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## **AGENDA**

Lowell City Council Regular Meeting  
Tuesday, September 10, 2019, 7:00 P.M.

1. **CALL TO ORDER – Mayor Sandy Railey**
2. **INVOCATION / PLEDGE OF ALLEGIANCE**
3. **ADOPTION OF AGENDA FOR THIS MEETING**
4. **SPECIAL PRESENTATIONS**
  - A. **Recognition of recent promotion for Officer Jeff Harrison**
5. **PUBLIC COMMENTS**
6. **APPROVAL OF MINUTES**
  - A. **August 13, 2019 Council Meeting Minutes (p. 2-7)**
7. **UNFINISHED BUSINESS**
8. **NEW BUSINESS**
  - A. **Selection of firm for contract administration of the CDBG Infrastructure Grant Program. (p. 8)**
  - B. **Consideration of approval of financing terms for Police Radios (p. 9-16)**
  - C. **Consideration of approval of financing terms for a new main lift pump at Wastewater Treatment Plant (p. 17-22)**
9. **COMMITTEE REPORTS**
10. **CITY ATTORNEY REPORT**
11. **CITY MANAGER REPORT**
12. **MAYOR AND CITY COUNCIL GENERAL DISCUSSION**
13. **ADJOURN**

# **MINUTES**

Lowell City Council

Regular Meeting

Tuesday, August 13, 2019, 7:00 P.M.

## **1. CALL TO ORDER**

Mayor Sandy Railey called the meeting to order at 7:00pm. Those attending were Councilmember Phil Bonham, Councilmember Ken Ervin, Councilmember Candy Funderburk, Councilmember Thomas Gillespie, Councilmember DeWayne Chitwood, City Attorney Jim Windham, City Manager Kevin Krouse, Public Works Director Thomas Shrewsbury, Police Chief Scott Bates, Parks and Recreation Director Cristy Cummings, Development Services Administrator Scott Attaway, and various citizens.

## **2. INVOCATION / PLEDGE OF ALLEGIANCE**

Councilmember Gillespie gave the invocation and led everyone in the pledge of allegiance.

## **3. ADOPTION OF AGENDA FOR THIS MEETING**

Councilmember Funderburk made a motion to adopt the agenda for the meeting, followed by a second from Councilmember Ervin. The vote was unanimous.

## **4. SPECIAL PRESENTATIONS**

### **A. PROCLAMATION IN MEMORY OF RICKIE A. BUSH**

Mayor Railey read the proclamation in memory of Rickie A. Bush. Mayor Railey and Councilmember Funderburk presented a flag and the proclamation to the family of Mr. Bush. Family members and councilmembers said a few words about Mr. Bush.

## **5. PUBLIC COMMENTS**

Bob Mullholland offered condolences to the Bush family. He thanked Chief Bates for response to shooting incident in Riverview. He stated that he was in support of the on-street parking spaces across from City Hall and stated it will slow down traffic. He stated he was also in support of the crosswalks downtown.

Pattie Bean thanked council for what is going on in Lowell. She stated that she was in support of new on street parking.

Alisa Fry is opening a coffee roastery and she was excited about proposed crosswalk. She also stated she's in support of the extra public parking.

## **6. APPROVAL OF MINUTES**

A. June 4, 2019 Special Council Meeting Minutes

Councilmember Ervin made a motion to approve the minutes from the June 4, 2019 Council meeting, followed by a second from Councilmember Gillespie. The vote was unanimous.

B. July 9, 2019 Regular Council Meeting Minutes

Councilmember Ervin made a motion to approve the minutes from the June 9, 2019 Council meeting, followed by a second from Councilmember Gillespie. The vote was unanimous.

**7. CONSENT AGENDA**

A. Resolution in Support for Water System Asset Management Plan

B. Resolution in Support for Sewer System Asset Management Plan

C. Community Development Block Grant Self-Assessment Forms

Councilmember Ervin made a motion to approve the consent agenda, followed by a second from Councilmember Chitwood. The vote was unanimous.

**8. UNFINISHED BUSINESS**

A. Public Hearing – Zoning Text Amendment

Councilmember Funderburk made a motion to go into public hearing, followed by a second from Councilmember Ervin. The vote was unanimous.

Scott Attaway stated that staff found things in the ordinance and the language needed to be cleaned up. He stated that they looked at striping, the amount of lanes and the Planning Board recommended removing some of the verbiage. The amendment will lower the height of signs in C2 district. On the street right of way dimensions, the street engineer recommended a 40' to 50' right of way. In the downtown district, the amendment added uses, for example: a dog grooming service previously would not have allowed but the new amendment would allow it. The amendment also increased allowable building height 50 to 60'.

There were questions from Larry Simonds and Sean Brafford. Those questions were addressed by Kevin Krouse and Scott Attaway.

Councilmember Ervin made a motion to close the Public Hearing, followed by a second from Councilmember Funderburk. The vote was unanimous.

Councilmember Funderburk made a motion to pass the zoning text amendments, followed by a second from Councilmember Ervin. The vote was four in favor, one opposed (Chitwood.) The motion passed with the majority being in favor.

B. Downtown Parking

Scott Attaway stated that the City was looking at the downtown plan from a couple of years ago and NCDOT agreed to give solid white line for a road diet and for parking. He stated the City has received a lot of phone calls expressing a need for more parking. He stated the Police Department had a problem without the cones with people merging so police put cones up and there hasn't been any problems since then according to the Police Department. Staff met with NCDOT to discuss many things and they agreed adding parking is a good thing to slow traffic down. The City will follow DOT specifications to avoid turning and pulling into a parked car. There will be about 55'-60' feet from the intersection to the first parked car and then 3-4 parking spaces. Mr. Attaway stated the additional parking spaces also follows downtown improvement plan.

Councilmember Ervin asked if trucks would have adequate turn space with 4 spaces.

Scott Attaway stated that he watched traffic with NCDOT and they found that there is ample turn radius but NCDOT has not sent back comments about whether to go with 3 or 4 spaces.

Councilmember Ervin made a motion to approve the additional spaces, followed by a second from Councilmember Gillespie.

During discussion, Councilmember Chitwood stated that when Shane Robinson was here, the City had parking map with the plan to put parking spaces there and the Council from then voted to not have parking there. Councilmember Chitwood thinks but doesn't think 3-4 spaces would make a difference right there. Councilmember Chitwood like to make an amendment to the original motion that we do not need the parking spaces.

Mayor Railey stated cars could be rear ended if there is no turn lane. Mayor Railey asked if there is a second on the amendment. Councilmember Funderburk seconded the amendment.

Discussion - Councilmember Funderburk stated she was on council when it was decided no before and is afraid of trucks not being able to turn so she has changed her vote.

Councilmember Ervin stated it's adequate to put those spaces in and that if it's shown that it's too tight, the City could go to three spaces. Councilmember Ervin stated that traffic needs to be slowed down and they could eliminate those situations worrying about turning problems but thinks they should approve 3 spaces.

Mayor Railey asked for a vote of the amendment. The vote was 2 in favor, 3 opposed (Bonham/Gillespie/Ervin.) The amended motion failed.

The original motion stands to add 3-4 parking spaces, the fourth space to determined once NCDOT gets back to the City on turn radius. Mayor Railey asked who was in favor of 3-4 spaces additional parking spaces. The vote was 3 in favor, 2 opposed (Funderburk/Chitwood.) The motion passed with the majority being in favor.

## **9. NEW BUSINESS**

### **A. Special Event Street Closing Request from Lowell Masonic Lodge**

Robert Bouldin from the Lowell Masonic Lodge spoke about the August 24, 2019 Poker Run for the Masonic Charities and requested to close road next to Masonic Lodge for the event. He stated the bikes will be parked after they register. He stated they will have a silent auction, a 50/50 raffle, door prizes, and a band. Mr. Bouldin stated the last bike will be in at 5:00pm and they will be cleaned up and gone by 7pm.

Councilmember Funderburk asked how many bikes will be in there. Mr. Bouldin stated between 300-1000 bikes. Councilmember Ervin stated the Poker Run is well attended. Councilmember Chitwood asked will they make sure to stay on Second Street. Mr. Bouldin stated they will let them out in groups but will make sure people stay in the Second Street parking area.

Scott Attaway stated this goes through a Special Event Permit to discuss some of the Department Head concerns and staffing.

Councilmember Chitwood made a motion to close Second Street for the event, followed by a second from Councilmember Funderburk. The vote was unanimous.

### **B. Public Works and Police Departments vehicle purchase and financing**

Kevin Krouse stated these vehicles were approved for in the budget. Interest rate for all 3 is really good at 2.57%. Councilmember Ervin asked if it is state contract price and Kevin Krouse confirmed it is a state contract price.

Kevin Krouse explained each vehicle and what it was replacing.

Councilmember Ervin made a motion to approve purchasing all 4 vehicles and do financing with United, followed by Councilmember Chitwood. The vote was unanimous.

## **10. COMMITTEE REPORTS**

Bob Mullholland stated he is the chair of CIA committee and they are volunteers. Mr. Mullholland stated that last month they had to cancel the meeting last minute due to scheduling conflicts. Mr. Mullholland wanted to provide some updates from last month and this month. They are looking at doing murals and utilities art by using schools to help. Mr. Mullholland thanked Scott Attaway and Cristy Cummings for meeting at 7:30am recently with him and representatives with the Carolina Thread Trail to tour to find out where to connect the trail from the Riverview Trail head to George Poston Park. Mr. Mullholland stated that October is Gaston Outside GO Month and it promotes everything Gaston County. Mr. Mullholland stated they will be gearing up with restaurants and retail and will be coordinating with the CIA committee. Mr.

Mullholland stated that if anyone would like to join committee that they need more hands on deck.

#### **11. CITY ATTORNEY REPORT**

Jim Windham did not have anything to report.

#### **12. CITY MANAGER REPORT**

Kevin Krouse stated the flag poles will be delivered tomorrow and that Thomas and his crew will prepare the site. Mr. Krouse also stated new water meters are to be delivered soon.

##### **A. I-85 Widening Update**

Kevin Krouse stated that NCDOT and consultants met and discussed incorporating traffic circles into the interchanges and showed how they would work. He stated they have worked out a solution to not take out too much property and affect business owners.

##### **B. Wastewater Treatment Plant Study Update**

Kevin Krouse stated he will go over this and present at the next meeting. Mr. Krouse stated he and Thomas Shrewsbury visited engineers and were told the best thing is to move forward with the current system. Mr. Krouse stated around 2035 would be when they would make major decisions. Mr. Krouse stated the report is very detailed and that we have a lot of growth and opportunity with the current plant.

##### **C. Other**

Councilmember Ervin asked to be enlightened on new police officers. Chief Bates stated an officer left for Cramerton and the City then hired a second female officer with ten years of experience and that they are back up to full staff.

#### **13. MAYOR AND CITY COUNCIL GENERAL DISCUSSION**

Councilmember Ervin stated that he appreciates everyone's work.

Councilmember Funderburk addressed concerns regarding taxes.

Councilmember Gillespie stated he was born on South Main Street in 1952 on a gravel road and he knew one day South Main would be something. Councilmember Gillespie stated they now have Hillbilly's and Sonic Automotive on South Main Street with more businesses coming. Councilmember Gillespie stated that regarding the Historical Committee, Lowell deserves a marker since it has changed and the council approved. Councilmember Gillespie stated that people have donated money to the marker and that it's progressing very well.

Mayor Railey asked everyone to please remember Beverly Harris and Kevin Haney in their prayers.

**14. ADJOURN**

Councilmember Funderburk made a motion to adjourn the meeting, followed by a second from Councilmember Ervin. The vote was unanimous. The meeting ended at 8:30pm.



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**AGENDA ITEM INFORMATION**

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**AGENDA ITEM #: 8A**

**DESCRIPTION: CDBG-I CONTRACT ADMINISTRATION**

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**Proposal Evaluation Criteria:**

Proposals for grant contract administrative services were evaluated by staff on a on an equal competitive basis. The following criteria was used in the evaluation process:

1. General Qualifications, Competence & Reputation of Firm - **20 points**
2. Prior CDBG Infrastructure Grant Experience of Firm – **20 points**
3. Qualifications of Actively Involved Staff & assigned staff members - **20 points**
4. Ability to Address Local Needs - **20 points**
5. Availability - **20 points**

Two proposals were received after publication of the RFP. The scores were as follows:

	#1	#2	#3	#4	#5	<b>TOTAL</b>
Withers & Ravenel	20	20	20	20	20	<b>100</b>
Centralina	18	17	18	20	20	<b>93</b>

**Staff recommends the selection of Withers and Ravenel to perform contract administration services for the CDBG-I grant. The grant the \$2 million CDBG-I to replace aging sewer lines.**



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**AGENDA ITEM INFORMATION**

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**AGENDA ITEM #: 8B**

**DESCRIPTION: FINANCING FOR POLICE RADIOS**

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The police department must switch to the new radios on Viper network this year to be able to communicate with dispatch and other law enforcement agencies. This item was approved as part of the current 2019-20 budget. The county secured financing through Motorola and towns could piggyback on the same rate and terms. We solicited financial institutions by RFP and United Financial provided the best interest rate at the terms specified coming in at 2.25%. The purchase will provide the one radio per officer on their person as well as their in-car radio. One radio will remain in the PD building and one spare radio in case of emergencies.

Attached is a memo from Chief Bates explaining the radio purchase. Also attached is the financing terms and amortization schedule from United Financial.

**Staff recommends approval and permitting the City Manager to execute the loan documentation at the terms and rates specified in the attached proposal.**

MEMO: 08/07/2019

Lowell Police Department

Ref: New Motorola 800 mhz radios

Gaston County Police/Dispatch has decided to upgrade their radio system for all first responders. Since the Lowell Police Department is dispatched by the County Police, this means that we have to upgrade our system as well. Lowell had originally put in the police department budget to purchase new portable radios and mobile radios in the amount of \$63,531.37 which city manager Krouse has worked out financing these radios.

On July 18<sup>th</sup>, 2019 I received an email from Motorola as well as Chief Ramey with Gaston County Police with an update to the radio system. Viper which is the operating system that we will be operating on has made a decision to upgrade their system, unfortunately at an additional cost to the City of Lowell. It is a flash program that has to be installed on the new radios that we just ordered. I checked with Motorola to see if the radios that we ordered came with this update and unfortunately they do not. It is called TDMA (Time Division Multiple Access) which they will be transitioning to from FDMA (Frequency Division Multiple Access).

- Effective 1 January, 2020, VIPER will no longer allow current or new VIPER end user agencies to activate non TDMA radios on the system. This would include all models from the attachment below.

- Effective 1 July, 2022 all radios being added to the VIPER system must be ready to receive TDMA programming. It is extremely important that our end users understand exactly what this means. Many manufacturers radios may be capable of TDMA operation but were not ordered with the "feature" enabled from the factory. These radios will need to be modified in the field to add the TDMA feature, so as to be "ready" for a transition to TDMA in the future.

Effective 1 July, 2025 all radios currently active on the VIPER system, along with all future additions to the system shall be ready to receive TDMA programming.

What this means for the City of Lowell is an additional cost for the programming. The radios we have ordered are capable of this upgrade. The transition to this new system will not go into effect until the year 2025. If we go ahead and get on the contract with Gaston County now, we can get the program at a lower price. The longer we wait, they have assured us that the cost will more than likely go up for the programming. The new quote to include the programming is \$69,484.87.

The difference that it will cost for the programming is \$5,953.50

Chief S. Bates



# MOTOROLA SOLUTIONS

Quote Number: QU0000480743

Effective: 14 JUN 2019

Effective To: 13 AUG 2019

**Bill-To:**

LOWELL POLICE DEPT, TOWN OF  
101 W FIRST ST  
LOWELL, NC 28098  
United States

**Ultimate Destination:**

LOWELL POLICE DEPT, TOWN OF  
101 W FIRST ST  
LOWELL, NC 28098  
United States

**Attention:**

Name: Scott Bates  
Email: bates@lowellpd.org

**Sales Contact:**

Name: Jody Johnson  
Email: jodyjohnson@callmc.com  
Phone: 7045975220

**Contract Number:** NC STATE NON ARIBA -725G

**Freight terms:** FOB Destination

**Payment terms:** Net 30 Due

Item	Quantity	Nomenclature	Description	List price	Your price	Extended Price
1	10	H98UCF9PW6BN	APX6000 700/800 MODEL 2.5 PORTABLE	\$3,026.00	\$2,269.50	\$22,695.00
1a	10	QA02756AA	ADD: 9600 TRUNKING OR 3600 DIGITAL TRUNKING	\$1,570.00	\$1,177.50	\$11,775.00
1b	10	Q58AL	ADD: 3Y ESSENTIAL SERVICE	\$110.00	\$110.00	\$1,100.00
1c	10	QA00580AC	ADD: TDMA OPERATION	\$450.00	\$337.50	\$3,375.00
2	10	NNTN8860A	CHARGER, SINGLE-UNIT, IMPRES 2, 3A, 115VAC, US/NA	\$165.00	\$165.00	\$1,650.00
3	10	PMNN4485A	BATT IMPRES 2 LIION R 1P68 2550T	\$146.00	\$146.00	\$1,460.00
4	10	PMMN4062A	IMPRES RSM, NOISE CANC. EMERGENCY BUTTON 3.5MM JACK IP54	\$129.00	\$129.00	\$1,290.00
5	10	M22URS9PW1AN	APX4500 7/800	\$1,564.00	\$1,564.00	\$15,640.00
5a	10	W22BA	ADD: STD PALM MICROPHONE APX	\$72.00	\$54.00	\$540.00
5b	10	G67CF	ADD:REMOTE MOUNT MID POWER	\$297.00	\$222.75	\$2,227.50
5c	10	G174AF	ADD: ANT 3DB LOW-PROFILE 762-870	\$43.00	\$32.25	\$322.50
5d	10	GA00804AA	ADD: APX O2 CONTROL HEAD	\$492.00	\$369.00	\$3,690.00
5e	10	G444AH	ADD: APX CONTROL HEAD SOFTWARE	-	-	-
5f	10	G24AX	ADD: 3Y ESSENTIAL SERVICE	\$131.00	\$131.00	\$1,310.00
5g	10	QA02756AD	ADD: 3600 OR 9600 TRUNKING BAUD SINGLE SYSTEM	\$1,570.00	\$1,177.50	\$11,775.00
5h	10	B18CR	ADD: AUXILARY SPKR 7.5 WATT	\$60.00	\$45.00	\$450.00
5i	10	GA00235AA	ADD: NO GPS ANTENNA NEEDED	-	-	-
5j	10	GA00580AD	ADD: TDMA OPERATION	\$450.00	\$337.50	\$3,375.00
6	1	M36URS9PW1AN	APX1500 7/800	\$1,564.00	\$1,173.00	\$1,173.00
6a	1	W382AM	ADD: CONTROL STATION DESK GCAI MIC	\$169.00	\$126.75	\$126.75
6b	1	GA00804AA	ADD: APX O2 CONTROL HEAD	\$492.00	\$369.00	\$369.00
6c	1	G91AE	ADD: CONTROL STATION POWER SUPPLY	\$269.00	\$201.75	\$201.75
6d	1	G66AW	ADD: DASH MOUNT O2 WWM	\$125.00	\$93.75	\$93.75
6e	1	GA01339AA	ENH: SW P25 TRUNKING	\$1,070.00	\$802.50	\$802.50
6f	1	G24AX	ADD: 3Y ESSENTIAL SERVICE	\$131.00	\$131.00	\$131.00
6g	1	G444AH	ADD: APX CONTROL HEAD SOFTWARE	-	-	-
6h	1	GA00235AA	ADD: NO GPS ANTENNA NEEDED	-	-	-

Item	Quantity	Nomenclature	Description	List price	Your price	Extended Price
6i	1	W665BJ	ADD: CONTROL STATION OPERATION	\$70.00	\$52.50	\$52.50
6j	1	G142AD	ADD: NO SPEAKER NEEDED	-	-	-
6k	1	GA00580AD	ADD: TDMA OPERATION	\$450.00	\$337.50	\$337.50
7	1078	SVC03SVC0115D	SUBSCRIBER PROGRAMMING	\$1.00	\$1.00	\$1,078.00

Total Quote in USD

\$87,040.75

Discounted Price \$ 69,484.87

PO Issued to Motorola Solutions Inc. must:

- >Be a valid Purchase Order (PO)/Contract/Notice to Proceed on Company Letterhead. Note: Purchase Requisitions cannot be accepted
- >Have a PO Number/Contract Number & Date
- >Identify "Motorola Solutions Inc." as the Vendor
- >Have Payment Terms or Contract Number
- >Be issued in the Legal Entity's Name
- >Include a Bill-To Address with a Contact Name and Phone Number
- >Include a Ship-To Address with a Contact Name and Phone Number
- >Include an Ultimate Address (only if different than the Ship-To)
- >Be Greater than or Equal to the Value of the Order
- >Be in a Non-Editable Format
- >Identify Tax Exemption Status (where applicable)
- >Include a Signature (as Required)



## United Financial

A Division of HomeTrust Bank

876 Brevard Rd  
Asheville, NC 28806

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8/29/19

Mr. Kevin Krouse  
City Manager  
City of Lowell, NC  
101 W 1st St  
Lowell, NC 28098

Re: Finance proposal for: *The acquisition of a 21 Mobile Radios and Related Equipment.*

Dear Kevin,

As per your request, we are enclosing under same cover our proposal for the above captioned transaction. United Financial will take a security interest only in the vehicles and equipment we are financing. There are no closing costs or origination fees related to the transaction and the rate is fixed for the duration of the financial commitment. Our 2.25% interest rate assumes a Tax-Exempt, Bank Qualified transaction.

If you have any questions or need additional information, please contact me at your convenience. Thank you for the opportunity to provide this proposal to you.

Very truly yours,

John M. Tench  
Senior Vice President

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Phone 828-684-5643

Fax 828-684-5616



# United Financial

A Division of HomeTrust Bank

876 Brevard Road  
Asheville, NC 28806

August 29, 2019

Mr. Kevin Krouse  
City Manager  
City of Lowell, NC  
101 W 1st St  
Lowell, NC 28098

## Proposal for Acquisition & Finance of: (21) Mobile Radios

Dear Kevin,

As a follow-up to your recent request for a proposal regarding the above referenced transaction, United Financial is pleased to offer a finance proposal as follows:

**LESSOR:** United Financial, *A Division of HomeTrust Bank*

**LESSEE:** City of Lowell, NC

**COLLATERAL:** Facilities or Equipment as referenced above

**AMOUNT:** ~~Option 1: \$87,000.00~~  
Option 2: \$69,484.87 ✓

**Start Date:** Immediately upon funding

**TERM:** 5 Years

**PAYMENTS:** ~~Option 1: Lease payments will consist of (1) payment of \$9,247.34 due at inception followed by (9) semi-annual payments of \$9,132.39 comprised of principal and interest.~~  
Option 2: Lease payments will consist of (1) payment of \$7,385.64 due at inception followed by (9) semi-annual payments of \$7,293.82 comprised of principal and interest.

**EXPIRATION:** Lease payment terms quoted herein shall be fixed and held for Lessee through 12/02/2019.

**LEGAL TITLE:** Legal Title to the Equipment during the Lease Term shall vest in the Lessee with Lessor perfecting a first security interest through Equipment Title, UCC, or other filing instruments as may be required by law.

**NET LEASE:** The Lease will be a net lease, under which all cost and responsibility of maintenance, insurance, taxes and other items of a similar nature shall be for the account of Lessee.

Phone 828-684-5643

Fax 828-684-5616

**INSURANCE:** Lessee shall provide evidence of insurance coverage at the time of delivery of the Equipment, in accordance with the provisions of the Lease.

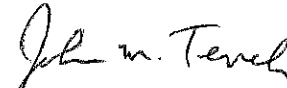
**FINANCIALS:** Lessee shall furnish Lessor with its last three, (3) fiscal years financial statements and its latest interim financial statements, plus such other pertinent information as Lessor may reasonably request.

**APPROVAL:** Closing of the transactions described herein and implementation hereof is expressly conditioned upon review and acceptance hereof by Lessor's Senior Loan Committee, receipt of properly executed documentation acceptable to Lessor, and the absence of any material adverse change in Lessee's financial condition prior to delivery and acceptance of the Equipment.

**ACCEPTANCE:** Lessee acknowledges that the terms and conditions of this proposal are satisfactory and that upon execution hereof by Lessee this proposal shall constitute a valid and binding obligation of Lessee. As further condition to Lessor's approval hereof, Lessee must acknowledge its acceptance of this proposal by signing below in the space provided and returning it to the Lessor by 11/01/2019.

If you determine that any of these finance structures meet the needs of your organization, please have the appropriate officer indicate the chosen option, place their signature at the bottom of this page, and return it to us via fax, email or US Postal Service. Upon receipt of the signed proposal, we will be in touch with you to make provision for documenting the finance. Thank you for the opportunity to submit this proposal letter for your review and approval. Should you have any question or comments regarding the terms and conditions, or if we can be of any further assistance to you, please do not hesitate to call.

Sincerely,



John M. Tench  
Senior Vice President

**ACCEPTED BY:** City of Lowell, NC

**SIGNATURE:** \_\_\_\_\_

**NAME:** \_\_\_\_\_ **TITLE:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

Please select:            Option 1: \_\_\_\_\_            Option 2: \_\_\_\_\_

City of Lowell  
2.25%

Repayment Schedule "B"

	Date	Payment	Interest	Principal
Loan	10/01/2019			69,484.87
1	10/01/2019	7,385.64	0.00	7,385.64
2	04/01/2020	7,293.82	698.62	6,595.20
3	10/01/2020	7,293.82	624.42	6,669.40
4	04/01/2021	7,293.82	549.39	6,744.43
5	10/01/2021	7,293.82	473.51	6,820.31
6	04/01/2022	7,293.82	396.79	6,897.03
7	10/01/2022	7,293.82	319.19	6,974.63
8	04/01/2023	7,293.82	240.73	7,053.09
9	10/01/2023	7,293.82	161.38	7,132.44
10	04/01/2024	7,293.82	81.12	7,212.70



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**AGENDA ITEM INFORMATION**

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**AGENDA ITEM #: 8C**

**DESCRIPTION: FINANCING FOR PUMP AT MAIN SEWER LIFT STATION**

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Upon the recommendation of our Waste Water Treatment Plant operator a new pump is needed at the main lift. This pump is desperately needed to help us maintain compliance with regulations as well as helping us prevent future spills in large rain events. We have reported two spills in the past year in heavy rain events that would have been avoided if this pump was operational.

This purchase would be from the Water and Sewer Utility fund and does not affect the City's General Fund. After financing RFP's were received United Financial provided the best rates based on requested terms of 5 years. (BB&T no longer bids on requests under 100K) The useful life of this pump is many more years than 5 so the terms are adequate. The rate is 2.25%.

Attached is the memo from Kemp Inc, the supplier of the pump as well as the financing terms.

Staff recommends approval of United Financials proposal and authorize the city manager to execute the loan documentation.

# Kemp Inc

2217 LYNMORE DRIVE

SHERRILLS FORD, NC 28678  
828-478-3040 Fax 828-478-3940

[www.kempinc.com](http://www.kempinc.com)

**Mr. Dan Dougherty**

City of Lowell

101 W. Front St.

Lowell, NC 28098

August 22, 2019

**Re: Lowell Wastewater Treatment Plant  
Main Lift Pump Replacement**

Dear Mr. Dougherty:

Kemp Inc. is pleased to submit this proposal to replace the existing No. 1 Main Lift Pump (S/N 967034) with a new Fairbanks Submersible Pump as described below:

### Scope of Supply

- Supply new Fairbanks 5" D5433WDK Submersible Pump complete with Volute, Suction Elbow Base, 30HP 1800 RPM, 3/460 Volt Motor and Power Cable. Includes Closed Loop Cooling Jacket.
- Supply new NEMA 12 steel enclosure, painted steel back panel, Incoming power block, Motor circuit breaker with lockable disconnects, control circuit breaker, 30 HP 6-pulse VFD (44 Rated Output Amps), 2-KVA control transformer, Hand-off-auto switch, Pump run pilot light, Seal fail light and relay, Heat sensor light and relay, Alarm test switch, 22 mm lights and switches, All lights and switches mounted on door, Terminal strip, UL508A listed and labeled, Elapsed time meter, Panel heater, Engraved labels
- Labor to Remove existing Pump, Drive Shaft and Motor
- Labor to Install new Fairbanks pump
- Labor to modify concrete base as needed.
- Provide Gaskets and Fasteners as needed

**Proposal Cost= \$ 44,850.00**

North Carolina Sales Tax is NOT included in this proposal, NC Sales Tax will be added to our Invoice.

### Clarifications and Terms

- Owner to supply electrician to complete electrical work.
- Proposal is valid for 60 days
- Temporary Pumping is not included.
- Lead Time is approximately 14-18 weeks
- Proposal does not include any permit or bonds

Please contact us if you have questions.

Sincerely,

**Kemp Construction Inc.**

*Mike Matousek*

Project Manager



## United Financial

A Division of HomeTrust Bank

876 Brevard Rd  
Asheville, NC 28806

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8/29/19

Mr. Kevin Krouse  
City Manager  
City of Lowell, NC  
101 W 1st St  
Lowell, NC 28098

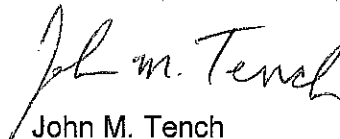
Re: Finance proposal for: *The acquisition of a New Fairbanks Submersible Main Lift Pump and Related Equipment.*

Dear Kevin,

As per your request, we are enclosing under same cover our proposal for the above captioned transaction. United Financial will take a security interest only in the equipment we are financing. There are no closing costs or origination fees related to the transaction and the rate is fixed for the duration of the financial commitment. Our 2.25% interest rate assumes a Tax-Exempt, Bank Qualified transaction.

If you have any questions or need additional information, please contact me at your convenience. Thank you for the opportunity to provide this proposal to you.

Very truly yours,



John M. Tench  
Senior Vice President

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Phone 828-684-5643  
Fax 828-684-5616



# United Financial

A Division of HomeTrust Bank

876 Brevard Road  
Asheville, NC 28806

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August 29, 2019

Mr. Kevin Krouse  
City Manager  
City of Lowell, NC  
101 W 1st St  
Lowell, NC 28098

**Proposal for Acquisition & Finance of: (1) New Fairbanks Submersible Main Lift Pump**

Dear Kevin,

As a follow-up to your recent request for a proposal regarding the above referenced transaction, United Financial is pleased to offer a finance proposal as follows:

**LESSOR:** United Financial, *A Division of HomeTrust Bank*

**LESSEE:** City of Lowell, NC

**COLLATERAL:** Facilities or Equipment as referenced above

**AMOUNT:** \$45,000.00

**START DATE:** Immediately upon funding

**TERM:** 5 Years

**PAYMENTS:** Lease payments will consist of (1) payment of \$4,783.11 due at inception followed by (9) semi-annual payments of \$4,723.65 comprised of principal and interest.

**EXPIRATION:** Lease payment terms quoted herein shall be fixed and held for Lessee through 12 /02/2019.

**LEGAL TITLE:** Legal Title to the Equipment during the Lease Term shall vest in the Lessee with Lessor perfecting a first security interest through Equipment Title, UCC, or other filing instruments as may be required by law.

**NET LEASE:** The Lease will be a net lease, under which all cost and responsibility of maintenance, insurance, taxes and other items of a similar nature shall be for the account of Lessee.

**INSURANCE:** Lessee shall provide evidence of insurance coverage at the time of delivery of the Equipment, in accordance with the provisions of the Lease.

**FINANCIALS:** Lessee shall furnish Lessor with its last three, (3) fiscal years financial statements and its latest interim financial statements, plus such other pertinent information as Lessor may reasonably request.

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**Phone 828-684-5643**

**Fax 828-684-5616**

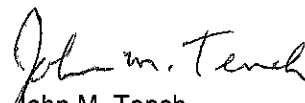
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**APPROVAL:** Closing of the transactions described herein and implementation hereof is expressly conditioned upon review and acceptance hereof by Lessor's Senior Loan Committee, receipt of properly executed documentation acceptable to Lessor, and the absence of any material adverse change in Lessee's financial condition prior to delivery and acceptance of the Equipment.

**ACCEPTANCE:** Lessee acknowledges that the terms and conditions of this proposal are satisfactory and that upon execution hereof by Lessee this proposal shall constitute a valid and binding obligation of Lessee. As further condition to Lessor's approval hereof, Lessee must acknowledge its acceptance of this proposal by signing below in the space provided and returning it to the Lessor by 11/01/2019.

If you determine that any of these finance structures meet the needs of your organization, please have the appropriate officer indicate the chosen option, place their signature at the bottom of this page, and return it to us via fax, email or US Postal Service. Upon receipt of the signed proposal, we will be in touch with you to make provision for documenting the finance. Thank you for the opportunity to submit this proposal letter for your review and approval. Should you have any question or comments regarding the terms and conditions, or if we can be of any further assistance to you, please do not hesitate to call.

Sincerely,

  
John M. Tench  
Senior Vice President

**ACCEPTED BY:** City of Lowell, NC

**SIGNATURE:** \_\_\_\_\_

**NAME:** \_\_\_\_\_ **TITLE:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

City of Lowell

2.25%

Repayment Schedule "B"

	Date	Payment	Interest	Principal	Balance
Loan	10/01/2019				45,000.00
1	10/01/2019	4,783.11	0.00	4,783.11	40,216.89
2	04/01/2020	4,723.65	452.44	4,271.21	35,945.68
3	10/01/2020	4,723.65	404.39	4,319.26	31,626.42
4	04/01/2021	4,723.65	355.80	4,367.85	27,258.57
5	10/01/2021	4,723.65	306.66	4,416.99	22,841.58
6	04/01/2022	4,723.65	256.97	4,466.68	18,374.90
7	10/01/2022	4,723.65	206.72	4,516.93	13,857.97
8	04/01/2023	4,723.65	155.90	4,567.75	9,290.22
9	10/01/2023	4,723.65	104.51	4,619.14	4,671.08
10	04/01/2024	4,723.65	52.57	4,671.08	0.00