquatics and Fitness Center Pool Renovation](#)
- [📄 Vehicle Parts](#)
- [📄 Greenville Aquatics and Fitness Center Plumbing Renovations](#)



# Request for Verbal/Written Quotations

City of Greenville  
 Financial Services/Purchasing  
 P.O. Box 7207  
 201 West Fifth Street  
 Greenville, NC 27835  
 Telephone: 252-329-4664  
 Fax: 252-329-4464

Requestor	Vendor 1	Vendor 2	Vendor 3
	Local <input checked="" type="checkbox"/> MWBE <input type="checkbox"/>	Local <input checked="" type="checkbox"/> MWBE <input type="checkbox"/>	Local <input type="checkbox"/> MWBE <input type="checkbox"/>
Department: Recreation and Parks	Pool Pro of Greenville	Greenville Pool	
Requestor: Mike Watson			
Date: 9/30/2016			

No.	Description	Quantity	Unit of Measure	Unit Cost	Extension	Unit Cost	Extension	Unit Cost	Extension
1	Pool Renovation				\$23,000		Declined to quote		
2	Pool Decking				\$27,000		Declined to quote		
3									
4									
5									

<b>Subtotal</b>	\$50,000		
<b>Tax</b>			
<b>Total</b>	\$50,000		

**Note:** All pricing shall include all discounts and freight. Additionally, all pricing should be FOB Destination to the City of Greenville. A copy of this Request for Verbal Quotes Form shall be forwarded to the Purchasing Division as an attachment to the purchase order requisition and will be filed with applicable purchase order for proper documentation of award and compliance with all City policies and procedures.



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**BID TABULATION SHEET**  
**City of Greenville, North Carolina**  
**Financial Services Department**

**Description: Vehicle Parts**

**Date: 9/23/2016**

<b>Vendor</b>	<b>Address</b>	<b>Bid Amount</b>
West Chatham Warning Devices	Savannah, GA	\$76,759.88
Batteries of NC	Lillington, NC	\$79,817.57
Wireless Communications	Greenville, NC	\$107,468.00

Denisha Harris, Purchasing Manager

**\*\*\*SELECTED VENDOR – West Chatham Warning Devices \*\*\***

**BID TABULATION FORM**



**Project Name:** Greenville Aquatics and Fitness Center Plumbing Renovations  
**Bid Location:** Jaycee Park Admin Building - Recreation & Parks  
**Bid Date / Time:** Thursday, August 18, 2016 at 2:00 PM

Bidder Company Name	NC License No.	Bid Bond	Contractor	MWBE	Iran Divest.	Base Bid Amount	Alternate #1 Bid Amount	Addenda		Original	Notorized	Sealed
			Ref Info	Forms	Affidavit			1	2	Signatures		
American Builders, Inc.	44325	Yes	Yes	Yes	Yes	\$39,850.00	\$172,000.00	Yes	Yes	Yes	Yes	Yes
<p><b>Note:</b> No other contractors attended the mandatory pre-bid conference that was held so American Builders, Inc was the only eligible contractor. After receipt of the bids, the Alternate #1 bid amount was negotiated down to \$43,414.00. By accepting the base bid amount and the negotiated alternate price, the total revised agreed upon cost from the contractor is \$83,264.00.</p>												

Certified By: Mike Watson, Parks Coordinator

Date: \_\_\_\_\_



# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

**Title of Item:** Various tax refunds greater than \$100

**Explanation:** **Abstract:** Pursuant to North Carolina General Statute 105-381, refunds are being reported to City Council. These are refunds created by a change or release of value for City of Greenville taxes by the Pitt County Tax Assessor. Pitt County Commissioners have previously approved these refunds; they are before City Council for their approval as well. These refunds will be reported as they occur when they exceed \$100.

**Explanation:** The Director of Financial Services reports refunds of the following taxes:

<b><u>Payee</u></b>	<b><u>Adjustment Refunds</u></b>	<b><u>Amount</u></b>
Edwards, Harriet M.	Registered Property Tax	153.98
James, Georgia P.	Registered Motor Vehicle	162.11
Saucedos Lawn Care	Registered Property Tax	326.11
Thomas, Michael	Registered Property Tax	715.26

**Fiscal Note:** The total to be refunded is \$1,357.46

**Recommendation:** Approval of tax refunds by City Council



# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

**Title of Item:** Budget ordinance amendment #3 to the 2016-2017 City of Greenville budget (Ordinance #16-036) and amendments to the Special Revenue Grant Fund (Ordinance #11-003), Police Capital Projects Fund (Ordinance #15-053), CD-Housing Fund (Ordinance #16-036), and Recreation and Parks Capital Projects Fund (Ordinance #15-053).

**Explanation:** **Abstract:** This budget amendment is for City Council to review and approve proposed changes to the adopted 2016-2017 budget and other funds as identified.

**Explanation:** Attached for consideration at the November 7, 2016, City Council meeting is an ordinance amending the 2016-2017 City of Greenville budget (Ordinance #16-036) and amendments to the Special Revenue Grant Fund (Ordinance #11-003), Police Capital Projects Fund (Ordinance #15-053), CD-Housing Fund (Ordinance #16-036), and Recreation and Parks Capital Projects Fund (Ordinance #15-053).

For ease of reference, a footnote has been added to each line item of the budget ordinance amendment, which corresponds to the explanation below:

Item	Justification	Funds Amended	Net Adjust
A.	MWBE has received donations in the amount of \$3,619 which increases the General Fund budget.	- General	\$3,619
B.	This adjustment moves money from contingency to cover the costs of credit card chip readers which are required in our recreational facilities to be compliant.	- General	\$0
C.	Fund balance will need to be appropriated within the Vehicle Replacement Fund to cover the loss of four vehicles that were involved in accidents. The City's Risk Manager is working with insurance	- Vehicle Replace	\$158,000

	companies to receive any offsetting funds for those wrecks that were not the fault of the City employee.		
D.	Budget Amendment #2 moved the total amount of debt service for the new Public Safety Annex out of the Police Department's budget which cut their contracted services line short for the fiscal year. An amount of \$20,315 will be returned to their budget with this budget amendment.	- General - Debt Service	\$0 \$(20,315)
E.	This amendment recognizes money received from a grant for the Police Department for the Sexual Assault Kit Initiative.	- Spec Rev Grant	\$219,497
F.	This amendment recognizes money received from a grant for the Police Department for the COPS 2016.	- General - Spec Rev Grant	\$0 \$727,578
G.	Upon closing of the new Public Safety Annex, funds were received and recognized as part of the bond proceeds for the project.	- Police Capital Projects	\$19,484
H.	Additional money was received as part of the HUD program for housing rehabilitation. This amendment recognizes that amount over our initial estimate and places those funds for use in the appropriate account.	- CD-Housing	\$1,754
I.	The South Greenville Recreation Center project will need additional funds to cover the security of our investment. Original monies were set aside to cover the fiber optics and cameras, but the amount was underestimated.	- General - R & P Cap Projects	\$0 \$6,000

**Fiscal Note:**

The budget ordinance amendment affects the following funds:

<u>Fund</u>	2016-17		2016-17
	Budget per		Budget per
	<u>Amend #2</u>	<u>Amend #3</u>	<u>Amend #3</u>
General Fund	\$ 84,173,074	\$ 3,619	\$ 84,176,693
Debt Service	5,525,753	(20,315)	5,505,438
Stormwater Utility	6,544,434	-	6,544,434
Facility Improvement	2,326,152	-	2,326,152
Vehicle Replacement	5,145,743	158,000	5,303,743
Special Revenue Grant	4,109,298	947,075	5,056,373
Public Works Capital Project	34,447,251	-	34,447,251
Health Fund	12,860,572	-	12,860,572



Transportation	2,634,012	-	2,634,012
Rec and Parks Capital Proj	5,518,848	6,000	5,524,848
Capital Reserve	2,083,419	-	2,083,419
Police Capital Projects	4,984,000	19,484	5,003,484
CD - Housing Fund	<u>1,416,027</u>	<u>1,754</u>	<u>1,417,781</u>
Total	\$ <u>171,768,583</u>	\$ <u>1,115,617</u>	\$ <u>172,884,200</u>

**Recommendation:** Approve budget ordinance amendment #3 to the 2016-2017 City of Greenville budget (Ordinance #16-036) and amendments to the Special Revenue Grant Fund (Ordinance #11-003), Police Capital Projects Fund (Ordinance #15-053), CD-Housing Fund (Ordinance #16-036), and Recreation and Parks Capital Projects Fund (Ordinance #15-053).

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 [Budget Amendment #3](#)

**City of Greenville  
Budget Amendment #3  
Fiscal Year 2016-17**

<b>Fund</b>	<b>2016-17 Budget per Amend #2</b>	<b>Amend #3</b>	<b>2016-17 Budget per Amend #3</b>
General Fund	\$ 84,173,074	\$ 3,619	\$ 84,176,693
Debt Service	5,525,753	(20,315)	5,505,438
Stormwater Utility	6,544,434	-	6,544,434
Facility Improvement	2,326,152	-	2,326,152
Vehicle Replacement	5,145,743	158,000	5,303,743
Special Revenue Grant	4,109,298	947,075	5,056,373
Public Works Capital Project	34,447,251	-	34,447,251
Health Fund	12,860,572	-	12,860,572
Transportation	2,634,012	-	2,634,012
Rec and Parks Capital Projects	5,518,848	6,000	5,524,848
Capital Reserve	2,083,419	-	2,083,419
Police Capital Projects	4,984,000	19,484	5,003,484
CD - Housing Fund	1,416,027	1,754	1,417,781
<b>Total</b>	<b>\$ 171,768,583</b>	<b>\$ 1,115,617</b>	<b>\$ 172,884,200</b>

City of Greenville  
Budget Amendment #3  
Fiscal Year 2016-17

Item	Justification	Funds Amended	Net Adjustment
A.	MWBE has received donations in the amount of \$3,619 which increases the general fund budget.	- General Fund	\$ 3,619
B.	This adjustment moves money from contingency to cover the costs of credit card chip readers which are required in our recreational facilities to be compliant.	- General Fund	\$ -
C.	Fund balance will need to be appropriated within the Vehicle Replacement Fund to cover the loss of four vehicles that were involved in accidents. The City's Risk Manager is working with insurance companies to receive any offsetting funds for those wrecks that were not the fault of the City employee.	- Vehicle Replace	\$ 158,000
D.	Budget Amendment #2 moved the total amount of debt service for the new Public Safety Annex out of the Police Department's budget which cut their contracted services line short for the fiscal year. An amount of \$20,315 will be returned to their budget with this budget amendment.	- General Fund - Debt Service	\$ - \$ (20,315)
E.	This amendment recognizes money received from a grant for the Police Department for the Sexual Assault Kit Initiative.	- Spec Rev Grant	\$ 219,497
F.	This amendment recognizes money received from a grant for the Police Department for the COPS 2016.	- General Fund - Spec Rev Grant	\$ - \$ 727,578
G.	Upon closing of the new Public Safety Annex, funds were received and recognized as part of the proceeds for the project.	- Police Cap Proj	\$ 19,484
H.	Additional money was received as part of the HUD program for housing rehabilitation. This amendment recognizes that amount over our initial estimate and places those funds for use in the appropriate account.	- CD - Housing	\$ 1,754
I.	The South Greenville Recreational Center project will need additional funds to cover the security of our investment. Original monies were set aside to cover the fiber optics and cameras, but the amount was underestimated.	- General Fund - R&P Cap Proj	\$ - \$ 6,000

**ORDINANCE NO. 16-**  
**CITY OF GREENVILLE, NORTH CAROLINA**  
**Ordinance (#3) Amending the 2016-17 Budget (Ordinance #16-036) and Special Revenue Grants Fund (Ordinance #11-003),**  
**Police Capital Project Fund (Ordinance #15-053), CD-Housing Fund (Ordinance #16-036),**  
**and Recreation and Parks Capital Projects Fund (Ordinance #15-053).**

THE CITY COUNCIL OF THE CITY OF GREENVILLE, NORTH CAROLINA DOES ORDAIN:

Section I: Estimated Revenues and Appropriations. General Fund, of Ordinance #16-036 is hereby amended by increasing estimated revenues and appropriations in the amount indicated:

	2016-17 Budget per Amend #2	Budget Amendment #3					Total Amend #3	2016-17 Budget per Amend #3
		A.	B.	D.	F.	I.		
<b>ESTIMATED REVENUES</b>								
Property Tax	\$ 32,744,935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,744,935
Sales Tax	17,681,023	-	-	-	-	-	-	17,681,023
Video Prog. & Telecom. Service Tax	914,621	-	-	-	-	-	-	914,621
Rental Vehicle Gross Receipts	130,763	-	-	-	-	-	-	130,763
Utilities Franchise Tax	7,158,899	-	-	-	-	-	-	7,158,899
Motor Vehicle Tax	1,483,674	-	-	-	-	-	-	1,483,674
Other Unrestricted Intergov't	874,012	-	-	-	-	-	-	874,012
Powell Bill	2,220,065	-	-	-	-	-	-	2,220,065
Restricted Intergov't Revenues	1,043,650	-	-	-	-	-	-	1,043,650
Licenses, Permits and Fees	4,277,874	-	-	-	-	-	-	4,277,874
Rescue Service Transport	3,096,519	-	-	-	-	-	-	3,096,519
Parking Violation Penalties, Leases,	378,386	-	-	-	-	-	-	378,386
Other Sales & Services	343,328	-	-	-	-	-	-	343,328
Other Revenues	1,712,727	3,619	-	-	-	-	3,619	1,716,346
Interest on Investments	400,000	-	-	-	-	-	-	400,000
Transfers In GUC	6,498,420	-	-	-	-	-	-	6,498,420
Appropriated Fund Balance	3,214,178	-	-	-	-	-	-	3,214,178
<b>Total Revenues</b>	<b>\$ 84,173,074</b>	<b>\$ 3,619</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,619</b>	<b>\$ 84,176,693</b>
<b>APPROPRIATIONS</b>								
Mayor/City Council	\$ 733,265	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 733,265
City Manager	2,275,711	-	-	-	-	-	-	2,275,711
City Clerk	244,879	-	-	-	-	-	-	244,879
City Attorney	455,059	-	-	-	-	-	-	455,059
Human Resources	2,796,037	-	-	-	-	-	-	2,796,037
Information Technology	3,136,382	-	-	-	-	-	-	3,136,382
Fire/Rescue	14,323,031	-	-	-	-	-	-	14,323,031
Financial Services	2,487,958	3,619	-	-	-	-	3,619	2,491,577
Recreation & Parks	8,419,815	-	7,000	-	-	-	7,000	8,426,815
Police	23,376,144	-	-	20,315	(227,578)	-	(207,263)	23,168,881
Public Works	10,896,770	-	-	-	-	-	-	10,896,770
Community Development	2,664,929	-	-	-	-	-	-	2,664,929
OPEB	500,000	-	-	-	-	-	-	500,000
Contingency	117,275	-	(7,000)	-	-	(6,000)	(13,000)	104,275
Indirect Cost Reimbursement	(1,432,859)	-	-	-	-	-	-	(1,432,859)
<b>Total Appropriations</b>	<b>\$ 70,994,396</b>	<b>\$ 3,619</b>	<b>\$ -</b>	<b>\$ 20,315</b>	<b>\$ (227,578)</b>	<b>\$ (6,000)</b>	<b>\$ (209,644)</b>	<b>\$ 70,784,752</b>
<b>OTHER FINANCING SOURCES</b>								
Transfers to Other Funds	\$ 13,178,678	\$ -	\$ -	\$ (20,315)	\$ 227,578	\$ 6,000	\$ 213,263	\$ 13,391,941
<b>Total Other Financing Sources</b>	<b>\$ 13,178,678</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (20,315)</b>	<b>\$ 227,578</b>	<b>\$ 6,000</b>	<b>\$ 213,263</b>	<b>\$ 13,391,941</b>
<b>Total Approp &amp; Other Fin Sources</b>	<b>\$ 84,173,074</b>	<b>\$ 3,619</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,619</b>	<b>\$ 84,176,693</b>

**Section II: Estimated Revenues and Appropriations. Debt Service Fund, of Ordinance #16-036 is hereby amended by increasing estimated revenues and appropriations in the amount indicated:**

	2016-17 Budget per Amend #2	Budget Amendment #3		2016-17 Budget per Amend #3
		D.	Total Amend #3	
<b>ESTIMATED REVENUES</b>				
Powell Bill Fund	\$ 68,677	\$ -	\$ -	\$ 68,677
Occupancy Tax	696,436	-	-	696,436
Transfer From General Fund	4,760,640	(20,315)	(20,315)	4,740,325
<b>Total Revenues</b>	<b>\$ 5,525,753</b>	<b>\$ (20,315)</b>	<b>\$ (20,315)</b>	<b>\$ 5,505,438</b>
<b>APPROPRIATIONS</b>				
Debt Service	\$ 5,525,753	\$ (20,315)	\$ (20,315)	\$ 5,505,438
Transfer to General Fund	-	-	-	-
<b>Total Appropriations</b>	<b>\$ 5,525,753</b>	<b>\$ (20,315)</b>	<b>\$ (20,315)</b>	<b>\$ 5,505,438</b>

**Section III: Estimated Revenues and Appropriations. Vehicle Replacement Fund, of Ordinance #16-036 is hereby amended by increasing estimated revenues and appropriations in the amount indicated:**

	2016-17 Budget per Amend #2	Budget Amendment #3		2016-17 Budget per Amend #3
		C.	Total Amend #3	
<b>ESTIMATED REVENUES</b>				
Sale of Property	\$ 223,000	\$ -	\$ -	\$ 223,000
Transfer From Sanitation Fund	250,000	-	-	250,000
Transfer From Other Funds	3,176,826	-	-	3,176,826
Other Revenues	71,707	2,609	2,609	74,316
Appropriated Fund Balance	1,424,210	155,391	155,391	1,579,601
<b>Total Revenues</b>	<b>\$ 5,145,743</b>	<b>\$ 158,000</b>	<b>\$ 158,000</b>	<b>\$ 5,303,743</b>
<b>APPROPRIATIONS</b>				
Equipment	\$ 5,145,743	\$ 158,000	\$ 158,000	\$ 5,303,743
<b>Total Appropriations</b>	<b>\$ 5,145,743</b>	<b>\$ 158,000</b>	<b>\$ 158,000</b>	<b>\$ 5,303,743</b>



**Section IV: Estimated Revenues and Appropriations. Special Revenue Grant, of Ordinance #11-003 is hereby amended by increasing estimated revenues and appropriations in the amount indicated:**

	2016-17 Budget per Amend #2	Budget Amendment #3			2016-17 Budget per Amend #3
		E.	F.	Total Amend #3	
<b>ESTIMATED REVENUES</b>					
Special Fed/State/Loc Grant	\$ 3,680,343	\$ 219,497	\$ 500,000	\$ 719,497	\$ 4,399,840
Transfer From General Fund	348,955	-	227,578	227,578	576,533
Transfer From Pre-1994 Entitlement	80,000	-	-	-	80,000
<b>Total Revenues</b>	<b>\$ 4,109,298</b>	<b>\$ 219,497</b>	<b>\$ 727,578</b>	<b>\$ 947,075</b>	<b>\$ 5,056,373</b>
<b>APPROPRIATIONS</b>					
Personnel	\$ 223,331	\$ 101,160	\$ 727,578	\$ 828,738	\$ 1,052,069
Operating	2,639,292	118,337	-	118,337	2,757,629
Capital Outlay	1,246,675	-	-	-	1,246,675
<b>Total Appropriations</b>	<b>\$ 4,109,298</b>	<b>\$ 219,497</b>	<b>\$ 727,578</b>	<b>\$ 947,075</b>	<b>\$ 5,056,373</b>

**Section V: Estimated Revenues and Appropriations. Recreation & Parks Capital Projects Fund, of Ordinance #15-053 is hereby amended by increasing estimated revenues and appropriations in the amount indicated:**

	2016-17 Budget per Amend #2	Budget Amendment #3		2016-17 Budget per Amend #3
		I.	Total Amend #3	
<b>ESTIMATED REVENUES</b>				
Restricted Intergovernmental	\$ 1,350,000	\$ -	\$ -	\$ 1,350,000
Transfer From General Fund	1,914,195	6,000	6,000	1,920,195
Transfer From Debt Service	32,500	-	-	32,500
Transfer From Capital Reserve	122,153	-	-	122,153
Bond Proceeds	2,100,000	-	-	2,100,000
<b>Total Revenues</b>	<b>\$ 5,518,848</b>	<b>\$ 6,000</b>	<b>\$ 6,000</b>	<b>\$ 5,524,848</b>
<b>APPROPRIATIONS</b>				
South Greenville Gym Renovation	\$ 3,083,500	\$ 6,000	\$ 6,000	\$ 3,089,500
Trillium Park Equipment Project	1,001,331	-	-	1,001,331
Town Common Renovations	985,932	-	-	985,932
Westside Park Acquisition & Dev	122,153	-	-	122,153
Tar River	325,932	-	-	325,932
<b>Total Appropriations</b>	<b>\$ 5,518,848</b>	<b>\$ 6,000</b>	<b>\$ 6,000</b>	<b>\$ 5,524,848</b>

**Section VI: Estimated Revenues and Appropriations. Police Capital Projects Fund, of Ordinance #15-053 is hereby amended by increasing estimated revenues and appropriations in the amount indicated:**

	2016-17 Budget per Amend #2	Budget Amendment #3		2016-17 Budget per Amend #3
		G.	Total Amend #3	
<b>ESTIMATED REVENUES</b>				
Transfer from Capital Res Fund	3,484,000	-	-	3,484,000
Bond Proceeds	1,500,000	19,484	19,484	1,519,484
<b>Total Revenues</b>	<b>\$ 4,984,000</b>	<b>\$ 19,484</b>	<b>\$ 19,484</b>	<b>\$ 5,003,484</b>
<b>APPROPRIATIONS</b>				
Public Safety Project	\$ 3,484,000	\$ -	\$ -	\$ 3,484,000
F/R & Police Storage Project	1,500,000	19,484	19,484	1,519,484
<b>Total Appropriations</b>	<b>\$ 4,984,000</b>	<b>\$ 19,484</b>	<b>\$ 19,484</b>	<b>\$ 5,003,484</b>

**Section VII: Estimated Revenues and Appropriations. CD- Housing Fund, of Ordinance #16-036 is hereby amended by increasing estimated revenues and appropriations in the amount indicated:**

	2016-17 Budget per Amend #2	Budget Amendment #3		2016-17 Budget per Amend #3
		H.	Total Amend #3	
<b>ESTIMATED REVENUES</b>				
Annual CDBG Grant Funding	\$ 796,296	\$ -	\$ -	\$ 796,296
Annual HUD Grant Funding	327,047	1,754	1,754	328,801
Program Income	-	-	-	-
Transfer from General Fund	292,684	-	-	292,684
<b>Total Revenues</b>	<b>\$ 1,416,027</b>	<b>\$ 1,754</b>	<b>\$ 1,754</b>	<b>\$ 1,417,781</b>
<b>APPROPRIATIONS</b>				
Personnel	\$ 463,182	\$ -	\$ -	\$ 463,182
Operating	952,845	1,754	1,754	954,599
Transfers Out	-	-	-	-
<b>Total Appropriations</b>	<b>\$ 1,416,027</b>	<b>\$ 1,754</b>	<b>\$ 1,754</b>	<b>\$ 1,417,781</b>

**Section VIII: All ordinances and clauses of ordinances in conflict with this ordinance are hereby repealed:**

Adopted this 7th day of November, 2016

\_\_\_\_\_  
Allen M. Thomas, Mayor

ATTEST:

\_\_\_\_\_  
Carol L. Barwick, City Clerk

**City of Greenville**  
**Budget Amendment #3**  
**Fiscal Year 2016-17**

**GENERAL FUND**

**Fund Balance Appropriated per Amendment #3**

	General Fund	Powell Bill Fund	Total
<b>2016-17 Adopted Budget Ordinance</b>			
Purchase of Imperial Site	\$ 1,040,000	\$ -	\$ 1,040,000
Budget Contingency	38,808	-	38,808
Powell Bill Carryover	-	717,186	717,186
Subtotal	\$ 1,078,808	\$ 717,186	\$ 1,795,994
<b>Capital Project Carryover From FY2015-16</b>			
Fire/Rescue #3 Parking Lot Project	\$ 139,551	\$ -	\$ 139,551
Tar River Study	136,932	-	136,932
Public Works Dept Carryover	191,187	-	191,187
Town Common Improvements	260,534	-	260,534
Mast Arm Poles Project	100,000	-	100,000
City Hall Lobby Renovation Project	34,719	-	34,719
Fire/Rescue Defibrillators	35,500	-	35,500
Historical Loan Pilot Projects	70,000	-	70,000
Subtotal	\$ 968,423	\$ -	\$ 968,423
<b>Economic Development Carryover</b>			
Revolving Loan Fund	\$ 110,000	\$ -	\$ 110,000
The Boundary Property Tax Credit	175,000	-	175,000
Subtotal	\$ 285,000	\$ -	\$ 285,000
<b>Other Appropriations</b>			
King George Road Bridge Project	\$ -	\$ 164,761	\$ 164,761
Subtotal	\$ -	\$ 164,761	\$ 164,761
<b>Total Appropriated as of Amendment #3</b>	<b>\$ 2,332,231</b>	<b>\$ 881,947</b>	<b>\$ 3,214,178</b>

**City of Greenville  
Budget Amendment #3  
Fiscal Year 2016-17**

**GENERAL FUND**

**General Fund Contingency Available for Appropriation per Amendment #3:**

2016-17 Contingency Fund Budget \$ 150,000

Appropriations As of Amendment #3:

Pedestrian Bridge Study (20% Match)	\$ (5,000)	
Governor's Crime Commission Grant (20% Match)	(27,725)	
Recreation and Parks Credit Card Chip Readers	(7,000)	
Security Cameras at South Greenville Rec Center	<u>(6,000)</u>	
		(45,725)

Contingency Available for Appropriation per Amend #3 \$ 104,275





# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

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**Title of Item:** Presentation by Boards and Commissions

a. Investment Advisory Committee

**Explanation:** The Investment Advisory Committee is scheduled to make their annual presentation to City Council at the November 7, 2016 meeting.

**Fiscal Note:** No direct cost

**Recommendation:** Hear the presentations from the Investment Advisory Committee.

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# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

**Title of Item:** Renewal of contract with Mercer Health & Benefits, LLC

**Explanation:** **Abstract:** Mercer Health and Benefits, LLC, is a health and benefits consultant that assists with facilitating the health and benefits programs of the City of Greenville and Greenville Utilities Commission. A contract for the renewal of services provided by Mercer is presented to Council for approval.

**Explanation:** Mercer Health & Benefits, LLC works with the City of Greenville (COG) and Greenville Utilities Commission (GUC) to provide consulting services pertaining to the management of the health and dental programs. Services provided by Mercer include the following:

- Benchmarking analysis with other local, state, and regional municipalities and utility commissions
- Plan design and strategy development for active employees
- Joint wellness program support
- Cost and budget development
- Vendor implementation
- Negotiation of plan renewals
- Plan compliance with State and Federal law
- External market stop loss marketing
- Communication guidance as related to health program

In addition to the services listed above, Mercer provides significant guidance to the City and GUC in the development of a three-year strategic plan pertaining to the administration of the health program. This three-year strategic plan was approved on September 19th at a joint meeting of the City Council and GUC Board. The three-year plan includes the following strategy to better manage the increasing cost of health care while providing employees a robust healthcare plan that meets their healthcare needs:

- Prepare current medical plan offering for the transition to a dual option program

- Provide year one HSA seed bonus for new enrollees into the plan
- Target an employer subsidy of 81% by the 2019 plan year
- Modify the Core and HSA plan designs to reduce overall benefit value to offset increased cost and create greater differential between plan values
- Increase employee cost share across all tiers to achieve target subsidy
- Continue monitoring and evaluation of plan costs to maintain appropriate actuarial balance to minimize selection risk
- Monitor plan cost to Excise Tax requirements

The administration of the three-year plan developed by the City and GUC, in consultation with Mercer, will stabilize an environment over this time frame whereby healthcare costs and healthcare needs can be managed to create a balance for both the City and the employee.

Services per the contract begin July 1, 2016 and continue through June 30, 2019. After the first 12 months, the COG and GUC will evaluate the services delivered by Mercer through the contract and also evaluate anticipated future service needs. The contract can be terminated at any time with a 60-day notice.

**Fiscal Note:**

Compensation for the services include professional fees in the amount of \$135,000 annually. The contract fee is split equally and billed 50% to the COG (\$67,500) and 50% to GUC (\$67,500). The service fee is included in the 2016-17 adopted budget ordinance.

**Recommendation:**

Authorize the City Manager to enter into an agreement with Mercer Health and Benefits, LLC as outlined in the attached agreement.

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Attachments / click to download

 [Mercer Contract](#)

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Partner

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Ms. Barbara Lipscomb  
City Manager  
City of Greenville  
P.O. Box 7207  
Greenville, NC 27835

Mr. Anthony C. Cannon  
General Manager/CEO  
Greenville Utilities Commission  
P.O. Box 1847  
Greenville, NC 27835-1847

September 13, 2016

**Subject:** Statement of Work (SOW)

Dear Ms. Lipscomb and Mr. Cannon:

The objective of this Statement of Work ("SOW") is to confirm the scope of our work and the compensation for this engagement. This SOW is subject to the terms and conditions contained in our existing engagement letter dated **June 30, 2009**. All capitalized terms not defined in this SOW shall have the meanings ascribed to them in our existing engagement letter.

### **Service Details**

- 1. Service Name:** 2016-2019 COG/GUC Health & Benefits Consulting Services
- 2. Description of Mercer Responsibilities:**

#### Benchmark Analysis

- Current medical and dental plans against the data from the Mercer Survey of Employer-Sponsored Health Plans.
- This will be done annually, similar to benchmarking completed in our work earlier in the year.

#### Plan Design and Strategy Development for Active Employees

- Partner with COG/GUC to determine where you are today, what future costs look like, and the issues that need to be addressed.
- Validate and update 3 year written strategy to align with COG/GUC objectives.
- Model plan designs, health and wellness strategy and contribution strategy.
- Evaluate gaps and overlaps in current programs to objectives and strategy.



Barbara Lipscomb and Anthony C. Cannon  
City of Greenville and Greenville Utilities Commission  
September 13, 2016  
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#### Joint Wellness Program Support

- Assist Wellness Committee in development of multi-year wellness strategy.
- Assist Wellness Committee on issues as identified by Wellness Leaders.

#### Cost and Budget Development

- Analyze costs relative to budget, population changes, and election changes.
- Evaluate the impact of proposed changes on employee elections.
- Provide monthly cost-to-budget updates (i.e. accrual rates versus actual expenses).
- Provide quarterly updates on future cost projections (current year and future year updates) and meet to discuss.
- Annually complete a lag study to determine incurred but not reported claim liability.

#### Vendor Implementation

- Attend and facilitate kickoff meeting.
- Review plan provision to insure compliance with best practice standards.
- Assist and advise in setup of tracking structure, claims funding and monthly administrative fees, etc.
- Participate on implementation calls as appropriate.
- Review and provide feedback on self-insured contract insuring compliance with previous negotiation and various federal laws.
- Over the shoulder advice on best options to integrate with COG/GUC wellness program.

#### General Support

- Provide advice and support for questions as needed.
- Clinical advice and support on Rx programs.
- Advise on audit processes and vendors (Mercer can provide audit services).
- Online enrollment advice and support as needed (Mercer can offer a solution).
- Provide assistance with employee communications around the impacts of health care reform, our health benefits plan, and other benefits/wellness topics.
- Provide briefing(s)/training session(s) to department directors regarding impacts of health care reform.

#### Negotiating Renewals

- Negotiate renewals, including performance guarantees and other contractual items, as needed. If a full Medical RFP is required, the scope of service and retainer amount will need to be adjusted. Review contracts prior to insure compliance with specifications and other requested information.
- Vendor management.
- Work with COG/GUC to resolve difficult vendor issues.
- Provide escalated issue support on a national basis.



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City of Greenville and Greenville Utilities Commission  
September 13, 2016  
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- Facilitate an annual vendor summit to review performance, discuss issues and changes in services.

#### Plan Compliance

- Provide access to Mercer Select site, including Compliance Connection.
- Provide access to e-mail updates on legislation and regulations.
- Provide over the shoulder advice on issues as needed.

#### External Market Stop Loss Marketing

- We will first review the medical vendor quotes to determine if marketing is warranted.
- If necessary, prepare RFP and send to various Mercer certified vendors to insure a comprehensive apples to apples comparison.
- Bids will be for specific coverage at current level and options as appropriate.

#### Communication Guide

- Comprehensive Enrollment Guide of up to 8 pages using Mercer's Benefits Publishing Service (includes production cost for 2000 copies).
- Include information around Health Care Reform and its impacts.

#### Description of Mercer Stop Loss Insurance Coverage Placement Responsibilities:

- Meet with you to develop a Stop Loss placement strategy that meets your stated objectives.
- Present you with a list of Stop Loss carriers along with their financial ratings.
- Request and negotiate the terms and conditions of the Stop Loss insurance renewal from the current insurer and present the insurer's proposed renewal package to you.
- If necessary, conduct a Stop Loss marketing based on a list of Stop Loss carriers selected by you and your desired terms of coverage.
- If necessary, facilitate communication between your medical and prescription drug vendors and Stop Loss insurer to establish reporting responsibilities and timing of data required for the purpose of securing Stop Loss coverage.
- Follow up with insurance carrier for timely issuance of policies and contracts.
- Review policies and contracts for accuracy and conformity to specifications provided by you in the placement strategy meeting.
- We will assist you with access to the Stop Loss insurance marketplace and use our commercially reasonable efforts to place Stop Loss policies selected by you on your behalf, if so instructed.
- If requested, we shall transmit information and data supplied by you or on your behalf without independently verifying the accuracy, completeness or timeliness of the data to the Stop Loss insurer.





Barbara Lipscomb and Anthony C. Cannon  
City of Greenville and Greenville Utilities Commission  
September 13, 2016  
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**Important Limitations on Mercer's Marketing of Client's Stop Loss Policy**

We do not make any representations about an insurer's or MGU's payment or claims denial practices. We do not warrant in any way that all claims submitted to the Stop Loss carrier will be approved and ultimately reimbursed. Also, the terms and conditions of covered claims for the Stop Loss insurance policy may not fully correlate with the benefits covered under your benefits program. We shall use all information and data supplied by you or on your behalf without independently verifying the accuracy, completeness or timeliness of it. We will not be responsible for any delays or liability arising from missing, delayed, incomplete, inaccurate or outdated information and data.

3. **Description of Client Responsibilities:** Upon request, you will provide the necessary information as requested to enable Mercer to accomplish objective set forth in a mutually agreed upon timeline.
  - If appropriate, you agree to name Mercer as the broker-of-record for your Stop Loss coverage.
  - You will provide all data/information as required by the Stop Loss insurer in a timely manner. You are responsible for the accuracy and completeness of such data and information.
  - You are responsible for timely submission of claim requests and confirmation that appropriate reimbursements have been issued by the Stop Loss insurer.
  - You are responsible for disclosing all potentially high exposure claims as defined by the Stop Loss insurer.
  - You are responsible for reviewing and executing a confirmation of coverage letter before binding of coverage.
  
4. **Period of time over which work will be performed:** Service will begin on July 1, 2016 and continue until June 30, 2019. Client and Mercer will review services delivered and future service needs after first 12 months.
  
5. **Compensation/Fees:** Our compensation for the Services subject to this SOW will be professional fees in the amount of \$135,000 annually, paid in 12 monthly installments split equally and billed to COG and GUC. Contract can be terminated with 60 day notice. All compensation is net of commissions unless agreed upon otherwise. Mercer is not receiving commissions from any of the carriers.

**Subcontractors**

We may need to utilize various subcontractors ("Subcontractors") in the course of our provision of the Services to assist us in such tasks as printing and mailing, development of interactive tools, graphic design, etc. You consent to our use of the Subcontractors and further acknowledge and



Barbara Lipscomb and Anthony C. Cannon  
City of Greenville and Greenville Utilities Commission  
September 13, 2016  
Page 5

agree that we may provide such Subcontractors with your Confidential Information, including Work, on a confidential and a need-to-know basis for the purposes contemplated by this SOW.

### **Additional Terms**

- 1. We do not act on behalf of any insurer or other service provider, are not bound to utilize any particular insurer or service provider, and do not have the authority to make binding commitments on behalf of any insurer or service provider. In addition, we do not guarantee or make any representation or warranty that coverage or service can be placed on terms acceptable to you. We are not responsible for the solvency or ability to pay claims of any insurance carrier or for the solvency or ability of any service provider to provide service. Insurance carriers or service providers with which your other risk or insurance coverage or other business is placed will be deemed acceptable to you, in the absence of contrary instructions from you.**
- 2. You understand that the failure to provide, or cause to provide, complete, accurate, up-to-date, and timely documentation and information to us, an insurer, or other service provider, whether intentional or by error, could result in impairment or voiding of coverage or service. You agree to review all policies, endorsements and program agreements delivered to you by us and will advise us of anything which you believe is not in accordance with the negotiated coverage and terms within thirty (30) days following receipt.**
- 3. Mercer and its Affiliates serve a wide array of clients, including clients who compete with or whose interests may be adverse to one another. In addition, Mercer interacts with insurance carriers and other service providers through numerous business and contractual relationships, including serving as a broker for its clients and receiving commissions from carriers, providing consulting or administration services to carriers, and auditing carriers' claims data. Mercer is committed to serving each of its clients in an objective manner and maintaining the confidentiality of each of its client's information. Mercer warrants that it has not paid, and agrees not to pay, any bonus, commission, fee, or gratuity to any employee or official of the COG and/or GUC for the purpose of obtaining any contract or award issued by the COG and/or GUC. Mercer further warrants that no commission or other payment has been or will be received from or paid to any third party contingent on the award of any contract by the COG and/or GUC, except as shall have been expressly communicated to the Director, Financial Services in writing prior to acceptance of the Agreement or award in question. Each individual signing below warrants that he or she is duly authorized by their respective Party to sign this Agreement and bind the Party to the terms and conditions of this Agreement. Subsequent discovery by the COG and/or GUC of non-compliance with these provisions shall constitute sufficient cause for immediate termination of all outstanding contracts. Violations of this provision may result in termination for default at the sole determination of the COG and/or GUC.**



Barbara Lipscomb and Anthony C. Cannon  
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Care of Information: Mercer agrees to use commercial best efforts to safeguard and protect any data, documents, files, and other materials received from the COG and/or GUC during performance of any contractual obligation from loss, destruction or erasure. Mercer certifies that all its employees and any approved third party independent contractors or subcontractors are subject to substantially similar non-disclosure and confidentiality agreements as between Mercer and the COG and/or GUC. If any Mercer employee, agent, contractor, independent contractor, manager without express written authorization from the Customer (authorization when allowed by law, rule or regulation) releases any confidential information protected by statute or law, Mercer may be brought into any action involving the Client concerning such release and may be held liable or responsible for any such damages awarded as a result of such unauthorized release. When practicable and when doing so will not put Mercer in breach of its current confidentiality provisions, Mercer will, upon request of the COG and/or GUC, verify and produce true copies of any such agreements. Production of such agreements by Mercer may be made subject to applicable confidentiality, non-disclosure or privacy laws; provided that Mercer produces satisfactory evidence supporting exclusion of such agreements from disclosure under the N.C. Public Records laws in NCGS §132-1 et. seq. The COG and/or GUC may exercise its rights under this subparagraph as necessary or proper, in its discretion, to comply with applicable security regulations or statutes including, but not limited to 26 USC 6103 and IRS Publication 1075, (Tax Information Security Guidelines for Federal, State, and Local Agencies), HIPAA, 42 USC 1320(d) (Health Insurance Portability and Accountability Act), any implementing regulations in the Code of Federal Regulations, and any future regulations imposed upon the Office of Information Technology Services or the N.C. Department of Revenue pursuant to future statutory or regulatory requirements.

4. You expressly acknowledge that, with respect to the provision of the Services, we are not, nor are any of our Affiliates or subcontractors, an “administrator” within the meaning under applicable law, including the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), nor, with respect to the provision of the Services, are we or any of our Affiliates or subcontractors a “fiduciary” within the meaning under applicable law or ERISA, unless provided otherwise herein or required by applicable law.
5. Title V of the Gramm-Leach-Bliley Act and related state laws and regulations establish limitations on the use and distribution of non-public information collected by financial institutions from their customers and consumers. Our insurance-related work qualifies us as a financial institution under this Act. Our Privacy Policy Notice and additional information regarding other compliance policies at Mercer, including our conflicts of interest policy, are available at [www.mercer.com/transparency](http://www.mercer.com/transparency). At this web address you will also find information regarding Marsh & McLennan Companies, Inc. and its subsidiaries' equity interests in certain insurers and contractual arrangements with certain insurers and wholesale brokers.



Barbara Lipscomb and Anthony C. Cannon  
City of Greenville and Greenville Utilities Commission  
September 13, 2016  
Page 7

6. Without limiting the generality of Section 2 of our engagement letter, you will inform us at the commencement of our work under each SOW (and thereafter in the event of any change) as to whether or not you or any of your Affiliates are subject to any restrictions or obligations directly relevant to the Services as a result of or in connection with having received any federal financial assistance in connection with any federal law or program, including, but not limited to, the American Recovery and Reinvestment Act of 2009 and the Emergency Economic Stabilization Act of 2008, including the Troubled Assets Relief Program. In the event that you or your Affiliates are subject to such restrictions or obligations, you will also promptly describe such restrictions and obligations to us in writing in reasonable detail and make an expert (including internal or external counsel) available to us for additional clarification that we reasonably request regarding the analysis or interpretation of any such restrictions or obligations. You agree that we will be entitled to rely on, and have no liability for, the accuracy and completeness of the information, analysis or interpretation that is provided to us in connection with the foregoing.

*[Remainder of this page left blank intentionally.]*



Barbara Lipscomb and Anthony C. Cannon  
City of Greenville and Greenville Utilities Commission  
September 13, 2016  
Page 8

We appreciate your business and look forward to working with you on this engagement. Please acknowledge your agreement to the terms contained herein by signing below.

**Mercer Health & Benefits LLC**

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

Name: \_\_\_\_\_  
(Please Print)

Date: \_\_\_\_\_



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

**ACCEPTED AND AGREED  
City of Greenville**

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

Name: \_\_\_\_\_  
(Please Print)

Date: \_\_\_\_\_



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

**ACCEPTED AND AGREED  
Greenville Utilities Commission**

By: Anthony Cannon

Name: Anthony C. Cannon  
(Please Print)

Date: 9-22-16

Title: General Manager/CEO



Barbara Lipscomb and Anthony C. Cannon  
City of Greenville and Greenville Utilities Commission  
September 13, 2016  
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**GREENVILLE UTILITIES COMMISSION**

APPROVED AS TO FORM:

By (Sign): *Phillip R. Dixon*  
Name (Print): Phillip R. Dixon  
Title: General Counsel  
(Authorized Signatory)  
Date: 9-27-16

**PRE-AUDIT CERTIFICATION:**

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

By: *Jeff W. McCauley*  
Jeff W. McCauley, Chief Financial Officer  
Account Number: \_\_\_\_\_  
Project Code (if applicable): \_\_\_\_\_  
Date: 9-26-16

**CITY OF GREENVILLE**

APPROVED AS TO FORM:

By (Sign): \_\_\_\_\_  
Name (Print): \_\_\_\_\_  
Title: \_\_\_\_\_  
(Authorized Signatory)  
Date: \_\_\_\_\_

**PRE-AUDIT CERTIFICATION:**

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

By: \_\_\_\_\_  
Bernita W. Demery, Director of Financial Services  
Account Number: \_\_\_\_\_  
Project Code (if applicable): \_\_\_\_\_  
Date: \_\_\_\_\_







# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

**Title of Item:** Agreement with Pitt County Schools for Use of South Greenville Gymnasium

**Explanation:** **Abstract:** On November 9, 2015, City Council approved an agreement with the Pitt County Board of Education for that agency to provide \$600,000 towards the financing of the South Greenville Gymnasium improvements. A condition of this agreement required that the City negotiate and enter into a separate Use Agreement with Pitt County Schools (PCS) upon the completion of the gymnasium construction.

**Explanation:** Renovations and improvements to the South Greenville Recreation Center will be substantially complete by October 31, 2016, and the installation of interior furnishings and equipment will be complete by late November. It is the City's intention to open the facility to the public on December 3, 2016. Prior to allowing Pitt County Schools to move into the facility and begin using the gymnasium, an agreement is required to establish terms and conditions of use, and shared costs for utilities, maintenance, and non-routine repairs.

The agreement for the use of the South Greenville Gymnasium by PCS has been developed. A copy of the agreement, which provides terms and conditions of use of the gymnasium, is attached. The agreement provides the exclusive gym use by PCS on student instruction days between the hours of 8:30 a.m. and 3:30 p.m. except when: (1) the use of the gymnasium is restricted due to maintenance or repair activities or emergency situations, (2) PCS does not have scheduled use of the gymnasium by students, or (3) otherwise agreed by the City and PCS.

**Fiscal Note:** The financial impact for the operational cost at the South Greenville Recreation Center is not known at this time, but the City and PCS will share the cost of the gymnasium utilities based on a detailed utility use schedule included within the agreement. In general, PCS will be responsible for 21% of the overall utility costs for the South Greenville Recreation Center based on the scheduled use of the gymnasium on student instructional days.

PCS will also share in the costs for maintenance and non-routine repairs.

**Recommendation:** Approve the agreement with Pitt County Schools for the use of the gymnasium at the South Greenville Recreation Center.

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Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [South\\_Greenville\\_Recreation\\_Center\\_Use\\_Agreement\\_1039837](#)

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NORTH CAROLINA  
PITT COUNTY

SOUTH GREENVILLE  
RECREATION CENTER  
USE AGREEMENT

THIS AGREEMENT is made this the \_\_\_\_\_ day of November, 2016, by and between the CITY OF GREENVILLE, a municipal corporation organized and existing pursuant to the laws of the State of North Carolina and hereinafter called "City", and THE PITT COUNTY BOARD OF EDUCATION, a body corporate organized and existing pursuant to the laws of the State of North Carolina hereinafter called "PCS."

### 1. Purpose

---

The purpose of this Agreement is to establish the terms and conditions for the use by PCS of the gymnasium at the South Greenville Recreation Center. The terms and conditions include matters such as available time for use, limitations on use, obligations relating to use, and obligations relating to operating and maintenance expenses.

### 2. Facility Information

---

2.1 South Greenville Park and the South Greenville Recreation Center are located at 851 Howell Street, Greenville, NC 27834. The park and the recreation center are owned by the City and located upon an approximately 5.5903 acre tract located at the southeastern corner of the intersection of Howell Street and Skinner Street. The South Greenville Recreation Center has an area of 18,815 square feet and features a gymnasium, strength training room, classroom, computer lab, P.A.L. Program area, multi-purpose room, lobby, concession stand, and staff office space.

2.2 Within the South Greenville Recreation Center is a gymnasium. The primary use of the gymnasium will be by the City as a recreational facility. However, PCS shall have the use of the gymnasium in accordance with the terms and conditions of this Agreement.

### 3. Use of Gymnasium on Student Instructional Days

---

3.1 PCS shall have exclusive use on student instructional days on the school calendar adopted by PCS of the gymnasium between the hours of 8:30 a.m. and 3:30 p.m except when either (i) the use of the gymnasium is restricted due to maintenance or repair activities or emergency situations, (ii) PCS does not have scheduled use of the gymnasium by students, or (iii) otherwise agreed by the City and PCS.

3.2 During the times for exclusive use set forth in section 3.1, PCS shall use the gymnasium for use by students for school activities only.

3.3 During the times for exclusive use set forth in section 3.1, PCS shall provide adequate personnel to supervise scheduled school activities taking place in the gymnasium.

3.4 PCS shall have a storage area designated by the City in the gymnasium. The designated storage area will be for the exclusive use of PCS. During the times for exclusive use set forth in section 3.1, PCS shall have access to its designated storage area in the gymnasium.

3.5 There is a set of restrooms located near the gymnasium in the South Greenville Recreation Center. The set of restrooms is available for use by any person at the South Greenville Recreation Center. During the times for exclusive use set forth in section 3.1, PCS shall have access to this set of restrooms.

3.6 PCS shall provide to the City's Recreation Supervisor at the South Greenville Recreation Center a schedule of times when the gymnasium will be used by students for student activities during the times for exclusive use set forth in section 3.1. The schedule shall be provided no later than noon on the Friday prior to the school week when the gymnasium will be used.

3.7 The City will provide signage posted at the entrance to the gymnasium indicating that the gymnasium is in use by PCS during the times for exclusive use set forth in section 3.1.

#### 4. Use of Gymnasium at Other Times.

4.1 The City shall have the use of the gymnasium at all times other than the times for exclusive use set forth in section 3.1. Use of the gymnasium during these times shall be scheduled by the City's Recreation Supervisor at the South Greenville Recreation Center, or designee. The scheduling of the gymnasium shall be in accordance with City policies and procedures.

4.2 In accordance with City policies and procedures, PCS may submit requests to the City's Recreation Supervisor at the South Greenville Recreation Center, or designee, for reservations of the gymnasium for specific activities during the times other than the times for exclusive use set forth in section 3.1. PCS may use the gymnasium for scheduled practices, meets, or other scheduled activities when a reservation has been made with the City's Recreation Supervisor at the South Greenville Recreation Center or designee. The scheduling of the gymnasium shall be in accordance with City policies and procedures.

4.3 Appropriate protective floor covering must be used for all non-recreational use of the gymnasium. The City and PCS shall be responsible for setting up for their respective special events and clean-up following those events. This includes the cleaning of spills, and placement and removal of tables, chairs, and other equipment. The City and PCS will use an event checklist to be reviewed by both the City and PCS pre- and post- event to avoid disputes as to the condition of the gymnasium and floor covering.

4.4 PCS and the City agree that income from school events at the gymnasium shall be retained by PCS or a person or entity designated by PCS.

## 5. Gymnasium Maintenance.

---

5.1 The City shall be responsible for the performance of all repairs and maintenance of the gymnasium except as provided in section 5.3. The City will be responsible for repair and maintenance expense costing \$500 or less. The City and PCS will each pay 50% of the repair and maintenance expense costing in excess of the amount of \$500.

5.2 The agreement by the City and PCS to each pay 50% of the cost to make gymnasium repairs in excess of \$500 includes, but is not limited to, the gymnasium roof repair or replacement, the gymnasium HVAC system repair or replacement, and gymnasium floor repair or replacement. The City and PCS staff will cooperate in scheduling and planning for these items to the greatest extent possible in order that resources will be available as needed. The City will serve as the lead agency in contracting for these major repairs or replacements, unless otherwise agreed upon.

5.3 PCS shall include the gymnasium floor in its schedule for contracted floor maintenance related to stripping, waxing, and buffing. The City and PCS will share equally in the cost of this floor maintenance.

5.4 The cost of repairs and maintenance of the gymnasium and floor maintenance of the gymnasium shall not include the cost of City or PCS staff time devoted to repairs and maintenance of the gymnasium and floor maintenance of the gymnasium.

5.5 The City shall have access to the gymnasium at all times to provide routine maintenance and repairs as needed.

5.6 PCS and the City will meet at least two times a year to jointly inspect the gymnasium and to review usage and maintenance schedules.

## 6. Janitorial Services.

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6.1 Housekeeping responsibilities include but are not limited to, normal janitorial duties consisting of providing supplies and services, trash collection and removal, floor cleaning, window washing, and pest control. The City shall be responsible for providing and paying for all charges for housekeeping, cleaning and janitorial services for the gymnasium.

6.2 The City shall permit all trash and waste generated from the gymnasium to be disposed of in City issued dumpsters.

## 7. Utilities.

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7.1 The City and PCS will share the cost of the gymnasium utilities. Utilities will be shared based on the schedule below:

<u>Month/Period</u>	<u>Share of Cost</u>
July	PCS - None (0%); City – 100%
August	PCS - 25%; City – 75%
September to November	PCS - 50%; City – 50%
December	PCS - 40%; City – 60%
January to May	PCS - 50%; City – 50%
June	PCS - 25%; City – 75%

7.2 The City will have full control of the heat and air conditioning temperature setting. The City’s energy management guidelines will be followed.

## 8. Reimbursement.

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8.1 The City shall invoice PCS for any expenses paid or incurred by the City which PCS is to pay as provided in this Agreement. PCS shall pay the City within forty five (45) days of the date of the invoice.

8.2 PCS shall invoice the City for any expenses paid or incurred by PCS which the City is to pay as provided in this Agreement. The City shall pay PCS within forty five (45) days of the date of the invoice.

## 9. Liability Coverage and Indemnity.

---

9.1 PCS shall maintain at all times during the term of this Agreement, at its own cost and expense, liability coverage against claims for personal injury or property damage associated with the use of the gymnasium by PCS under either (a) a policy of general liability insurance with a combined single limit of not less than \$1,000,000 with the City named as an additional named insured, written by an insurance company or companies authorized to do business in the State of North Carolina or (b) a declaration of coverage with a combined single limit of not less than \$1,000,000 written by the North Carolina School Boards Trust. PCS shall provide the City with a certificate of insurance or a certificate of coverage evidencing said coverage.

9.2 To the extent permitted and limited by the laws of North Carolina, PCS agrees to indemnify and hold harmless the City and its officers and employees from and against any and all claims and demands whether from injury to person, loss of life, or damage to property, associated with the use of the gymnasium by PCS.



## 10. Term of Agreement.

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10.1 The term of the Agreement shall be for a period of ten (10) years. The term shall commence on December 1, 2016, or the date the City receives a certificate of occupancy for the gymnasium after completion of the 2016 renovations, whichever is later. The City shall provide written notice to PCS within five days after it receives the certificate of occupancy.

10.2 Either party may terminate this Agreement upon one (1) year written notice to the other party. In the event the City elects to terminate this Agreement, the City shall reimburse PCS \$60,000 for each full year remaining on the initial ten (10) year term, said \$60,000 being ten percent (10%) of the contribution made by PCS to the City for the South Greenville Gym Project.

## 11. Miscellaneous.

---

11.1 This Agreement shall not be altered, amended or modified except by an agreement in writing executed by the duly authorized officials of the City and PCS.

11.2 This Agreement constitutes the entire agreement between the City and PCS and supersedes any and all prior agreements, arrangements, and understandings, whether oral or written, between the City and PCS.

IN TESTIMONY WHEREOF, the parties hereto have executed this Agreement, in duplicate originals, as of the day and year first above written, all pursuant to authority duly granted.

CITY OF GREENVILLE

THE PITT COUNTY  
BOARD OF EDUCATION

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Barbara Lipscomb, City Manager

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Ethan Lenker, Superintendent

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
Cynthia Grady, Attorney  
The Pitt County Board of Education

PRE-AUDIT CERTIFICATION:

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

BY: \_\_\_\_\_  
Debra Baggett, Chief Financial Officer  
The Pitt County Board of Education

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
David A. Holec, City Attorney

PRE-AUDIT CERTIFICATION:

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

BY: \_\_\_\_\_  
Bernita W. Demery, CPA, Director of Financial Services

Account Number \_\_\_\_\_

Project Code (if applicable) \_\_\_\_\_



# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

**Title of Item:** Acceptance of a grant from the U.S. Department of Justice for the Sexual Assault Kit Initiative

**Explanation:** **Abstract:** The Police Department has been selected to receive a grant from the Office of Justice Programs at the U.S. Department of Justice in the amount of \$219,496.52. The grant, a Sexual Assault Kit Initiative, is designed specifically to address analysis of sexual assault kits that were not previously analyzed based on lab constraints.

**Explanation:** Due to the parameters set by the State of North Carolina Crime Lab, not all sexual assault evidence collection kits are automatically examined. Some examples include cases where the suspect is known to the victim or those cases in which the victim might decline to prosecute the case and the evidence is not present to allow law enforcement to move forward. In these instances, the sexual assault evidence collection kits are maintained within the Property and Evidence section of the Police Department untested.

This grant will allow the Police Department to hire a part-time coordinator who will be responsible for submitting all of the untested kits to a private forensics laboratory in Pennsylvania (NMS Labs, Willow Grove, PA), or to the State Crime Lab as applicable. In addition to the part-time position, the grant will provide overtime for sworn law enforcement personnel who might be required to follow up on cases once the biological evidence is tested. It also allows for equipment purchases, training, travel, supplies, and contracted services. A narrative is attached which explains in detail the various components of the grant.

This grant will allow for examination of cases that might not have previously met the State Crime Lab requirements and in other jurisdictions has led to the discovery of repeat violators living within the community. An offender who might be known to a victim in one incident might be the same offender in a "stranger-assault." The in-depth analysis that will occur as a part of this grant may lead to the resolution of unsolved cases and exonerate suspects in others.

**Fiscal Note:**

There is no match percentage or match "in-kind" associated with this grant. Although fiscal expenditures will be incurred initially, all expenses will be reimbursed by the grant. Total funding associated with the grant is \$219,496.52.

**Recommendation:**

Staff recommends approval to accept the terms set forth by the Office of Justice Programs and begin the process of filling the part-time coordinator to initiate the project.


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 [Cooperative Agreement](#)

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 <p>U.S. Department of Justice Office of Justice Programs Bureau of Justice Assistance</p>		<p><b>Cooperative Agreement</b></p>		<p>PAGE 1 OF 12</p>																
<p>1. RECIPIENT NAME AND ADDRESS (Including Zip Code)</p> <p>City of Greenville PO Box 7207 Greenville, NC 27835</p>		<p>4. AWARD NUMBER: 2016-AK-BX-K018</p>																		
		<p>5. PROJECT PERIOD: FROM 10/01/2016 TO 09/30/2019</p> <p>BUDGET PERIOD: FROM 10/01/2016 TO 09/30/2019</p>																		
		<p>6. AWARD DATE 09/26/2016</p>	<p>7. ACTION</p> <p style="text-align: center;">Initial</p>																	
<p>2a. GRANTEE IRS/VENDOR NO. 566000245</p>		<p>8. SUPPLEMENT NUMBER 00</p>																		
<p>2b. GRANTEE DUNS NO. 124090197</p>		<p>9. PREVIOUS AWARD AMOUNT \$ 0</p>																		
<p>3. PROJECT TITLE Greenville Police Sexual Assault Kit Initiative</p>		<p>10. AMOUNT OF THIS AWARD \$ 219,496</p>																		
		<p>11. TOTAL AWARD \$ 219,496</p>																		
<p>12. SPECIAL CONDITIONS</p> <p>THE ABOVE GRANT PROJECT IS APPROVED SUBJECT TO SUCH CONDITIONS OR LIMITATIONS AS ARE SET FORTH ON THE ATTACHED PAGE(S).</p>																				
<p>13. STATUTORY AUTHORITY FOR GRANT</p> <p>This project is supported under FY16(BJA - Sexual Assault Kit Initiative) Pub. L. No. 114-113, 129 Stat 2242, 2308</p>																				
<p>14. CATALOG OF DOMESTIC FEDERAL ASSISTANCE (CFDA Number)</p> <p>16.833 - National Sexual Assault Kit Initiative</p>																				
<p>15. METHOD OF PAYMENT</p> <p>GPRS</p>																				
<p>AGENCY APPROVAL</p>		<p>GRANTEE ACCEPTANCE</p>																		
<p>16. TYPED NAME AND TITLE OF APPROVING OFFICIAL</p> <p>Karol Virginia Mason Assistant Attorney General</p>		<p>18. TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL</p> <p>Barbara Lipscomb City Manager</p>																		
<p>17. SIGNATURE OF APPROVING OFFICIAL</p> <p><i>Karol V. Mason</i></p>		<p>19. SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL</p>		<p>19A. DATE</p>																
<p>AGENCY USE ONLY</p>																				
<p>20. ACCOUNTING CLASSIFICATION CODES</p> <table border="1"> <thead> <tr> <th>FISCAL YEAR</th> <th>FUND CODE</th> <th>BUD. ACT.</th> <th>OFC.</th> <th>DIV. REG.</th> <th>SUB.</th> <th>POMS</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>X</td> <td>B</td> <td>AK</td> <td>80</td> <td>00</td> <td>00</td> <td></td> <td>219496</td> </tr> </tbody> </table>		FISCAL YEAR	FUND CODE	BUD. ACT.	OFC.	DIV. REG.	SUB.	POMS	AMOUNT	X	B	AK	80	00	00		219496	<p>21. RAKUGT1653</p>		
FISCAL YEAR	FUND CODE	BUD. ACT.	OFC.	DIV. REG.	SUB.	POMS	AMOUNT													
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OJP FORM 4000/2 (REV. 5-87) PREVIOUS EDITIONS ARE OBSOLETE.

OJP FORM 4000/2 (REV. 4-88)



# City of Greenville, North Carolina

Meeting Date: 11/7/2016  
Time: 6:00 PM

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**Title of Item:** Resolution Providing for the Issuance of General Obligation Street and Pedestrian Transportation Bonds, Series 2016

**Explanation:** The City is scheduled to issue \$8,000,000 from the general obligation bonds that were approved by referendum in November 2015. The sale date is scheduled for December 6, 2016. The attached resolution will approve the sale of the bonds and approve certain other documents and actions relating to the bond sale (Resolution of Issuance and Official Statement).

**Fiscal Note:** The December 6, 2016 bond sale proposed includes the sale of \$8,000,000 in general obligation bonds of the \$15,850,000 approved by voters on November 10, 2015.

**Recommendation:** Approve the attached resolution and certain other documents and actions relating (Resolution of Issuance and Official Statement) providing for the issuance of the 2016 General Obligation Street and Pedestrian Transportation Bonds.

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**Attachments / click to download**

- [2016\\_GO\\_Street\\_and\\_Pedestrian\\_Transportation\\_Bonds\\_1039431](#)
- [POS\\_1st\\_Draft\\_November\\_2\\_2016\\_1039959](#)



RESOLUTION PROVIDING FOR THE ISSUANCE OF \$ 8,000,000  
GENERAL OBLIGATION STREET AND PEDESTRIAN TRANSPORTATION  
BONDS, SERIES 2016

BE IT DETERMINED AND RESOLVED by the City Council of the City of Greenville:

Section 1. The City Council has determined and does hereby find, declare and represent:

(a) That an order authorizing \$15,850,000 Street and Pedestrian Transportation Bonds was adopted by the City Council on August 13, 2015 and was approved by the vote of a majority of the qualified voters of said City who voted thereon at a referendum duly called and held on November 10, 2015.

(b) That none of the aforementioned bonds have been previously issued.

(c) That no notes have been issued in anticipation of the receipt of the sale of the bonds mentioned in subparagraph (a) above.

(d) That it is necessary at this time to issue \$8,000,000 of the Street and Pedestrian Transportation Bonds.

(e) That the weighted average of the maximum periods or usefulness of the improvements financed or to be financed with proceeds of said bonds to be issued as described in paragraph (d) above is estimated as a period of at least 20 years from December 15, 2016, the date of the bonds to be issued hereinafter provided, and that such period does not expire prior to December 1, 2036.

Section 2. Pursuant to the order mentioned above, there shall be issued bonds of the City of Greenville, North Carolina (the "Issuer") in the aggregate principal amount of not exceeding \$8,000,000, designated a "General Obligation Street and Pedestrian Transportation Bonds, Series 2016" and dated the date of delivery (the "Bonds"). The Bonds shall be stated to mature annually, December 1 in the amount of \$400,000 2017 to 2036 inclusive, and shall bear interest

at a rate or rates to be determined by the Local Government Commission of North Carolina (the “LGC”) at the time the Bonds are sold, which interest to the respective maturities thereof shall be payable semiannually on December 1 and June 1 of each year, the first interest payable on June 1, 2017, until payment of such principal sum. Each Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated unless it is (a) authenticated upon an interest payment date, in which event it shall bear interest from such interest payment date or (b) authenticated prior to the first interest payment date, in which event it shall bear interest from its date; provided, however, that if at the time of authentication interest is in default, such Bond shall bear interest from the date to which interest has been paid.

The principal of and the interest and any redemption premium on the Bonds shall be payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

The Bonds will be issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as hereinafter provided. One fully-registered Bond certificate for each stated maturity of the Bonds, registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York (“DTC”), will be issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence beneficial ownership of the Bonds in the principal amount of \$5,000 or any multiple thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The principal of and any redemption premium on each Bond shall be payable to Cede & Co. or any other person appearing on the registration books of the Issuer hereinafter provided for as the registered owner of such Bond or his registered assigns or legal representative at such office of

the Bond Registrar mentioned hereinafter or such other place as the Issuer may determine upon the presentation and surrender thereof as the same shall become due and payable. Payment of the interest on each Bond shall be made by the Bond Registrar on each interest payment date to the registered owner of such Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by such Bond) at the close of business on the record date for such interest, which shall be the 15<sup>th</sup> day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at his address as it appears on such registration books. Transfer of principal, interest and any redemption premium payments to participants of DTC will be the responsibility of DTC, and transfer of principal, interest and any redemption premium payments to the beneficial owners of the Bonds by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing records maintained by DTC, its participants or persons acting through such participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the Director of Financial Services of the Issuer determines that continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the Issuer will discontinue the book-entry system with DTC. If the Issuer identifies another qualified securities depository to replace DTC, the Issuer will make arrangements with DTC and such other depository to effect such replacement and deliver replacement Bonds registered in the name of such other depository or its nominee in exchange for the outstanding Bonds, and the references to DTC or Cede & Co. in this resolution shall thereupon be deemed to mean such other depository or its nominee. If the Issuer fails to

identify another qualified securities depository to replace DTC, the Issuer will deliver replacement Bonds in the form of fully-registered certificates in the denomination of \$5,000 or any multiple thereof (“Certificated Bonds”) in exchange for the outstanding Bonds as required by DTC and others. Upon the request of DTC, the Issuer may also deliver one or more Certificated Bonds to any participant of DTC in exchange for Bonds credited to its account with DTC.

Unless indicated otherwise, the provisions of this resolution that follow shall apply to all Bonds issued or issuable hereunder, whether initially or in replacement thereof.

Section 3. The Bond shall bear the manual or facsimile signatures of the Mayor or City Manager and the City Clerk or any Deputy City Clerk of the Issuer and the corporate seal or a facsimile of the corporate seal of the Issuer shall be impressed or printed, as the case may be, on the Bond.

The certificate of the LGC to be endorsed on the Bond shall bear the manual or facsimile signature of the Secretary of the LGC or any assistant designated by him, and the certificate of authentication of the Bond Registrar to be endorsed on the Bond shall be executed as provided hereinafter.

In case any officer of the Issuer or the LGC whose manual or facsimile signature shall appear on the Bond shall cease to be such officer before the delivery of such Bond, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and the Bond may bear the manual or facsimile signatures of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under this resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

The Bond and the endorsements thereon shall be in substantially the following form:

No. R- .....

\$.....

United States of America  
State of North Carolina  
County of Pitt

CITY OF GREENVILLE  
GENERAL OBLIGATION STREET AND PEDESTRIAN TRANSPORTATION BOND,  
SERIES 2016

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP</u>
_____ 1, 20__	_____%	_____

The City of Greenville, North Carolina (the "Issuer"), a municipal corporation in Pitt County, North Carolina, is justly indebted and for value received hereby promises to pay to

CEDE & CO.

or registered assigns or legal representative on the date specified above, upon the presentation and surrender hereof, at the office of the Director of Financial Services of the Issuer (the "Bond Registrar"), the principal sum of

\_\_\_\_\_ DOLLARS

and to pay interest on such principal sum from the date hereof or from the \_\_\_\_ 1 or \_\_\_\_\_ 1 next preceding the date of authentication to which interest shall have been paid, unless such date of authentication is a \_\_\_\_\_ 1 or \_\_\_\_\_ 1 to which interest shall have been paid, in which case from such date, such interest to the maturity hereof being payable semiannually on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 in each year, the first interest payment date being \_\_\_\_\_ 1, 201\_\_, at the rate per annum specified above, until payment of such principal sum. The interest so payable on any such interest payment date will be paid to the person in whose name this bond (or the previous bond or bonds evidencing the same debt as that evidenced by this bond) is registered at

the close of business on the record date for such interest, which shall be the 15<sup>th</sup> day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at his address as it appears on the bond registration books of the Issuer. Both the principal of and the interest on this bond shall be paid in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of the Issuer are hereby irrevocably pledged.

This bond is one of an issue of bonds designated “General Obligation Street and Pedestrian Transportation Bonds, Series 2016 (the “Bonds”) and issued by the Issuer for the purpose of providing funds, together with any other available funds, for providing street and pedestrian transportation improvements in the City of Greenville, North Carolina, and this bond is issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, an order adopted by the City Council of the Issuer, which was approved by the vote of a majority of the qualified voters of the Issuer who voted thereon at a referendum duly called and held, and a resolution duly passed by said City Council (the “Resolution”).

The Bonds maturing prior to December 1, 2027 are not subject to redemption prior to maturity. The Bonds maturing on December 1, 2027 and thereafter may be redeemable, at the option of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than December 1, 2026, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in



such manner as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000 and, further, that so long as a book-entry system with The Depository Trust Company, New York, New York (“DTC”) is used for determining beneficial ownership of Bonds, if less than all of the Bonds within a maturity are to be redeemed, DTC shall determine by lot the amount of the interest of each direct participant in the Bonds to be redeemed. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be determined by the Issuer.

Not more than sixty (60) nor less than thirty (30) days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and given by certified or registered mail to Cede & Co., the nominee of DTC, at its address appearing upon the registration books of the Issuer. On the date fixed for redemption, notice having been given as aforesaid, the Bonds or portions thereof so called for redemption shall be due and payable at the redemption price provided for the redemption of such Bonds or portions thereof on such date plus accrued interest to such date and, if moneys for payment of such redemption price and the accrued interest have been deposited by the Issuer as provided in the Resolution, interest on the Bonds or the portion thereof so called for redemption shall cease to accrue. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to Cede & Co. or its legal representative upon the surrender hereof.

Any notice of optional redemption of the Bonds may state that it is conditioned upon there being available an amount of money sufficient to pay the redemption price plus interest accrued and unpaid to the redemption date, and any conditional notice so given may be rescinded at any time before the payment of the redemption price if any such condition so specified is not satisfied. If a redemption does not occur after a conditional notice is given due to an insufficient amount of funds required to redeem the Bonds, the corresponding notice of redemption will be deemed to be revoked.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Resolution. One Bond certificate with respect to each date on which the Bonds are stated to mature, in the aggregate principal amount of the Bonds stated to mature on such date and registered in the name of Cede & Co., is being issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in the principal amount of \$5,000 or any multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Transfer of principal, interest and any redemption premium payments to participants of DTC will be the responsibility of DTC, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In certain events, the Issuer will be authorized to deliver replacement Bonds in the form of fully-registered certificates in the denomination of \$5,000 or any multiple thereof in exchange for the outstanding Bonds as provided in the Resolution.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at his office the books of the Issuer for the registration of transfer of Bonds. The transfer of this bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall deliver in exchange for this bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the unredeemed principal amount of this bond, of the same maturity and bearing interest at the same rate.

The Bond Registrar shall not be required to exchange or register the transfer of any Bond during a period beginning at the opening of business fifteen (15) days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Bond called for redemption in whole or in part pursuant to the Resolution.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this bond have happened, exist and have been performed in regular and due form

and time as so required; that provision has been made for the levy and collection of a direct annual tax upon all taxable property within the corporate limits of the Issuer sufficient to pay the principal of and the interest on this bond as the same shall become due; and that the total indebtedness of the Issuer, including this bond, does not exceed any constitutional or statutory limitation thereon.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until this bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the Issuer, by resolution duly passed by its City Council, has caused this bond to be manually signed by its Mayor and its City Clerk and its corporate seal to be impressed hereon, all as of the 7th day of November, 2016.

[SEAL]

\_\_\_\_\_  
Allen M. Thomas, Mayor

\_\_\_\_\_  
Carol L. Barwick, City Clerk

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within bond has been approved under the provisions of The Local Government Bond Act of North Carolina

\_\_\_\_\_  
Secretary, Local Government Commission

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the series designated herein and issued under the provisions of the within-mentioned Resolution.

Director of Financial Services of the  
City of Greenville, North Carolina,  
as Bond Registrar

By: \_\_\_\_\_  
Authorized Signatory

Date of authentication: \_\_\_\_\_

ASSIGNMENT

FOR VALUE RECEIVED the undersigned registered owner thereof hereby sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_ the within bond and all rights thereunder and hereby irrevocably constitutes and appoints

\_\_\_\_\_ attorney to register the transfer of said bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

Signature Guaranteed:  
\_\_\_\_\_

NOTICE: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

Certificated Bonds issuable hereunder shall be in substantially the form of the Bonds registered in the name of Cede & Co. with such changes as are necessary to reflect the provisions of this resolution that are applicable to Certificated Bonds.

Section 4. The Bonds maturing prior to December 1, 2027 will not be subject to redemption prior to maturity. The Bonds maturing on December 1, 2027 and thereafter will be redeemable, at the option of the Issuer, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than December 1, 2026, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the Issuer in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or a multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000 and, further, that so long as a book-entry system with DTC is used for determining beneficial ownership of Bonds, if less than all of the Bonds within a maturity are to be redeemed, DTC shall determine by lot the amount of the interest of each direct participant in the Bonds to be redeemed. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be determined by the Issuer.

Not more than sixty (60) nor less than thirty (30) days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a

notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part at his address appearing upon the registration books of the Issuer, provided that such notice to Cede & Co. shall be given by certified or registered mail. Failure to mail such notice or any defect therein shall not affect the validity of the redemption as regards registered owners to whom such notice was given as required hereby. Each such notice shall set forth the date designated for redemption, the redemption price to be paid and the maturities of the Bonds to be redeemed. In the event the Certificated Bonds are outstanding, each such notice to the registered owners thereof shall also set forth, if less than all of the Bonds of any maturity then outstanding shall be called for redemption, the distinctive numbers and letter, if any, of such Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond or Bonds in principal amount equal to the unredeemed portion of such Bond will be issued.

Any notice of optional redemption of the Bonds may state that it is conditioned upon there being available an amount of money sufficient to pay the redemption price plus interest accrued and unpaid to the redemption date, and any conditional notice so given may be rescinded at any time before the payment of the redemption price if any such condition so specified is not satisfied. If a redemption does not occur after a conditional notice is given due to an insufficient amount of funds required to redeem the Bonds, the corresponding notice of redemption will be deemed to be revoked.

On or before the date fixed for redemption, moneys shall be deposited with the Bond Registrar to pay the principal of and the redemption premium, if any, on the Bonds or portions



thereof called for redemption as well as the interest accruing thereon to the redemption date thereof.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys sufficient to pay the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest thereon to the date fixed for redemption, have been deposited by the Issuer to be held in trust for the registered owners of Bonds or portions thereof to be redeemed, interest on the Bonds or portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under this resolution or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption.

If a portion of a Bond shall be selected for redemption, the registered owner thereof or his attorney or legal representative shall present and surrender such Bond to the Bond Registrar for payment of the principal amount thereof so called for redemption and the redemption premium, if any, on such principal amount, and the Bond Registrar shall authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

Section 5. Bonds, upon surrender thereof at the office of the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative

in such form as shall be satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

The transfer of any Bond may be registered only upon the registration books of the Issuer upon the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this resolution, in an aggregate principal amount equal to the unredeemed principal amount of such Bond so surrendered, of the same maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Bond Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be cancelled by the Bond Registrar. The Issuer or the Bond Registrar may make a charge for shipping and out-of-pocket costs for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made by the Issuer or the Bond Registrar for exchanging or registering the transfer of Bonds under this resolution. The Bond Registrar shall not be required to exchange or register the transfer of any Bond during a period beginning at the opening of business fifteen (15) days before the day of the mailing of a notice of redemption of Bonds or

any portion thereof and ending at the close of business on the day of such mailing or of any bond called for redemption in whole or in part pursuant to Section 4 of this resolution.

As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such Bond and the interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the redemption premium, if any, and interest thereon, to the extent of the sum or sums so paid.

The Issuer shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary for the registration, registration of transfer and exchange of Bonds within a reasonable time according to then current commercial standards and for the timely payment of principal, interest and any redemption premium with respect to the Bonds. The Director of Financial Services of the Issuer is hereby appointed the registrar, transfer agent and paying agent for the Bonds (collectively the "Bond Registrar"), subject to the right of the governing body of the Issuer to appoint another Bond Registrar, and as such shall keep at his office the books of the Issuer for registration, registration of transfer, exchange and payment of the Bonds as provided in this resolution.

Section 6. The Issuer covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended, except to the extent that the Issuer obtains an opinion of bond counsel to the effect that noncompliance would not result in interest on the Bond being

includable in the gross income of the owners of the Bond for purposes of federal income taxation.

Section 7. The Issuer hereby undertakes, for the benefit of the beneficial owners of the Bonds, to provide:

- (a) by not later than seven months from the end of each fiscal year of the Issuer, commencing with the fiscal year ended June 30, 2017, to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (EMMA) website (“EMMA”), currently located at <http://emma.msrb.org> or any other entity designated or authorized by the Securities and Exchange Commission designated to receive reports pursuant to Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “MSRB”) and to the state information depository for the State of North Carolina (“SID”), if any, audited financial statements of the Issuer for such fiscal year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or if such audited financial statements of the Issuer are not available by seven months from the end of such fiscal year, unaudited financial statements of the Issuer for such fiscal year to be replaced subsequently by audited financial statements of the Issuer to be delivered within fifteen (15) days after such audited financial statements become available for distribution;
- (b) by not later than seven months from the end of each fiscal year of the Issuer, commencing with the fiscal year ended June 30, 2017, to EMMA and to the SID, if any, (i) the financial and statistical data as of a date not earlier than the

end of the preceding fiscal year for the type of information included under the headings “The City – Debt Information” and “The City – Tax Information” in the Official Statement relating to the Bonds (excluding any information on overlapping units) and (ii) the combined budget of the Issuer for the current fiscal year, to the extent such items are not included in the financial statements referred to in (a) above;

(c) within 10 business days, to EMMA and to the SID, if any, notice of any of the following events with respect to the Bonds:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults; if material
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on any credit enhancements reflecting financial difficulties;
- (5) substitution of any credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 570-TEB) or other material notices or determinations with respect to or events affecting the tax status of the Bonds;
- (7) modification to the rights of the beneficial owners of the Bonds; if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasance of any of the Bonds;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Issuer; which event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets of business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court of governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;

(12) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating any such actions, other than pursuant to its terms, if material; and

(13) appointment of a successor or additional paying agent or the change of name of a paying agent, if material;

(d) in a timely manner, to EMMA and to the SID, if any, notice of a failure of the Issuer to provide required annual financial information described in (a) or (b) above on or before the date specified.

If the Issuer fails to comply with the undertaking described above, any beneficial owner of the Bonds then outstanding may take action to protect and enforce the rights of all beneficial owners with respect to such undertaking, including an action for specific performance; provided, however, that failure to comply with such undertaking shall not be an event of default and shall not result in any acceleration of payment of the Bonds. All actions shall be instituted, had and maintained in the manner provided in this paragraph for the benefit of all beneficial owners of the Bonds.

The Issuer reserves the right to modify from time to time the information to be provided to the extent necessary or appropriate in the judgment of the Issuer, provided that:

- (a) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer;
- (b) the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 issued under the Securities Exchange Act of 1934 (“Rule 15c2-12”) as of the date of the Official Statement relating to the Bonds, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances; and
- (c) any such modification does not materially impair the interests of the beneficial owners, as determined either by parties unaffiliated with the Issuer (such as bond counsel), or by approving vote of the registered owners of a majority in principal amount of the Bonds then outstanding pursuant to the terms of this resolution, as it may be amended from time to time.

The Issuer agrees that the annual financial information containing modified operating data or financial information will explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Section shall terminate upon payment, or provision having been made for payment in a manner consistent with Rule 15c2-12, in full of the principal of and interest on all of the Bonds.

Section 8. The actions of the Director of Financial Services of the Issuer in applying to the Local Government Commission of North Carolina to advertise and sell the Bonds and the action of the Local Government Commission of North Carolina in asking for sealed bids for the Bonds by publishing notices and printing and distributing a Preliminary Official Statement and a



Supplement to such Official Statement relating to the sale of the Bonds are hereby ratified and approved. Such Preliminary Official Statement, to be dated \_\_\_\_\_, 2016 and substantially in the form presented to the City Council, is hereby approved, and the Mayor, the City Manager and the Director of Financial Services of the Issuer are each hereby authorized to approve changes in such Official Statement, to approve such Supplement, and to execute such Official Statement and such Supplement for and on behalf of the Issuer.

Section 9. The Mayor, the City Manager and the Director of Financial Services of the Issuer and their designees are hereby authorized and directed to take such other actions and to execute and deliver such other documents, certificates, undertakings, agreements or other instruments as such officer determines to be necessary or appropriate to effectuate the issuance of the Bonds.

Section 10. This resolution shall take effect upon its passage.

ADOPTED this the 7<sup>th</sup> day of November, 2016.

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Allen M. Thomas, Mayor

#### CERTIFICATION

The undersigned duly qualified City Clerk, acting on behalf of the City of Greenville, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Greenville City Council on November 7, 2016.

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Carol L. Barwick, City Clerk

Ratings  
Moody's:  
S&P:  
(See "Ratings" herein)

**PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 23, 2016**

**NEW ISSUE—Book-Entry Only**

*This Official Statement has been prepared by the Local Government Commission of North Carolina and the City of Greenville, North Carolina to provide information in connection with the sale and issuance of the Bonds described herein. Selected information is presented on this cover page for the convenience of the user. To make an informed decision regarding the Bonds, a prospective investor should read this Official Statement in its entirety. Unless otherwise indicated, capitalized terms used on this cover page have the meanings given in this Official Statement.*

**\$8,000,000**  
**City of Greenville, North Carolina**  
**General Obligation Street and Pedestrian Transportation**  
**Bonds, Series 2016**

**Dated: Date of Delivery**

**Due: As shown on inside cover page**

*Tax Exemption*

In the opinion of Norton Rose Fulbright LLP, which is based on current law and assumes continuing compliance by the City with certain covenants and with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), as described herein, interest on the Bonds is not includable in the gross income of the owners of the Bonds for purposes of federal income taxation and is not a specific preference item for purposes of the federal individual or corporate alternative minimum tax; however, interest on the Bonds is included in the calculation of the federal alternative minimum tax liabilities of corporations. In the opinion of Norton Rose Fulbright LLP, which is based on existing law, interest on the Bonds is exempt from all present State of North Carolina income taxes. See "TAX EXEMPTION" herein.

*Redemption*

The Bonds are subject to optional redemption at the times and price as set forth herein.

*Security*

The Bonds constitute general obligations of the City, secured by a pledge of the faith and credit and taxing power of the City.

*Interest Payment Dates*

June 1 and December 1, commencing December 1, \_\_\_\_.

*Denominations*

\$5,000 or any integral multiple thereof.

*Expected Closing/Settlement*

December 15, 2016

*Bond Counsel*

Norton Rose Fulbright LLP, Washington, DC

*Financial Advisor*

FirstSouthwest, a Division of Hilltop Securities

*Sale Date*

December 6, 2016

*Sale of Bonds*

Pursuant to sealed bids in accordance with the Notice of Sale.

***The date of this Official Statement is December \_\_, 2016***

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

## MATURITY SCHEDULE

### Due June 1 of the Year Indicated

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price or Yield<sup>1</sup></u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price or Yield<sup>1</sup></u>
2017				2027			
2018				2028			
2019				2029			
2020				2030			
2021				2031			
2022				2032			
2023				2033			
2024				2034			
2025				2035			
2026							

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<sup>1</sup>Information obtained from underwriters of the Bonds.

**CITY OF GREENVILLE, NORTH CAROLINA**

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**CITY COUNCIL**

Allen M. Thomas..... Mayor

Kandie D. Smith ..... Mayor Pro Tem

Rose Glover

Rick Smiley

P.J. Connelly

McLean Godley

Calvin Mercer

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**CITY STAFF**

Barbara Lipscomb ..... City Manager

Bernita W. Demery..... Director of Financial Services

David A. Holec, Esq..... City Attorney

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**FINANCIAL ADVISOR**

FirstSouthwest, a Division of Hilltop Securities  
Charlotte, North Carolina

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**BOND COUNSEL**

Norton Rose Fulbright LLP  
Washington, DC

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NORTH CAROLINA  
**DEPARTMENT OF STATE TREASURER**  
STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

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**JANET COWELL**  
TREASURER

**GREGORY C. GASKINS**  
DEPUTY TREASURER

### INTRODUCTION

This Official Statement, including the cover page and the appendices hereto, is intended to furnish information in connection with the public invitation for bids for the purchase of \$8,000,000 General Obligation Street and Pedestrian Transportation Bonds, Series 2016 (the “Bonds”), of the City of Greenville, North Carolina (the “City”).

The information furnished herein includes a brief description of the City and its economic condition, government, debt management, tax structure, financial operations, budget, pension plans and contingent liabilities. The City has assisted the Local Government Commission of North Carolina (the “Commission”) in gathering and assembling the information contained herein.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Bonds offered hereby, nor shall there be any offer or solicitation of such offer or sale of the Bonds in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. Neither the delivery of this Official Statement nor the sale of any of the Bonds implies that the information herein is correct as of any date subsequent to the date hereof. The information contained herein is subject to change after the date of this Official Statement, and this Official Statement speaks only as of its date.

This Official Statement is deemed to be a final official statement with respect to the Bonds within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “Rule”). In accordance with the requirements of such Rule, the City has agreed in a resolution adopted by the City Council of the City prior to the sale of the Bonds to certain continuing disclosure obligations. See the caption “Continuing Disclosure” herein.

### THE LOCAL GOVERNMENT COMMISSION OF NORTH CAROLINA

The Commission, a division of the Department of State Treasurer, State of North Carolina (the “State”), is a State agency that supervises the issuance of the bonded indebtedness of all units of local government and assists these units in the area of fiscal management. Appendix A to this Official Statement contains additional information concerning the Commission and its functions.

### THE BONDS

#### Description

The Bonds will be dated as of their date of delivery and will bear interest from their date. Interest on the Bonds will be payable semiannually on each June 1 and December 1, commencing December 1, \_\_\_\_\_. The Bonds will mature, subject to the optional redemption provisions set forth below, on the dates set forth on the inside cover page of this Official Statement.

The Bonds will be issuable as fully registered bonds in a book-entry system maintained by The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchases and transfers of the Bonds may be made only in authorized denominations of \$5,000 and in accordance with the practices and procedures of DTC. See Appendix F hereto for a description of the book-entry system and DTC.

### **Redemption Provisions**

The Bonds maturing prior to \_\_\_\_\_ will not be subject to redemption prior to maturity. The Bonds maturing on \_\_\_\_\_ and thereafter will be redeemable, at the option of the City, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than \_\_\_\_\_, at 100%, plus interest accrued to the date fixed for redemption.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the City in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or any integral multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such bond by \$5,000 and, further, that so long as a book-entry system with DTC is used for determining beneficial ownership of bonds, if less than all of the Bonds within a maturity are to be redeemed, DTC shall determine by lot the amount of interest of each Direct Participant in the Bonds to be redeemed. If less than all of the Bonds then subject to redemption shall be called for redemption, the particular maturities and amounts of the Bonds to be redeemed shall be determined by the City.

Notice of redemption shall be given by certified or registered mail to Cede & Co., DTC's nominee, as the registered owner of the Bonds. Such notice shall be mailed not more than 60 days nor less than the 30 days prior to the date fixed for redemption. The City will not be responsible for mailing notices of redemption to anyone other than Cede & Co.

On the date fixed for redemption, notice having been given as hereinabove provided, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys sufficient to pay the redemption price of the Bonds or portions thereof to be redeemed plus accrued interest thereon to the date fixed for redemption have been deposited by the City to be held in trust for the registered owners of the Bonds or portions thereof to be redeemed, interest on the Bonds or portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security under the resolution providing for their issuance or to be deemed outstanding, and the registered owner of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption. If a portion of a Bond shall have been selected for redemption, a new Bond or Bonds of the same maturity, of any authorized denomination or denominations and bearing interest at the same rate for the unredeemed portion of the principal amount of such Bonds shall be issued.

### **Authorizations and Purposes**

The Bonds are being issued pursuant to the provisions of The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, a bond order duly adopted by the City Council of the City and a resolution duly passed by said City Council for the purpose of financing improvements to the City \_\_\_\_\_.

**Security**

The City is authorized and required by law to levy on all property taxable by the City such ad valorem taxes, without limitation as to rate or amount, as may be necessary to pay the Bonds and the interest thereon.

**THE CITY**

**General Description**

The City is the 10<sup>th</sup> largest city in North Carolina and is affectionately referred to as the “Hub of Eastern North Carolina.” The City serves as the county seat for Pitt County and comprises roughly 50% of the County’s population within its 35 square miles. Founded in 1771 as Martinsborough (named for the Royal Governor Josiah Martin, and later named renamed for General Nathanael Greene), The City sits on the banks of the Tar River as the economic, education and medical capital of Eastern North Carolina, with a growing population of approximately 90,597.

**Demographic Characteristics**

The United States Department of Commerce, Bureau of the Census, has recorded the population of the City to be as follows:

<u>1990</u>	<u>2000</u>	<u>2010</u>
44,972	62,432	84,554

The North Carolina Office of State Budget and Management has estimated the population of the City to be as follows:

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
85,059	86,142	87,241	87,436

Per capita income data for the County and the State are presented in the following table:

<u>Year</u>	<u>County<sup>1</sup></u>	<u>State</u>
2010	\$31,736	\$35,569
2011	32,582	36,622
2012	35,042	38,655
2013	34,216	37,774
2014	35,410	39,171

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<sup>1</sup>Separate data for the City are not available.

Source: United States Department of Commerce, Bureau of Economic Analysis.



The following table indicates the total taxable retail sales for the County during the fiscal years ended June 30, 2016:

<u>Fiscal Year</u> <u>Ended June 30</u>	<u>Total Taxable</u> <u>Retail Sales</u>	<u>Increase (Decrease)</u> <u>Over Previous Year</u>
2012	\$1,817,942,598	3.1%
2013	1,846,032,936	1.5
2014	1,851,120,121	0.3
2015	2,021,702,242	9.2
2016	2,146,289,368	6.2

Source: North Carolina Department of Revenue, Sales and Use Tax Division.

### Commerce and Industry

The City continues to be an attractive place to live and work and is one of the most rapidly growing areas in Eastern North Carolina. At the heart of the City are two large, very significant economic generators – East Carolina University (ECU) and Vidant Medical Center. Their presence and growth have allowed the City to grow into a prosperous “uni-med” community. In the educational area, ECU is one of the largest universities in the University of North Carolina system with more than 27,000 students and contributes to the employment of roughly 9,100 people in the education field. Ranked the #8 hospital in North Carolina by U.S. News & World Report, Vidant Medical Center anchors a medical community that employs approximately 7,000 health care professionals in the City and has a serving reach of 29 counties across Eastern North Carolina.

ECU’s Centennial Campus offers more than 4.8 million square feet of academic research and residential space. The Health Sciences Campus includes the Brody School of Medicine, the James and Connie Maynard Children’s Hospital, the East Carolina Heart Institute, the Leo Jenkins Cancer Center, and the Allied Health Center-composed of the College of Nursing, Laupus Medical Library, and the College of Allied Health Science. ECU’s School of Dental Medicine, which opened in 2011, is housed at the Health Sciences Campus, but has clinics spread around the region to reach out to and serve underserved communities with dental care. Additionally, ECU houses the West Campus, which is the home of the North Carolina Agromedicine Institute; partners for Health and Safety in Agriculture, Forestry, and Fisheries.

Pitt Community College (PCC) is one of the top community colleges in the State, earning “Exceptional Institutional Performance” status – only one of 11 in the State to have earned that distinction. PCC offers more than 200 classes via the Internet, telecourses, as well as community-based continuing education courses for students in the Greenville area. Additionally, Miller-Motte College provides private career education as well as the public K-12 system, Pitt County Schools (PCS), and is accredited by the Southern Association of Colleges and Schools.

An off-shoot to being a “uni-med” community is the bio-med businesses which thrive in the uni-med environment. Several medical innovations have been developed in the City including robotic heart valve replacement surgery and an implant to help patients overcome stuttering. The City is also home to a very important bio-pharmaceutical cluster, providing significant employment to our residents and the surrounding area. Patheon Pharmaceuticals is an important component of this cluster.

Much of the manufacturing in the City is located outside of the city limits, but inside the extra-territorial jurisdiction (ETJ). This provides stable employment for The City’s residents, but does not provide the property tax base which would help the City provide city services. DSM Dyneema, which

produces components in ropes, cables, and nets for the fishing and shipping industry, NACCO Materials Handling Group, which designs, engineers, and manufactures materials handling equipment, ASMO, which produces front wiper motor linkages, rear wiper motors, arms, and blades and radiator fan motors for its North American customers, and Grady-White Boats, which has a legendary reputation for designing and producing outstanding fiberglass boats all call the City home.

The following table lists the major employers in or within a few miles of the City:

<u>Company/Institution</u>	<u>Product/Service</u>	<u>Approximate Number of Employees</u>
Vidant Health	Healthcare	6,560
East Carolina University	Education	5,750
Pitt County Public Schools	Education	3,650
NACCO Materials Handling Group	Lift Trucks	1,170
City of Greenville	Government Administration	1,130
Pitt Community College	Education	1,100
Patheon, Inc. (DSM Pharmaceuticals)	Pharmaceuticals	1,040
County of Pitt	Government Administration	900
ASMO	Manufacturing	625
Physicians East	Healthcare	615

Source: Pitt County Development Commission.

The following table indicates construction activity in the City, as reflected in the type, number and value of building permits issued by the City:

<u>Fiscal Year</u>	<u>COMMERCIAL</u>		<u>RESIDENTIAL</u>		<u>Total Value</u>
	<u>Number</u>	<u>Value</u>	<u>Number</u>	<u>Value</u>	
2011	181	\$63,254,179	533	\$35,542,448	\$ 98,796,627
2012	246	97,865,224	541	40,359,510	138,224,734
2013	249	49,846,784	560	45,798,649	95,645,433
2014	246	145,735,172	491	39,603,740	185,338,912
2015	208	1,394,151,822	476	39,471,119	1,433,622,941

Source: City Inspections Department.

The North Carolina Employment Security Commission has estimated the percentage of unemployment in the City to be as follows:

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>		<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
January	8.1%	5.8%	5.7%	5.5%	July	7.9%	6.9%	6.8%	5.6%
February	7.4	5.8	5.6	5.6	August	7.3	6.7	6.6	5.8
March	7.2	5.7	5.3	5.4	September	6.2	5.4	5.3	N/A
April	6.8	5.1	5.1	5.1	October	6.4	5.2	5.4	N/A
May	7.3	6.1	6.3	5.3	November	5.8	5.1	5.1	
June	8.0	6.5	6.6	6.0	December	5.6	5.0	5.3	

## Government and Major Services

### GOVERNMENT STRUCTURE

The City operates under a council-manager form of government. The seven-member City Council is the policy-making and legislative body of City government. The Council enacts local laws and ordinances, adopts the annual budget and financial plan for the operations of the City, and authorizes contracts for the City. The Mayor is the presiding officer of the Council and signs all documents authorized by Council.

Five of the seven Council members are elected from individual districts, and two members, including the Mayor, are elected at-large. A Mayor Pro-Tem, who will assume mayoral duties in the absence of the Mayor, is selected from the members of the newly elected Council body. Each of the Council members, including the Mayor, serves two-year terms and is elected on a biannual basis. The Council also appoints the City Manager, City Attorney, City Clerk, and members of the volunteer boards and commissions. The City Manager is responsible for implementing Council policies, City ordinances, managing daily operations, and appointing department directors.

The Greenville City Council is required to adopt a budget by July 1st of each year. The City is empowered to levy a property tax on both real and personal property located within its boundaries. The City's budget ordinance creates a legal limit on spending authorizations and serves as the foundation for its financial planning control. The City Manager is authorized by the budget ordinance to make certain limited transfers within funds to facilitate budget execution consistent with Council intent.

The City provides a full range of services including police and fire protection, planning and zoning, community and economic development, recreational activities and parks, refuse, recycling, and other sanitation services, stormwater and drainage, fixed-route transit services, regional transportation planning services, general administrative and technological services, and the construction and maintenance of City streets, sidewalks, and other associated infrastructure. Certain planning and utility services are provided outside the City's municipal boundary in its extraterritorial area to provide for orderly growth.

### EDUCATION

#### *East Carolina University*

**East Carolina University (ECU)** is a public, coeducational, doctoral/research university. ECU is the largest institution of higher learning in eastern North Carolina and the third-largest university in North Carolina. Established in 1907, ECU is one of 16 universities in the State University system. ECU has grown from 174 students during its first year of classes in 1909 to now over 27,500 students enrolled.

ECU employs over 5,800 people and is the City's second largest employer. ECU's campus has grown from 43 acres in 1907 to almost 1,600 acres today. ECU is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award baccalaureate, masters, and doctoral degrees.

University spirit infuses the City whose residents proudly claim to live in a "Pirate Nation." During football season, there are "Paint It Purple" Fridays when everyone is encouraged to don the Purple and Gold in support of the Pirates. On Fridays before a home football game, celebrations called "Freeboot Fridays," inaugurated by Uptown Greenville, draw students, residents, and visiting fans into the downtown district for food, drinks, prizes, and entertainment.

**Brody School of Medicine** – In the early 1960s, a group of leaders from eastern North Carolina proposed that a medical school be established at what was the East Carolina College. The Brody School of Medicine at East Carolina University is accredited by the Liaison Committee on Medical Education. East Carolina University is accredited by the Southern Association of Colleges and Schools. In time, East Carolina University was authorized to establish a health affairs division as a foundation for a medical program, and then a one-year medical school whose participants completed their medical education at the University of North Carolina-Chapel Hill. Finally in 1974, the General Assembly of North Carolina appropriated the funds to establish a four-year medical school at East Carolina University. Today, in its partnership with Vidant Health and regional physicians, the school is the educational centerpiece of one of North Carolina's largest and most productive academic medical centers.

**ECU School of Dental Medicine** – North Carolina's second dental school opened in the fall of 2011 with 50 students enrolled. Currently, within the State there are four counties without any primary practicing dentists, seventy-nine counties are recognized as federally designated dental shortage areas and the State ranks 44<sup>th</sup> in the United States in dentists per capita. To remedy the shortage of dentists in the State, ECU and UNC-Chapel Hill jointly developed a plan to increase the number of dentists in the State and to establish the ECU School of Dental Medicine. ECU developed a plan to serve rural and underserved areas. This plan came through the School of Dental Medicine and has developed in the form of Community Service Learning Centers. As of June 2012, the School of Dental Medicine announced the first six locations of the Community Service Learning Centers to include Ahoskie, Elizabeth City, Sylva, Spruce Pine, Lillington and Lexington.

The City, by way of ECU, is bringing together a group of experienced dental educators from around the country to be fulltime school faculty. The School's reputation is based on having innovative curricular design and extensive use of the latest technology to enhance education and clinical care. The dental school also has equally wonderful and skilled staff members who also thrive for excellence.

#### *Pitt Community College*

**Pitt Community College ("PCC")** chartered in March, 1961, is a comprehensive community college of the North Carolina Community College system. PCC was one of 11 community colleges in the State to earn "Exceptional Institutional Performance" status. Pitt Community is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award associate degrees. Today, PCC awards associate degrees, diplomas and certificates for more than 60 programs and provides adult basic education, literacy training and occupational extension courses. The college serves more than 23,000 credit and non-credit students annually and is the seventh-largest in the 58-member N.C. Community College System. PCC employs over 900 people and was the City's sixth largest employer in 2015.

*Pitt County School System*

**Pitt County School System** is accredited by the Southern Association of Colleges and Schools and is one of the first 100 school systems in the nation to achieve the distinction of “Quality School System.” District Accreditation is a process designated to recognize school systems that embrace improving student learning as a systematic process. This achievement recognizes the quality of education afforded the students in Pitt County Schools through the leadership of the superintendent and governing authority, the dedication and service of the professional staff, and the support of community stakeholders. The school system currently serves more than 23,500 students in kindergarten through twelfth grade in 37 schools. The Pitt County School Board currently has 9 members representing six districts. Board members are elected and serve four-year staggered terms. Pitt County Schools was the third largest employer in the City in 2015.

The following table shows the number of schools by grade level and average daily membership for the Pitt County School Administrative Unit:

<u>School Year</u>	<u>Elementary Grades (K-5)</u>		<u>Intermediate Grades (6-8)</u>		<u>Secondary Grades (9-12)</u>		<u>Total ADM</u>
	<u>No. of Schools</u>	<u>ADM*</u>	<u>No. of Schools</u>	<u>ADM*</u>	<u>No. of Schools</u>	<u>ADM*</u>	
2011-12	16	11,063	14	5,428	6	7,066	23,557
2012-13	16	11,119	14	5,457	6	7,018	23,594
2013-14	16	11,196	14	5,487	6	7,162	23,845
2014-15	16	11,341	14	5,419	6	7,121	23,881
2015-16	16	11,469	14	5,307	7	7,328	24,104

\*Average daily membership (“ADM”) (determined by actual records at the schools for the first month of school) is computed by the North Carolina Department of Public Education on a uniform basis for all public schools in the State. The average daily membership computations are used as a basis for teacher allotments and for distribution of local funds if there is more than one school unit within a county.

Source: Superintendent’s Office of the Pitt County School Administrative Unit.

TRANSPORTATION

The City supports over 1,023 linear miles of street and is easily accessible by an east-west connector, U.S. Highway 264, and a north-south connector, U.S. Highway 13.

Greenville Area Transit (GREAT) operates fixed-route service for the City that provides demand response (curb-to-curb service) for passengers with mobility and visual impairment, if those passengers reside within ¾ of a mile of one of our established bus lines. The Pitt Area Transit System (PATS) provide curb-to-curb van service and is operated by Pitt County and provides human service and Rural General Public (RGP) transportation in Pitt County.

Pitt-Greenville Airport (PGV) covers 1000 acres, located outside the City. The airport is only two miles from the East Carolina University Campus. With three runways, PGV is used mainly for general aviation and charters. However, one commercial airline provides service at PGV.

In the last few years alone, PGV had over a quarter of a million passengers fly in and out of PGV. As of 2014, the longest runway is just over 6,500 feet in length and can accommodate aircraft as large as a Boeing 757 (holding up to 290 passengers). The terminal expansion, completed in 2011,

added another 30,000 square feet to the building. On the PGV private/General Aviation side, there are over 70 aircraft (from small puddle-jumpers to large jets) that call PGV home, and many have their own private hangars.

#### MEDICAL FACILITIES

##### *Vidant Medical Center*

**Vidant Medical Center**, one of four academic medical centers in North Carolina, is the flagship hospital for Vidant Health and serves as the teaching hospital for the Brody School of Medicine at East Carolina University. Vidant Medical Center is a regional resource for all levels of health services and information.

The hospital is a tertiary referral center and provides acute, intermediate, rehabilitation and outpatient health services to more than 1.4 million people in 29 counties. In an average year, about 44,500 inpatients and more than 171,000 outpatients are treated in our facilities. More than 3,500 babies are born here in a typical year.

Clinical education is an important part of this hospital's mission and helps demonstrate its commitment to the community. Vidant Medical Center is a teaching site for medical students and residents, nurses and other health professionals.

Vidant Medical Center is fully accredited by the Joint Commission for the Accreditation of Healthcare Organizations (JCAHO).

#### CULTURAL

There are numerous art galleries, museums, community and university theatres, as well as the countless music venues to choose from throughout the area. Local theater groups such as the Magnolia Arts Center and the Greenville Theater Project contribute heavily to the performing arts scene in the community. The Smiles and Frowns Playhouse has provided first-rate children's theatre in the city for almost twenty years.

#### RECREATION

The Recreation and Parks Department provides a variety of athletic, recreational, and arts and crafts activities for all ages and special populations. The department maintains more than 25 parks and recreational facilities, including numerous gymnasiums, recreation and community centers, swimming pools, tennis courts, a soccer complex, softball and baseball fields, playgrounds, a greenway, as well as The Town Common and Greenville Amphitheater, River Park North, Bradford Creek Public Golf Course, the Aquatics and Fitness Center, the Extreme Park, and River Birch Tennis Center.

#### GREENVILLE UTILITIES COMMISSION

In 1903, Greenville was a town of just 2,565 governed by a Board of Aldermen. With an eye toward progress, on April 7, 1903, a \$65,000 bond referendum was passed to fund the creation of the water, sewer and electric systems. Two years later, on March 20, 1905, Greenville's new Water & Light Commission was established with about 72 electric and 30 water customers. The natural gas system was added in 1925.

The Utilities Commission is owned by the citizens of Greenville, and is governed by an eight-member Board of Commissioners responsible for approving rates, development plans, the annual budget and for setting policy that is carried out by our General Manager/CEO. The City Manager of the City of Greenville serves as a full-voting member of the Board, five other Board members are

nominated by the City Council and two are nominated by the Pitt County Board of Commissioners. All members are approved by the City Council. Board members serve three-year terms, with a maximum of two terms. Utilities Commission meetings are held the third Thursday of each month.

*Electric System*

The Utilities Commission operates an electric distribution system serving the City and approximately seventy-five percent of the rural portion of the County with 66,252 connections. The Utilities Commission’s electric system, measured by number of customers served, is the second largest municipal electric system in the State and the forty-fifth largest in the nation.

The electric system consists of 77 miles of high voltage transmission lines at 115,000 and 34,500 volts, as well as 1,195 miles of overhead distribution lines, 1,629 miles of underground distribution lines at 12,470 volts and 85 miles of fiber optic lines. In addition, the electric system consists of 19 distribution substations with a combined base rating capacity of 560 megavolt amps (MVA), two sub-transmission substations with a combined base rating capacity of 50 MVA and two 115 kilovolts (kV) transmission substations with a combined base rating capacity of 480 MVA.

The Utilities Commission is a leader in the State of North Carolina in residential load management and has device controls for an estimated 41,671 appliances including customer heat pumps, air conditioners, water heaters and electric furnaces. Approximately thirty percent of the Utilities Commission’s residential customers currently participate in this program.

The Utilities Commission and thirty-one other North Carolina municipalities are members of the North Carolina Eastern Municipal Power Agency (Power Agency), a joint agency of the State of North Carolina. On July 31, 2015, the Power Agency completed the sale of its electric generating assets to Duke Energy Progress for approximately \$1.25 billion. The proceeds from the sale were used to reduce outstanding debt on those assets. The Utilities Commission’s share of the Power Agency’s outstanding debt was reduced from approximately \$277.8 million to \$85 million. Duke Energy Progress has entered into a 30 year agreement to provide wholesale power to the Power

The City’s purchases of electricity from the Power Agency over each of the past five fiscal years are set forth below:

<u>Fiscal Year Ended June 30</u>	<u>Total kWh Purchased</u>	<u>Total Purchased Power Cost</u>
2011	1,754,104,149	\$161,293,693
2012	1,681,001,621	155,776,095
2013	1,699,023,559	157,361,094
2014	1,735,534,829	160,122,795
2015	1,761,923,076	157,456,548

The City, together with the other 31 Participants, is also a member of ElectriCities of North Carolina, Inc. (“ElectriCities”), a joint municipal agency serving the interests of municipal electrical systems. There are currently 91 members of ElectriCities, including municipalities and university systems from North Carolina, South Carolina, and Virginia.

**Factors Affecting the Electric Utility Industry.** The electric utility industry is undergoing pervasive and fundamental changes. One such change is increased competition, in both wholesale and retail markets, for the sale of electricity generation services. In large measure, this increase in competition is the outgrowth of statutory changes and regulatory initiatives at the federal and state levels. It is manifested in a number of ways, including the following: inter-fuel competition; municipal and industrial self-generation; the availability of open access wholesale transmission

services under standardized tariffs; the emergency of independent power producers and other merchant generators; and the greater use of alternative and renewable energy resources and demand response. In many areas of the United States, electric utilities no longer have a monopoly in power generation in their service areas, and are no longer the sole power supply option for at least some of their customers. In many instances, electric utilities that serve retail loads have found it necessary to grant rate concessions to larger commercial or industrial customers, sometimes with corresponding adverse effects on the rates paid by residential and other customers. Utilities with comparatively high-cost power supply resources often find it difficult to retain customers and recover through rates the full cost of their resources. Currently North Carolina does not have retail competition and the potential for customer choice is minimal. The Commission offers a Coincident Peak rate and incremental cost structure which provide a means to compete for industrial load.

Electric utilities also are subject to increasing federal, state and local statutory and regulatory requirements affecting a broad range of matters, including the following: the siting and construction of new generation and transmission facilities; mandatory reliability standards for the bulk electric power system; homeland security, including protection of critical infrastructure facilities from damage or attack; employee safety; renewable resource mandates; and air, water quality, land use and other environmental factors.

Neither the Commission nor the City can predict what effects these factors may have in the future on the business operations and financial condition of the electric system.

### ***The Water Resources Systems***

#### **Water Treatment and Distribution System**

The Utilities Commission operates a water treatment and distribution system that serves the City and a portion of the County. The distribution system currently consists of approximately 629 miles of lines with 35,599 connections. Raw water is supplied by the Tar River and eight deep wells. River modeling indicates the Utilities Commission may be able to realize an average day withdrawal of 128 million gallons per day (MGD) from the Tar River, as compared to the current average day withdrawal of 13.246 MGD. Treatment is accomplished through a modern water treatment plant placed in operation in 1983 and expanded in 2002 with a present capacity of 22.5 million gallons per day (MGD). With the 2.0 MGD peaking capacity of the supplemental supply from the eight deep wells, the total peak day capacity of the water system is 24.5 MGD.

Average daily water use in the fiscal year ended June 30, 2016 was approximately 12.384 MGD, with a maximum daily usage of approximately 15.070 MGD. Approximately 84.7% of the water system's 35,599 connections are located within the City limits.

The North Carolina Department of Environmental Quality (NCDEQ) regulates the quality of water sold by the Utilities Commission to its customers, and the water treatment plant operates in compliance with NCDEQ regulations. The water system meets the current standards of the Federal Safe Drinking Water Act.

NCDEQ has implemented rules restricting water use from certain aquifers in areas of eastern North Carolina. Although the Utilities Commission's primary water supply, which is the Tar River, is not affected by these restrictions, several neighboring communities are mandated to reduce their aquifer withdrawals and are seeking supplemental water supplies. Foresight and long range planning in the areas of water treatment have positioned the Utilities Commission to form partnerships with these neighboring communities to provide water service to areas outside the traditional service area. The Utilities Commission has entered into contracts to deliver water to the neighboring communities of Bethel, Farmville, Stokes, Winterville and Greene County.



## Wastewater Collection and Treatment System

The Utilities Commission operates a wastewater collection and treatment system that serves the City as well as some adjacent areas. In addition, the municipalities of Bethel and Grimesland, who have their own collection systems, have contracted with the Utilities Commission to treat the wastewater they collect. Mandatory connection is required by Utilities Commission rules and regulations which are incorporated into the City Code by reference.

The collection system consists of approximately 479 miles of lines with 29,253 connections. The wastewater treatment plant was placed on line in 1985 and expanded in 1995. It is rated to biologically treat a 30 day average of 17.5 million gallons per day (MGD). The annual average daily biological flow during fiscal year ended June 30, 2016 was 11.2 million gallons of wastewater with a single day hydraulic maximum of 21.04 MGD.

The wastewater treatment plant is regulated by the NCDEQ Division of Water Resources which enforces federal standards through the National Pollutant Discharge Elimination System as defined in the Clean Water Act. The Utilities Commission operates an Industrial Pretreatment program, which currently has six participants: Hyster-Yale Group (formerly NAACO Materials Handling Group), Patheon (formerly DSM Pharmaceuticals, Inc.), DSM Dyneema, Inc., The Hammock Source, Fuji Silysia, and Metrics Contract Services (a subsidiary of Mayne Pharma Group Limited).

### ***The Natural Gas System***

The Utilities Commission operates a natural gas distribution system that serves the City as well as some adjacent areas. The natural gas system consists of 614 miles of pipeline and 440 miles of service lines with 23,066 connections. During the current fiscal year 3,078,656 dekatherms of natural gas were moved through the Utilities Commission's distribution system.

The Utilities Commission entered a 10-year gas services agreement effective January 5, 2010, with Piedmont Natural Gas (PNG) that provides Firm Transportation, Excess Redelivery and Bundled Sales Peaking Services. The Utilities Commission secures its natural gas supplies through various marketers and transports the natural gas on a daily basis through Transcontinental Gas Pipe Line Corporation's transmission pipeline to PNG's gas system. The Utilities Commission routinely uses marketing firms to buy and sell natural gas contracts on its behalf. A Natural Gas Risk Management Policy, which includes a Hedging Plan and Credit Risk Policy, was developed and adopted by the Utilities Commission to mitigate the risks associated with purchasing natural gas on the New York Mercantile Exchange (NYMEX).

The Utilities Commission entered a 15-year agreement with Patriots Energy Group (PEG), effective February 1, 2007 to purchase 20 percent of the Utilities Commission's firm volumes (2,000 dekatherms per day during the winter period, November through March). The Utilities Commission receives a price discount projected to be between \$0.42 and \$0.47 per dekatherm and pays a fee of \$0.015 per dekatherm to PEG to cover the administrative costs of the agreement.

The Utilities Commission entered into a Supplemental Service and Construction Agreement with PNG effective November 1, 2014 for a period of 5 years. Under the terms of the contract the Utilities Commission will pay additional demand charges to cover the costs of upgrades to the Utilities Commission's system completed by PNG. The initial amount of the contractual payment was \$470,000 per year. Effective June 2015 the amount was increased to \$593,093 per year to reflect the actual costs of the upgrades. These additional demand charges are payable through October 2019.

The Utilities Commission utilizes liquefied natural gas (LNG) as a supply source for peak day natural gas requirements. The utilization of LNG as a natural gas supply for peak day requirements is part of a long range plan to enhance the natural gas system's reliability, control natural gas costs and offer additional services to the Utilities Commission's customers. The Utilities Commission completed a permanent facility that stores and vaporizes LNG into gas in December 1997. An expansion of that facility, which doubled storage capacity, was substantially completed in the fall of 2001 and enhancements to the security features at the site were completed in 2004. A second expansion, completed in December 2006, doubled the send-out capacity and added redundancy and reliability to the operations of the facility. During fiscal year 2015 two additional storage tanks were installed at the facility bringing the total storage capacity to 330,000 gallons. The volume of LNG stored at the facility would supply our customers for more than a week should our gas supply be cut off due to an emergency.

OTHER SERVICES

The City provides police, fire protection and rescue operations services. In addition, the City supports various housing programs and also provides refuse collection service to the residents. The City leases and operates five off-street lots in the central business district.

**Debt Information**

LEGAL DEBT LIMIT

In accordance with the provisions of the State Constitution and The Local Government Bond Act, as amended, the City had the statutory capacity to incur additional net debt in the approximate amount of \$\_\_\_\_\_ as of June 30, 2016. For a summary of certain constitutional, statutory and administrative provisions governing or relating to the incurrence of debt by units of local government of the State, see Appendix B.

OUTSTANDING GENERAL OBLIGATION DEBT

General Obligation Bonds	Principal Outstanding as of			
	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
Refunding Bonds	\$ —	\$ —	\$ —	\$ 9,980,000 <sup>1</sup>
Public Improvement Bonds	<u>15,455,000</u>	<u>14,430,000</u>	<u>13,405,000</u>	<u>2,525,000</u>
Total Bonds	<u>\$15,455,000</u>	<u>\$14,430,000</u>	<u>\$13,405,000</u>	<u>\$12,505,000</u>

<sup>1</sup>Bonds Issued:

2015-16 \$10,050,000 General Obligation Refunding Bonds, Series 2016, 1.89% net interest cost.

GENERAL OBLIGATION DEBT RATIOS

<u>At July 1</u>	<u>Total GO Debt Outstanding</u>	<u>Assessed Valuation</u>	<u>Total GO Debt to Assessed Valuation</u>	<u>Population<sup>1</sup></u>	<u>Total GO Debt Per Capita</u>
2012	\$16,585,000	\$5,857,690,585	0.28%	86,140	\$192.53
2013	15,455,000	6,165,392,852	0.25	87,241	177.15
2014	14,430,000	6,121,053,333	0.24	87,436	165.03
2015	13,405,000	5,896,815,856	0.23	87,436	153.31
2016	12,505,000			87,436	143.02
<hr/>					
After Bonds now offered are issued	\$	\$		87,436	\$

<sup>1</sup>Estimate of Office of State Budget and Management.

GENERAL OBLIGATION BOND DEBT SERVICE REQUIREMENTS AND MATURITY SCHEDULE

Fiscal Year	UTILITIES		OTHER		TOTAL		Bonds Now Offered
	Existing Debt		Existing Debt		Existing Debt		
	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest	
2016-17	\$ 367,212.93	\$ 440,782.87	\$ 812,787.07	\$ 1,013,904.13	\$ 1,180,000	\$ 1,454,687.00	\$
2017-18	378,771.90	444,799.92	766,228.10	949,146.58	1,145,000	1,393,946.50	
2018-19	374,926.50	433,795.72	760,073.50	927,534.28	1,135,000	1,361,330.00	
2019-20	367,235.70	419,018.82	747,764.30	899,083.68	1,115,000	1,318,102.50	
2020-21	384,540.00	429,382.36	775,460.00	910,870.64	1,160,000	1,340,253.00	
2021-22	351,854.10	389,428.66	723,145.90	842,124.34	1,075,000	1,231,553.00	
2022-23	344,163.30	375,087.82	710,836.70	814,371.68	1,055,000	1,189,459.50	
2023-24	336,472.50	360,892.32	698,527.50	786,651.68	1,035,000	1,147,544.00	
2024-25	326,859.00	344,919.50	683,141.00	755,887.00	1,010,000	1,100,806.50	
2025-26	319,168.20	331,051.06	670,831.80	728,250.44	990,000	1,059,301.50	
2026-27	309,554.70	315,405.28	655,445.30	696,809.22	965,000	1,012,214.50	
2027-28			160,000.00	185,600.00	160,000	185,600.00	
2028-29			160,000.00	179,200.00	160,000	179,200.00	
2029-30			160,000.00	172,800.00	160,000	172,800.00	
2030-31			160,000.00	166,400.00	160,000	166,400.00	
	<u>\$3,860,758.83</u>	<u>\$4,284,564.33</u>	<u>\$8,644,241.17</u>	<u>\$10,028,633.67</u>	<u>\$12,505,000</u>	<u>\$14,313,198.00</u>	<u>\$8,000,000</u>

GENERAL OBLIGATION BONDS AUTHORIZED AND UNISSUED

<u>Purpose</u>	<u>Date Approved</u>	<u>Authorized and Unissued</u>	<u>Bonds Now Offered</u>	<u>Balance</u>
Streets and Pedestrian Transportation	11/3/2015	\$15,850,000	\$8,000,000	\$7,850,000

GENERAL OBLIGATION DEBT INFORMATION FOR OVERLAPPING UNIT AS OF April 30, 2011

<u>Unit</u>	<u>2014 Population<sup>1</sup></u>	<u>Assessed Valuation</u>	<u>Tax Rate Per \$100</u>	<u>Debt Authorized and Unissued</u>		<u>Total GO Debt</u>		<u>Total GO Debt Per Capita</u>
				<u>Utility</u>	<u>Other</u>	<u>Utility</u>	<u>Other</u>	
Pitt County	174,424	\$11,748,415,204	\$.68	\$ —	\$650,000	\$ —	\$19,250,000	\$110.36

<sup>1</sup>Estimate of Office of State Budget and Management.

OTHER LONG-TERM COMMITMENTS

The City issued \$6.8 million special obligation revenue bonds on March 15, 2001 to finance a portion of the cost of construction of an exhibit hall that, with an adjacent hotel, constitutes the convention center complex. Debt service on the special obligation revenue bonds (annually approximately \$535,000) and promotion expenses for the convention center are payable solely from the proceeds of a hotel occupancy tax levied and collected by the County and transferred to the City for pledge to these bonds or the Convention Center Authority for tourism and promotion expense. A private operator affiliated with the hotel owner and operator is responsible for the operating expenses of the exhibit hall.

In 2011, the City issued \$3.225 million in GO Public Improvement bonds to finance the West Greenville Revitalization project and City Center Revitalization.

The City entered into an Installment Financing Agreement in 2012 to refinance the 2009 Installment Purchase and 2004 Certificate of Participation for \$19.950 million.

The City, in 2013, entered into an Installment Purchase for \$2.591 million for Energy Saving Reconstruction of City building.

In 2014, the City entered into an Installment Agreement in the amount of \$4.997 million to construct a parking deck that would provide additional parking for the City.

The City issued \$4.2 million special obligation revenue bonds on January 13, 2015 to finance the convention center expansion.

The State of North Carolina has committed \$50,718,617 in low-interest revolving loans under the 1987 Clean Water Revolving Loan and Grant Act to the City. At June 30, 2010 \$45,661,160 of these loan funds has been received by the City.

DEBT OUTLOOK

The City prepares a capital improvement plan which is updated annually. The City decides on funding sources varying from general obligation bonds, certificates of participation, installment financing agreements and cash. The Commission prepares long-term capital improvement plans as well. All capital projects and funding sources are subject to Commission approval.

**Tax Information**

GENERAL INFORMATION

	<b>Fiscal Year Ended or Ending June 30</b>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Assessed Valuation:				
Assessment Ratio <sup>1</sup>	100%	100%	100%	100%
Real Property	\$5,228,378,854	\$5,279,644,967	\$5,389,359,444	\$
Personal Property	<u>629,311,731</u>	<u>885,747,885</u>	<u>731,693,889</u>	
Total Assessed Valuation	\$5,857,690,585	\$6,165,392,852	\$6,121,053,333	
Rate per \$100	0.52	0.52	0.54	
Levy - adjusted	\$ 30,459,991	\$ 32,060,043	\$ 33,053,688	

<sup>1</sup>Percentage of appraised value has been established by statute.

<sup>2</sup>Public service companies appraised each year included in total values on this schedule.

Note 1: The last revaluation of real property became effective January 1, 2016. The next revaluation will become effective January 1, 2020.

TAX COLLECTIONS

<b>Fiscal Year Ended June 30</b>	<b>Prior Years' Levies Collected</b>	<b>Current Year's Levy Collected</b>	<b>Percentage of Current Year's Levy Collected</b>
2012	\$706,197	\$30,505,550	97.18%
2013	706,197	29,195,139	97.30
2014	141,008	31,205,438	98.57
2015	331,834	32,389,782	99.21
2016			

## TEN LARGEST TAXPAYERS FOR FISCAL YEAR ENDED JUNE 30, 2015

<u>Company</u>	<u>Type of Enterprise</u>	<u>2015 Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>	<u>Tax Levy</u>
RPI Greenville Mall LP	Retail	\$ 40,428,933	0.73%	\$ 214,273
Copper Beach Townhouses	Housing	34,605,790	0.63	228,600
PL Greenville LP	Apartments	29,073,633	0.53	221,904
Walmart	Retail	27,675,687	0.50	209,574
PEP Core NCCI LLC	Apartments	25,280,676	0.46	204,050
Carolina Telephone /Spirit	Public Service	23,188,739	0.42	158,519
MSWC ECU Senior Debt LLC	Club/Lounge	24,479,382	0.41	116,066
401 Moye Boulevard Realty DST	Builder	21,453,164	0.39	113,425
PEP Core NCCI LLC	Apartments	21,249,124	0.39	109,767
Cemtro Heritage UC Greenville	Retail	<u>19,169,560</u>	<u>0.35</u>	<u>108,158</u>
		\$322,789,349	4.80%	\$1,684,336

**2015-16 Budget Commentary**

The City's year-to-date General Fund net results (revenues less expenditures) improved \$3,329,272 or 50% over fiscal year 2015 net results. This improvement was the result of increased revenues, specifically Utilities Franchise Tax and the transfer from Greenville Utilities to the General Fund, while expenditures remained consistent with results from the prior year. Transfers also decreased due to a large transfer of \$2.65 million in FY 2015 as a one-time transfer, intended to establish the Street Improvement Fund. Additionally, the 100% decrease in Powell Bill revenue was due to the timing of when the funding was received. Although General Fund expenditures are consistent with last year, personnel expenditures are 3% lower due to citywide staff turnover leaving unfilled vacant positions, while the changes in operations and capital expenditures is a result of the timing of various purchases throughout this point in the year.

Sales Tax Revenues are six percent greater than the previous year, due to increases construction and permits causing an increase in supplies and materials purchased for large construction projects occurring throughout the City of Greenville. A temporary change in staffing has slowed down the processing of the Rescue Service Transport billings. However, staffing is anticipated to return to its normal level over the next month, at which time the collection levels will increase with the intentions to fully recover by the end of the fiscal year. For the seven-month period ending January 31, 2016 as compared to 2015, Utility Franchise Tax revenues are up approximately \$688,165 (23%). The increase is primarily due to the change in the allocation formula. Recent tax reform eliminated the State and Local franchise taxes on electricity and natural gas and applied the combined general sales tax rate of 7% of sales to both. The City's top ten revenue sources are expected to meet or exceed budget expectations for the year.

**2016-17 Budget Outlook**

The City biennially adopts and approves a fiscal year budget and a second year Financial and Operating plan. The City's biennial budget for FY 2016-2017 adopted at the City Council's regular meeting on June 13, 2016. This will be the first full year of the budgeting process within the City's Munis Enterprise Resource Planning system, along with the newly formed Office of Budget and Evaluation. The City Manager's recommended budget includes a tax rate of \$.52 cents per \$100 of assessed value, which is a one cent decrease from the 2016 rate. The following are highlights for the general fund budget for fiscal year 2016-2017:

- Designed to continue current service and programmatic levels with approximately 70% of the budget appropriated to the City's core services
- Includes the addition of 3.0 positions within Fire/Rescue and funding for up to 10 Police Department grant pool that will serve as a match for additional positions through grants
- Includes a \$539,500 increase in debt service to finance approximately \$8 million in projects as included in the 2015 voter approved G.O. Bond
- Includes a 2.0% cost of living adjustment for all employees for FY 17 and a 1.0% pay for performance increase / 1% market adjustment for FY 18
- Includes funding of approximately \$1.3 million over FY 17 and FY 18 towards the Town Common project, which is the City Council's #1 priority
- Includes a \$450,000 reduction in overall departmental budgets to assist the Council in funding various strategic priorities
- Includes a \$50,000 increase in the City's Other Post-Employment Benefits (OPEB) to reach the goal of an overall contribution of \$500,000 annually
- Includes \$35,000 to fund the Summer Youth @ Work Program
- Includes approximately \$3.9 million in capital project funding and approximately \$1.6 million in facility project funding for the FY 17

The remaining enterprise funds of Stormwater, Sanitation, and Transportation. Stormwater and Sanitation have proposed fee increases for the fiscal year 2016-2017. The Stormwater Utility Fund was established to implement the City's Stormwater Management Program. Revenues are generated through user stormwater fees. The FY 17 proposed budget and FY 18 financial plan includes an increase of \$.50 per ERU per month. The City continues with its multi-year plan to modernize its collection practices in the Sanitation Fund. This plan includes the elimination of backyard service on July 1, 2017. To make the service self-supporting, the FY 17 includes a \$.50 per month rate increase for basic curbside collection as well as multi-family collection. FY 18 includes a .25¢ per month rate increase for basic curbside collection as well as multi-family collection. Fee changes are reflected below.

**Greenville Utilities Commission (GUC) Combined Enterprise Fund: Electric, Water, Sewer, Gas:**

- GUC's financial budget goals focus on several key performance indicators such as end-of-year performance, debt service coverages and fund balances. The long-term sustainability of each fund is also taken into consideration to ensure that GUC is poised to continue to meet its mission and future financial challenges. Highlights of the FY 2016-17 operating budget are listed below:
- Expenditures budgeted for FY 2016-17 have decreased by 6.2% or \$16.9M when compared to the FY 2015-16 amended budget. Key drivers are:
  - \$8.5M decrease in transfer to rate stabilization
  - \$749K decrease in purchased power
  - \$5.8M decrease in purchased gas
  - \$6.9M decrease in transfers to Capital Projects
  - \$3.6M increase in operations from increases in personnel costs and contractual services
  - \$2.1M increase in capital outlay



- A 4% rate decrease adjustment for the Electric Fund effective July 1, 2016 due to revised wholesale power costs for FY 2016-17 provided by North Carolina Eastern Municipal Power Agency (NCEMPA); when combined with last year's 7% decrease, customers will see a total decrease of 11% in electric rates since the NCEMPA sale
- Electric Fees – Third year of five year phased-in adjustments in electric fees
  - Implementation of third year of the five year phased-in adjustments of electric fees related to outdoor lighting installation, temporary services, and installation of permanent underground services will continue as planned
- A 5.5% rate adjustment for the Water Fund effective July 1, 2016, which is 1.9% lower than last year's projection of 7.4%
- A 6.5% rate adjustment for the Sewer Fund effective July 1, 2016, which is 1.9% lower than last year's projection of 8.4%
- No rate adjustment for the Gas Fund (other than purchased gas adjustments as needed)
- Funding for the employee market adjustment at 1.5% or approximately \$373,000 effective July 1, 2016
- Funding for the employee merit program at 1.5% or approximately \$379,000
- Expansion of the self-insured health insurance plan to include a high deductible Health Savings Account option (option was provided January 1, 2016)
- Continuation of the self-insured dental insurance plan
- Funding to bring replacements on board prior to the retirement of key personnel in order to facilitate succession planning, leverage the knowledge and experience of long-term employees for training on critical issues and ensure smooth transitions
- Existing positions have been reallocated and eight permanent positions have been added to appropriately respond to needs within the combined enterprise operation
- Prefunding for Other Post-Employment Benefits (OPEB) has been increased by \$50,000, bringing the total amount for prefunding to \$500,000
- Investment of \$9.7M for capital outlay in order to maintain system reliability and comply with regulatory requirements in the combined enterprise operation
- Funding for energy conservation program

#### Pension Plans

The City participates in the North Carolina Local Governmental Employees' Retirement System and three other pension plans.

North Carolina Local Governmental Employees' Retirement System — The North Carolina Local Governmental Employees' Retirement System (the "System") is a service agency administered through a board of trustees by the State for public employees of counties, cities, boards, commissions and other similar governmental entities. While the State Treasurer is the custodian of System funds, administrative costs are borne by the participating employer governmental entities. The State makes no contributions to the System.

The System provides, on a uniform System-wide basis, retirement and, at each employer's option, death benefits from contributions made by employers and employees. Employee members contribute six percent of their individual compensation. Each new employer makes a normal contribution plus, where applicable, a contribution to fund any accrued liability over a 24-year period. The normal contribution rate, uniform for all employers, is currently 6.74 percent of eligible payroll for general employees and 7.15 percent of eligible payroll for law enforcement officers. The accrued liability contribution rate is determined separately for each employer and covers the liability of the employer for benefits based on employees' service rendered prior to the date the employer joins the System.

Members qualify for vested deferred benefits at age 50 with at least 20 years of service or at age 60 after at least five years of creditable service to the unit of local government. Unreduced benefits are available: at age 65, with at least five years of creditable service; at age 60, with at least 25 years of creditable service; or after 30 years of creditable service, regardless of age. Benefit payments are computed by taking an average of the annual compensation for the four consecutive years of membership service yielding the highest average. This average is then adjusted by a percentage formula, by a total years of service factor, and by an age service factor if the individual is not eligible for unreduced benefits.

Contributions to the System are determined on an actuarial basis.

Other Pension Plans — The City also participates in the (1) Law Enforcement Officers' Special Separation Allowance, (2) Supplemental Retirement Income Plan for Law Enforcement Officers and (3) Supplemental Retirement Income Plan for all Other Employees.

### **Other Post-Employment Benefits**

The City has elected to provide post-retirement health care benefits which are considered to be other post-employment benefits (OPEB) to retirees of the City who participate in the North Carolina Local Governmental Employees' Retirement System (the "System") and have at least five years of creditable service with the City. Retirees pay 5% and the City pays 95% of the cost of coverage for these benefits for retirees with a minimum of twenty-years of creditable service with the City. Retirees with at least five years but less than twenty years of creditable service in the Plan pay for their coverage. The City does not pay any portion of premiums for retiree spouses. As of 2013, 225 retirees were eligible for postretirement health benefits. The City contracted with an actuarial firm to determine its OPEB liability and was completed in August 2013. The City is evaluating its OPEB benefits to determine the impact of changes in future benefits on OPEB liability.

On May 10, 2011, the City Council voted to amend OPEB benefits for employees hired on or after July 1, 2011. Retiring employees will need to be a minimum of 55 years old and have served the City a minimum of 20 consecutive years to receive OPEB benefits. Please see the chart below for a summary of the new OPEB benefits. The percentage of the health insurance premium the City will pay is dependent on the age of the employee and the number of years the employee served the City. Retirees who are 55 to 59 years of age and have twenty to twenty-four years of service will be eligible to have the City pay for 50% of the cost of the health insurance premium for the City's plan. If the retiree is 60 to 65 years old, the City will pay 65% of the cost. If the retiree has more than twenty-five years of service upon retirement, the above numbers change to 75% and 95% respectively. Should the employee be 65 years old and Medicare eligible upon retirement, the City will provide the retiree with a \$250 stipend toward Medicare supplemental insurance.

**TIERED STRUCTURE PRE-65 COVERAGE**

	<u>Years of Service</u>	<u>AGE</u>		<u>95%</u>	<u>75%</u>	<u>65%</u>	<u>50%</u>
		<u>55-59</u>	<u>60+</u>				
	20-24	50%	65%				
	25+	75%	95%				
<u>Current Premium</u>	<u>Monthly Contributor</u>						
\$413.81	Employer	\$411.17	\$324.61	\$281.33	\$216.41		
	Employee	21.64	108.20	151.48	216.40		

In addition to the above changes, the City Council also resolved to continue to investigate viable ways to mitigate future OPEB costs for the City.

**Contingent Liabilities**

The City has no contingent liabilities at the present time, which, in the opinion of counsel to the City, would materially affect the City’s ability to meet its financial obligations.

**CONTINUING DISCLOSURE**

In the bond resolution to be adopted by the City, the City will undertake, for the benefit of the beneficial owners of the Bonds, to provide:

- (a) by not later than seven months from the end of each fiscal year of the City to The Electronic Municipal Market Access (“EMMA”) administered by Municipal Securities Rulemaking Board (the “MSRB”) audited financial statements of the City for such fiscal year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or, if such audited financial statements of the City are not available by seven months from the end of such fiscal year, unaudited financial statements of the City for such fiscal year to be replaced subsequently by audited financial statements of the City to be delivered within 15 days after such audited financial statements become available for distribution;
- (b) by not later than seven months from the end of each fiscal year of the City to the MSRB (i) the financial and statistical data as of a date not earlier than the end of the preceding fiscal year for the type of information included under heading “The City - Debt Information and - Tax Information” in this Official Statement relating to the Bonds (excluding any information on overlapping units) and (ii) the combined budget of the City for the current fiscal year, to the extent such items are not included in the financial statements referred to in (a) above;
- (c) in a timely manner not in excess of ten business days after the occurrence of the event to EMMA notice of any of the following events with respect to the Bonds:
  - (1) principal and interest payment delinquencies;
  - (2) non-payment related defaults, if material;
  - (3) unscheduled draws on debt service reserves reflecting financial difficulties;
  - (4) unscheduled draws on credit enhancements reflecting financial difficulties;

- (5) substitution of credit or liquidity providers, or their failure to perform;
  - (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;
  - (7) modification to rights of the beneficial owners of the Bonds, if material;
  - (8) other than calls for mandatory sinking fund redemption, if material, and tender offers;
  - (9) defeasances;
  - (10) release, substitution or sale of any property securing repayment of the Bonds, if material;
  - (11) rating changes;
  - (12) bankruptcy, insolvency, receivership or similar event of the City;
  - (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
  - (14) appointment of a trustee or successor or additional trustee, or change of name of trustee for the Bonds, if material; and
- (d) in a timely manner, to EMMA, notice of a failure of the City to provide required annual financial information described in (a) or (b) above on or before the date specified.

The City may meet the continuing disclosure requirements described above by complying with any other procedure that may be authorized by the United States Securities Exchange Commission in lieu of the manner described above.

All information provided to EMMA as described above shall be provided in an electronic format as prescribed by EMMA and accompanied by identifying information as prescribed by EMMA.

At present, Section 159-34 of the General Statutes of North Carolina requires the City's financial statements to be prepared in accordance with generally accepted accounting principles and to be audited in accordance with generally accepted auditing standards.

The bond resolution to be adopted by the City will provide that if the City fails to comply with the undertaking described above, any beneficial owner of the Bonds may take action to protect and enforce the rights of all beneficial owners with respect to such undertaking, including an action for specific performance; provided, however, that failure to comply with such undertaking shall not be an event of default and shall not result in any of acceleration of payment of the Bonds. All actions shall be instituted, had and maintained in the manner provided in this paragraph for the benefit of all beneficial owners of the respective series of Bonds.

Pursuant to such resolution, the City will reserve the right to modify from time to time the information to be provided to the extent necessary or appropriate in the judgment of the City, provided that:

- (a) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the City;
- (b) the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 as of the date of this Official Statement, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances; and
- (c) any such modification does not materially impair the interests of the beneficial owners, as determined either by parties unaffiliated with the City (such as bond counsel), or by the approving vote of the registered owners of a majority in principal amount of the series of Bonds outstanding pursuant to the terms of such resolution, as it may be amended from time to time, at the time of the amendment.

Any annual financial information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The undertaking described above will terminate upon payment, or provision having been made for payment in a manner consistent with Rule 15c2-12, in full of the principal of and interest on all of the Bonds.

The City has not failed to provide any information required to be provided by an undertaking previously made by the City pursuant to the requirements of Rule 15c2-12.

#### **APPROVAL OF LEGAL PROCEEDINGS**

Certain legal matters incident to the authorization and issuance of the Bonds are subject to the approval of Norton Rose Fulbright LLP, Washington, DC, Bond Counsel, whose approving legal opinion will be available at the time of the delivery of the Bonds. The proposed form of such opinion is attached hereto as Appendix D.

#### **RATINGS**

Moody's Investors Service and Standard & Poor's Ratings Services, and the North Carolina Municipal Council have given the Bonds ratings of \_\_\_\_ and \_\_\_\_, respectively. Those ratings reflect only the respective views of such organizations, and an explanation of the significance of such ratings may be obtained only from the respective organization providing such rating. Certain information and materials not included in the Official Statement were furnished to such organizations. There is no assurance that such ratings will remain in effect for any given period of time or that any or all will not be revised downward or withdrawn entirely. Any downward revision or withdrawal of a rating may have an adverse effect on the market prices of the Bonds.

## TAX EXEMPTION

### Opinion of Bond Counsel

In the opinion of Norton Rose Fulbright LLP, Bond Counsel, except as provided in the following sentence, interest on the Bonds will not be includable in the gross income of the owners of the Bonds for purposes of federal income taxation under existing law. Interest on the Bonds will be includable in the gross income of the owners thereof retroactive to the date of issue of the Bonds in the event of a failure by the City to comply with applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and its covenants regarding use, expenditure, and investment of the proceeds of the Bonds and timely payment of certain investment earnings to the United States Treasury; and no opinion is rendered by Bond Counsel as to the effect on the exclusion from gross income of the interest on the Bonds for federal income tax purposes of any action taken or not taken without the approval of Bond Counsel or upon the advice or approval of counsel other than Bond Counsel.

In the opinion of Bond Counsel, interest on the Bonds will not be a specific preference item for purposes of the federal individual or corporate alternative minimum taxes. The Code contains other provisions that could result in tax consequences, upon which Bond Counsel renders no opinion, as a result of ownership of such Bonds or the inclusion in certain computations of interest that is excluded from gross income. Interest on the Bonds owned by a corporation will be included in the calculation of the corporation's federal alternative minimum tax liability.

### Original Issue Discount

The excess, if any, of the amount payable at maturity of the Bonds over the issue price thereof constitutes original issue discount. The amount of original issue discount that has accrued and is properly allocable to an owner of any maturity of the Bonds with original issue discount (a "Discount Bond") will be excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. In general, the issue price of a maturity of the Bonds is the first price at which a substantial amount of Bonds of that maturity was sold (excluding sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers) and the amount of original issue discount accrues in accordance with a constant yield method based on the compounding of interest. A purchaser's adjusted basis in a Discount Bond is to be increased by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bonds for federal income tax purposes. Original issue discount that accrues in each year to an owner of a Discount Bond is included in the calculation of the distribution requirements of certain regulated investment companies and may result in some of the collateral federal income tax consequences discussed below. Consequently, owners of any Discount Bond should be aware that the accrual of original issue discount in each year may result in additional distribution requirements, or other collateral federal income tax consequences although the owner of such Discount Bond has not received cash attributable to such original issue discount in such year.

The accrual of original issue discount and its effect on the redemption, sale, or other disposition of a Discount Bond that is not purchased in the initial offering at the first price at which a substantial amount of such Bonds is sold to the public may be determined according to rules that differ from those described above. Owners of Discount Bonds should consult their tax advisors with respect to the determination for federal income tax purposes of the amount of original issue discount with respect to such Discount Bonds and with respect to state and local tax consequences of owning and disposing of such Discount Bonds.

### Bond Premium

The excess, if any, of the tax basis of Bonds purchased as part of the initial public offering to a purchaser (other than a purchaser who holds such Bonds as inventory, stock in trade, or for sale to customers in the ordinary course of business) over the amount payable at maturity is (“bond premium”). Bond premium is amortized over the term of such Bonds for federal income tax purposes (or, in the case of a bond with bond premium callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). Owners of such Bonds are required to decrease their adjusted basis in such Bonds by the amount of amortizable bond premium attributable to each taxable year such Bonds are held. The amortizable bond premium on such Bonds attributable to a taxable year is not deductible for federal income tax purposes; however, bond premium on such Bonds is treated as an offset to qualified stated interest received on such Bonds. Owners of such Bonds should consult their tax advisors with respect to the determination for federal income tax purposes of the treatment of bond premium upon sale or other disposition of such Bonds and with respect to the state and local tax consequences of owning and disposing of such Bonds.

### Backup Withholding

Interest paid on tax-exempt obligations will be subject to information reporting in a manner similar to interest paid on taxable obligations. Although such reporting requirement does not, in and of itself, affect the excludability of interest on the Bonds from gross income for federal income tax purposes, such reporting requirement causes the payment of interest on the Bonds to be subject to backup withholding if such interest is paid to beneficial owners who (a) are not “exempt recipients,” and (b) either fail to provide certain identifying information (such as the beneficial owner’s taxpayer identification number) in the required manner or have been identified by the Internal Revenue Service as having failed to report all interest and dividends required to be shown on their income tax returns. Generally, individuals are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients. Amounts withheld under the backup withholding rules from a payment to a beneficial owner would be allowed as a refund or a credit against such beneficial owner’s federal income tax liability provided the required information is furnished to the Internal Revenue Service.

### Other Tax Consequences

Under existing law, in the opinion of Bond Counsel, which is based on current law, interest on the Bonds will be exempt from all present State of North Carolina income taxes.

The Code contains other provisions (some of which are noted below) that could result in tax consequences, upon which Bond Counsel expresses no opinion, as a result of ownership of the Bonds or the inclusion in certain computations of interest on the Bonds that it excluded from gross income for purposes of federal income taxation.

PRESPECTIVE PURCHASERS OF THE BONDS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE APPLICABILITY AND IMPACT OF ANY SUCH COLLATERAL TAX CONSEQUENCES.

Ownership of tax-exempt obligations may result in collateral tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S Corporations with excess passive income, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations and taxpayers who may be eligible for the earned income tax credit. Prospective

purchasers of the Bonds should consult their tax advisors as to the applicability of any such collateral consequences.

Future Tax Developments

Future legislative proposals, if enacted into law, regulations, rulings or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. Further, legislation or regulatory actions and proposals may affect the economic value of the federal tax exemption or the market value of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed tax legislation, regulations, rulings or litigation, as to which Bond Counsel expresses no opinion.

**FINANCIAL ADVISOR**

First Southwest Company, Charlotte, North Carolina, has acted as financial advisor to the City in connection with the issuance of the Bonds. The firm has provided technical assistance in structuring the Bonds.

**UNDERWRITING**

The underwriters for the Bonds are \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.<sup>1</sup>

The underwriters for the Bonds have agreed, subject to certain conditions, to purchase all but not less than all of the Bonds. If all of the Bonds are sold at the public offering yields hereinabove set forth, the underwriters anticipate total selling compensation of \$\_\_\_\_\_.<sup>1</sup> The public offering prices or yields of the Bonds may be changed from time to time by the underwriters.

\_\_\_\_\_  
<sup>1</sup>Information provided by underwriters of the Bonds.



**MISCELLANEOUS**

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact.

Reference herein to the State Constitution and legislative enactments are only brief outlines of certain provisions thereof and do not purport to summarize or describe all provisions thereof.

The execution of this Official Statement has been duly authorized by the Local Government Commission of North Carolina and the City Council of the City.

**LOCAL GOVERNMENT COMMISSION  
OF NORTH CAROLINA**

By

Greg C. Gaskins  
*Secretary of the Commission*

**CITY OF GREENVILLE, NORTH CAROLINA**

By

Allen M. Thomas  
*Mayor*

By

Barbara Lipscomb  
*City Manager*

By

Bernita W. Demery  
*Director of Financial Services*

**APPENDIX E**

**[Proposed Form of Opinion of Norton Rose Fulbright LLP]**

City Council of the  
City of Greenville, North Carolina

Based on our examination, as bond counsel, of existing law, certified copies of such legal proceedings and such other proofs as we deem necessary to render this opinion, relative to \$\_\_\_\_\_ General Obligation Street and Pedestrian Transportation Bonds, Series 2016, dated their date of delivery (the “Bonds”), of the City of Greenville, North Carolina (the “City”), we are of the opinion, as of the date hereof and under existing law, that:

1. Such proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to The Local Government Bond Act, as amended, and Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina.

2. The Bonds constitute valid and binding general obligations of the City, for the payment of the principal of and the interest on which all taxable real and tangible personal property within the City is subject to the levy of ad valorem taxes, without limitation as to rate or amount.

3. Except as provided in the following sentence, interest on the Bonds is not includable in the gross income of the owners thereof for purposes of federal income taxation based on existing law. Interest on the Bonds will be includable in the gross income of the owners thereof retroactive to the date of issue of the Bonds in the event of a failure by the City to comply with applicable requirements of the Internal Revenue Code of 1986, as amended (the “Code”), with respect to the Bonds, and their respective covenants regarding use, expenditure, and investment of the proceeds of the Bonds and the timely payment of certain investment earnings to the United States Treasury, and we render no opinion as to the effect on the exclusion from gross income of the interest on the Bonds for federal income tax purposes of any action taken or not taken without our approval or upon the advice or approval of counsel other than us.

4. Interest on the Bonds is exempt from all State of North Carolina income taxes.

5. Interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum tax.

The Code contains other provisions that could result in tax consequences, as to which we render no opinion, as a result of ownership of the Bonds or the inclusion in certain computations (including without limitation those related to the corporate alternative minimum tax) of interest that is excluded from gross income.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore and hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions. Such opinions may be adversely affected by actions taken or events occurring, including a change in law, regulation, or ruling (or in the application or official interpretation of any law, regulation or ruling) after the date hereof. We have not undertaken to determine, or to inform any person, whether such actions are taken or such events occur and we have no obligation to update this opinion in light of such actions or events.

Respectfully submitted,

Norton Rose Fulbright LLP

## APPENDIX F

### Book-Entry System

Beneficial ownership interests in the Bonds will be available only in a book-entry system. The actual purchasers of the Bonds (the “*Beneficial Owners*”) will not receive physical certificates representing their interests in the Bonds purchased. So long as The Depository Trust Company (“*DTC*”), New York, New York, or its nominee is the registered owner of the Bonds, references in this Official Statement to the Owners of the Bonds shall mean DTC or its nominee and shall not mean the Beneficial Owners.

THE FOLLOWING DESCRIPTION OF DTC, ITS PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS, PAYMENT OF INTEREST AND OTHER PAYMENTS WITH RESPECT TO THE BONDS TO DTC PARTICIPANTS OR TO BENEFICIAL OWNERS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS AND/OR OTHER TRANSACTIONS BY AND BETWEEN DTC, DTC PARTICIPANTS AND BENEFICIAL OWNERS IS BASED ON INFORMATION FURNISHED BY DTC.

DTC will act as securities depository for the Bonds. The Bonds will be registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond in the aggregate principal amount of each maturity of the Bonds of each series will be deposited with DTC. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS DTC’S PARTNERSHIP NOMINEE, REFERENCE HEREIN TO THE OWNERS OR REGISTERED OWNERS OF THE BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“*Direct Participants*”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“*DTCC*”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation as well as by the New York Stock Exchange, Inc., the America Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the “*Indirect Participants*”) and collectively with the Direct Participants, the “*Participants*”). DTC has Standard & Poor’s highest rating: AAA. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of the Bonds (the “*Beneficial Owner*”) is in turn to be recorded on the Direct and Indirect

Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the identities of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults and proposed amendments to the security documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds of a series within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Bonds of such series to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Trustee, if any, as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting and voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

**BECAUSE DTC IS TREATED AS THE OWNER OF THE BONDS FOR SUBSTANTIALLY ALL PURPOSES UNDER THE BOND RESOLUTIONS, BENEFICIAL OWNERS MAY HAVE A RESTRICTED ABILITY TO INFLUENCE IN A TIMELY FASHION REMEDIAL ACTION OR THE GIVING OR WITHHOLDING OF REQUESTED CONSENTS OR OTHER DIRECTIONS. IN ADDITION, BECAUSE THE IDENTITY OF BENEFICIAL OWNERS IS UNKNOWN TO THE COUNTY OR TO DTC, IT MAY BE DIFFICULT TO TRANSMIT INFORMATION OF POTENTIAL INTEREST TO BENEFICIAL OWNERS IN AN EFFECTIVE AND TIMELY MANNER. BENEFICIAL OWNERS SHOULD MAKE APPROPRIATE ARRANGEMENTS WITH THEIR BROKER OR DEALER REGARDING DISTRIBUTION OF INFORMATION REGARDING THE BONDS THAT MAY BE TRANSMITTED BY OR THROUGH DTC.**

Principal and interest payments with respect to the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to

credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participants and not of DTC (nor its nominee) or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the County's responsibility, disbursement of such payments to Direct Participants is DTC's responsibility, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants. THE COUNTY CANNOT AND DOES NOT GIVE ASSURANCE THAT DIRECT AND INDIRECT PARTICIPANTS WILL PROMPTLY TRANSFER PAYMENTS TO BENEFICIAL OWNERS.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor depository is not appointed, physical certificates are required to be printed and delivered. The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to DTC or such successor, as the case may be.

THE COUNTY HAS NO RESPONSIBILITY OR OBLIGATION TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT, OR THE MAINTENANCE OF ANY RECORDS; (2) THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE BONDS, OR THE SENDING OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER WITH RESPECT TO THE BONDS, OR THE SENDING OF ANY TRANSACTION STATEMENTS; (3) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE BOND RESOLUTION TO BE GIVEN TO OWNERS; (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENTS UPON ANY PARTIAL REDEMPTION OF THE BONDS; OR (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR ITS NOMINEE AS THE REGISTERED OWNER OF THE BONDS, INCLUDING ANY ACTION TAKEN PURSUANT TO AN OMNIBUS PROXY.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.