



**KANNAPOLIS CITY COUNCIL
CONTINUED MEETING AGENDA**

**Kannapolis City Hall
401 Laureate Way, Kannapolis NC**

February 25, 2019

4:00 PM

Reconvene Meeting Continued from February 11, 2019

Please turn off cell phones or place on silent mode.

CALL TO ORDER

Reconvene Meeting Continued from February 11, 2019

ADOPTION OF AGENDA

CONSENT AGENDA

1. 2019 Federal Legislative Priorities (Mike Legg, City Manager)
2. Municipal Construction Agreement TIP #Y-4810K (Rogers Lake Road Grade Crossing Separation) (Wilmer Melton, III, Director of Public Works)

BUSINESS AGENDA

A. FY 19 Mid-Year Strategic Planning Workshop (Mike Legg, City Manager)

CLOSED SESSION

GS. 143-318.11 (a) (3) to consult with an attorney in order to preserve the attorney client privilege and G.S. 143.318.11 (a) (4) for discussing matters relating to the location or expansion of industries or businesses in the area (Mayor Pro tem Haas)

MOTION TO ADJOURN MEETING

Upcoming Schedule

March 11 (Meeting Cancelled)

March 25

April 8

April 22

ADA Notice and Hearing Impaired Provisions

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), anyone who requires auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service or activity of the City of Kannapolis, should contact the office of Tina H. Cline, Human Resource Director by phone at 704-920-4302 or email at tcline@kannapolisnc.gov as soon as possible, but no later than forty-eight (48) hours before the scheduled event.



**City of Kannapolis
City Council Meeting
February 25, 2019
Staff Report**

TO: Mayor and City Council
FROM: Mike Legg, City Manager
TITLE 2019 Federal Legislative Priorities

A. Action Requested by City Council

Motion to approve the 2019 Federal Legislative Priorities.

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

The Mayor and several Councilmembers will be attending the National League of Cities Conference in Washington DC in two weeks. Attached is a list of legislative priorities, positions and requests that we will provide to our Congressional delegation during this trip. In an era without Congressional earmarks, the Federal Priority List includes a significant focus larger federal funding considerations as well as advocacy and policy development.

While the list is generally in final form, some adjustments to content and presentation will be made by staff prior to presentation to the Congressional delegation. Additionally, staff will provide a to the Congressional Delegation an update on activities occurring in our City (Amazon, Downtown projects, etc.).

D. Fiscal Considerations

None.

E. Policy Issues

None.

F. Legal Issues

None.

G. Alternative Courses of Action and Recommendation
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1. **Motion to approve the 2019 Federal Legislative Priorities (Recommended).**
2. Take no action.
3. Take action to a future meeting.

ATTACHMENTS:

File Name

- 📎 2019_Federal_Legislative_Priorities_March_2019_(003).pdf
- 📎 Current_Zipcodes_V1.pdf
- 📎 ProposedZipCodeV3.pdf



City of Kannapolis
2019 Federal Legislative Priorities
Adopted by the Kannapolis City Council
February 25, 2019

For more information contact:

Mayor Darrell Hinnant
City of Kannapolis
704-920-4300
dhinnant@kannapolisnc.gov

Mike Legg, City Manager
City of Kannapolis
704-920-4309
mlegg@kannapolisnc.gov

General Economic Development

The City of Kannapolis and the North Carolina Research Campus depend on federal dollars for job creation. We are still recovering from the great recession and this is a critical time for economic development in our municipality.

Locally, significant land development activity and new economic investment is beginning to grow again. Now that the country is back from the economic collapse, strong partnerships between Federal, State and Local governments can put our nation on a path to a bright future by out-innovating, out-building and out-educating our rivals.

Over the past few years, many federal economic development programs have been in jeopardy of substantial cuts. Perhaps as importantly for Kannapolis, cuts in funding for the Economic Development Administration (EDA) and innovation and science programs at the National Institute of Standards and Technology (NIST) Technology Innovation Program, the National Science Foundation (NSF), and the Agricultural Research Service (ARS) would be particularly harmful to the growth of the North Carolina Research Campus.

We thank you for funding the North Carolina Research Campus has received thru the National Institute of Health, NASA, Environmental Protection Agency and many other agencies. We would respectfully request continued funding for these agencies as the funding is necessary for the projects underway on the campus.

More specifically, the City requests future funding support from the federal government in growing the local economy in Kannapolis through several proposed initiatives and projects.

Community Development

The City of Kannapolis has a fragile population segment; this includes some living at the poverty level and seniors who need affordable housing.

We support continued funding of HUD Community Development Block Grant (CDBG) programs at current or increased levels and the continuation of the Low-Income Housing Tax Credit Program.

HUD funds are the City of Kannapolis' primary funding sources for affordable housing and community development; without these resources, our ability to support and revitalize our fragile neighborhoods would be severely diminished. Since 1988, the City has received more than \$12.5 million in CDBG formula grants from HUD. In the last seven years alone, the City has received nearly \$4.5 million in CDBG and HOME funds. Funds have been used for many projects including:

- Kannapolis Gateway Business Park (300+ jobs created).
- Wood Avenue extension (Carver neighborhood).
- Village Park improvements.
- Sidewalk improvements near schools
- Support of numerous local non-profit agencies

- 20 new homes in partnership with Community Development Corp, Prosperity Unlimited & Habitat for Humanity.
- Down Payment assistance for more than 20 first-time, low-to-moderate income homebuyers.
- Villas at Forest Park senior apartments.
- Rehabilitation of seven owner-occupied homes whereby allowing families to remain in their homes.
- Purchase and rehab of homes for transitional housing in partnership with Cooperative Christian Ministries and Habitat for Humanity.
- Several new affordable apartment developments due to the Low-Income Housing Tax Credit Program. There is still a strong demand/need for these units with waiting lists of several hundred people.

Opportunity Zones

The City of Kannapolis is appreciative that Census Tract 410, our Downtown, was designated as an Opportunity Zone. The Tax Cuts and Jobs Act (H.R. 1) created the Opportunity Zone

The City of Kannapolis would like to thank you and Congress for the establishment of the Opportunity Zone Program. Our downtown has been designated as an Opportunity Zone and we are beginning to see positive impacts from private investors.

concept and creates tax benefits for qualified investors to re-invest realized capital gains into Opportunity Zones, avoiding standard capital gain tax obligations and creating targeted investment opportunities within these areas.

Census Tract 410 includes downtown Kannapolis and the North Carolina Research Campus, in addition to neighboring residential areas. The

area lost thousands of jobs when Pillowtex closed in 2003; and despite the growth of the NCRC, the scale of jobs has not come close to being replaced in the downtown area.

The City decided to take bold action by purchasing the downtown property in 2015 and embarking on a significant revitalization effort. The City laid the groundwork for new private investment through developing a master plan, making strategic public investments in infrastructure, streetscape, and a new sports and entertainment venue.

We are seeing interest in the Opportunity Zone and have a few private investors who have already made commitments to downtown Kannapolis, because of the Opportunity Zone legislation.

A mixed-use apartment development is breaking ground this month, financed by a group of Opportunity Zone investors. The new owner of the Kannapolis Intimidators minor league baseball team, which has signed a 20-year lease for the new sports and entertainment venue, has shown commitment to adjacent new development as part of taking advantage of Opportunity Zone tax benefits. These investors are expressing continued interest in new development in downtown Kannapolis.

The private development will not only bring tax revenue for Kannapolis, but also create the critical mass of residents and business activity needed to reinvigorate the area and help our downtown thrive.

Transportation Programs

The City of Kannapolis urges Congress to authorize a new, long-term federal surface transportation and infrastructure program that recognizes the central role of transportation to metropolitan and regional economies and includes local voices in planning and project selection.

With growth in our City, transportation is a top priority. We are averaging over 1,000 new residents annually moving to Kannapolis. “Moving” people around is critical to the success of our City.

With a strong federal partnership, cities can continue transportation and infrastructure investments that ensure everyone in our communities has access to education, training and employment. The program must provide cities a greater role in decision-making for transportation projects to meet community goals and recognize the

role of metropolitan economies to the nation's economic wellbeing and competitiveness. The overall transportation system must be made more efficient, including upgrades to older systems and the addition of new modes like light rail and bus rapid transit.

Transportation drives local economies, which drive the nation. Targeting infrastructure spending directly to local governments will not only create jobs but also lay the foundation for long-term benefits in communities.

The Highway Trust Fund is not keeping up with demand. Financed by federal gasoline taxes and redistributed through the states to cities and towns is not nearly enough to fund critically important transportation projects. Additionally, North Carolina's status as a “donor” state (sending more gasoline taxes to Washington than are returned to Raleigh) further weakens the state and local ability to keep up with transportation needs.

Federal transportation policy must be coordinated with our country's energy and environmental policies to decrease reliance on foreign oil, reduce greenhouse gas emissions, and prevent other adverse public health impacts.

The City of Kannapolis, along with the National League of Cities, and our fellow municipalities across the country, do encourage bipartisan comprehensive infrastructure legislation which would include addressing transportation, water, and broadband critical needs across our City, State and our country.

Utility Infrastructure Programs

The City of Kannapolis supports increased federal investments in local utility infrastructure. We have more than \$70 million in utility projects that need to be addressed.

Federal funding for local water and sewer utility improvements has all but disappeared over the past decade. The nation's utility infrastructure is in desperate need of replacement, repair and expansion to facilitate new economic growth and prosperity.

More specifically, the City supports funding resources to help address the more than \$70 million in water, sanitary sewer and stormwater projects identified in the City's Ten-year Capital Improvement Plan. These projects are intended to create a more efficient system through repair and replacement and to create new jobs and private sector investment through expanding the availability of these services.

Public Safety Funding

Over the last decade the City of Kannapolis has received \$3.5 million in SAFER and AFG grants that have been critical to our public safety departments.

The FIRE Act Grant Program administered by FEMA (including both AFG and SAFER) is the only grant program available to fire departments across United States. The USDOJ Justice Assistance Grant program (JAG) and Community Orienting Policing Services program (COPS) are

two of the few remaining grant programs available for local law enforcement agencies. These programs continue to come under threat. These funds have been a critical funding source for us and we apply for

Since 2007, the City of Kannapolis has received more than \$3.5 million from these police and fire grant programs to fund additional firefighters, purchase new police and fire equipment.

Public Health

Unfortunately, Cabarrus County ranks in the top ten counties in North Carolina for opioid overdoses and issues relating to drugs. Local agencies need Federal support to attack this and other similar

The City is collaborating with Cabarrus County, the Health Alliance and other municipalities to combat these issues as well others that are detrimental to the physical/mental health of our residents. The City of Kannapolis is supportive of any efforts by the federal government to address the public needs of physical and mental health. With the crisis of childhood obesity,

opioids, homelessness and mental health, municipalities are struggling to address these public needs with very little infrastructure and funding in place to deal with these critical human issues.

Zip Code Reorganization

The City's primary employment, commercial and residential growth areas are all located in non-Kannapolis zip code areas. Major companies such as Amazon, Gordon Food Service, and others are experiencing issues because of this problem. From an economic and community identity development standpoint this needs to be changed.

A matter of long-standing concern for the City of Kannapolis is the assignment of zip codes for property located both within the City's corporate limits, as well as for areas that the City has authority to annex in the future.

This issue has been pushed into the forefront by the recent opening of several major employers and developments who are struggling with a physical Kannapolis address and a

different municipality zip code. Growth in these areas is escalating rapidly and we would like to request that the zip codes be reassigned to reflect the physical location of these industrial and commercial areas while it is practical to do so.

Attached is a map which shows zip code areas for Kannapolis and surrounding communities, along with the City's corporate limits and area of future annexation. As you can see, while the 28081 and 28083 zip codes coincide with the City's corporate boundaries, there are areas located within the City's corporate limits which have either a Concord (28027) or Davidson (28036) zip code.

The City's primary designated employment, commercial and residential growth areas are all located in non-Kannapolis zip code areas. The City has several large-scale industrial development projects such as Gordon Food Service (located on Glen Afton Boulevard), Amazon (located on Macedonia Church Road) and Afton Ridge, a regional commercial/retail center who are in the Kannapolis city limits but have the 28027 (Concord) zip code.

Company executives have told us how confusing it is for them to explain to vendors and customers how to get to their facility because of the Concord zip code address and the Kannapolis street address.

This same scenario exists in the City's western jurisdiction, where most of our new residential and commercial development is now occurring. This assignment of non-Kannapolis zip codes has also led to confusion on the part of residential property owners located within these "non-Kannapolis" zip code areas (who pay Kannapolis taxes but have a Concord/Davidson address). Realtors and residential developers do not take the initiative to help homebuyers understand where their new home will be located

Furthermore, the use of non-Kannapolis zip codes for property located within (or expected to be) in the City's corporate limits has undercut the City's branding, marketing and economic development efforts.

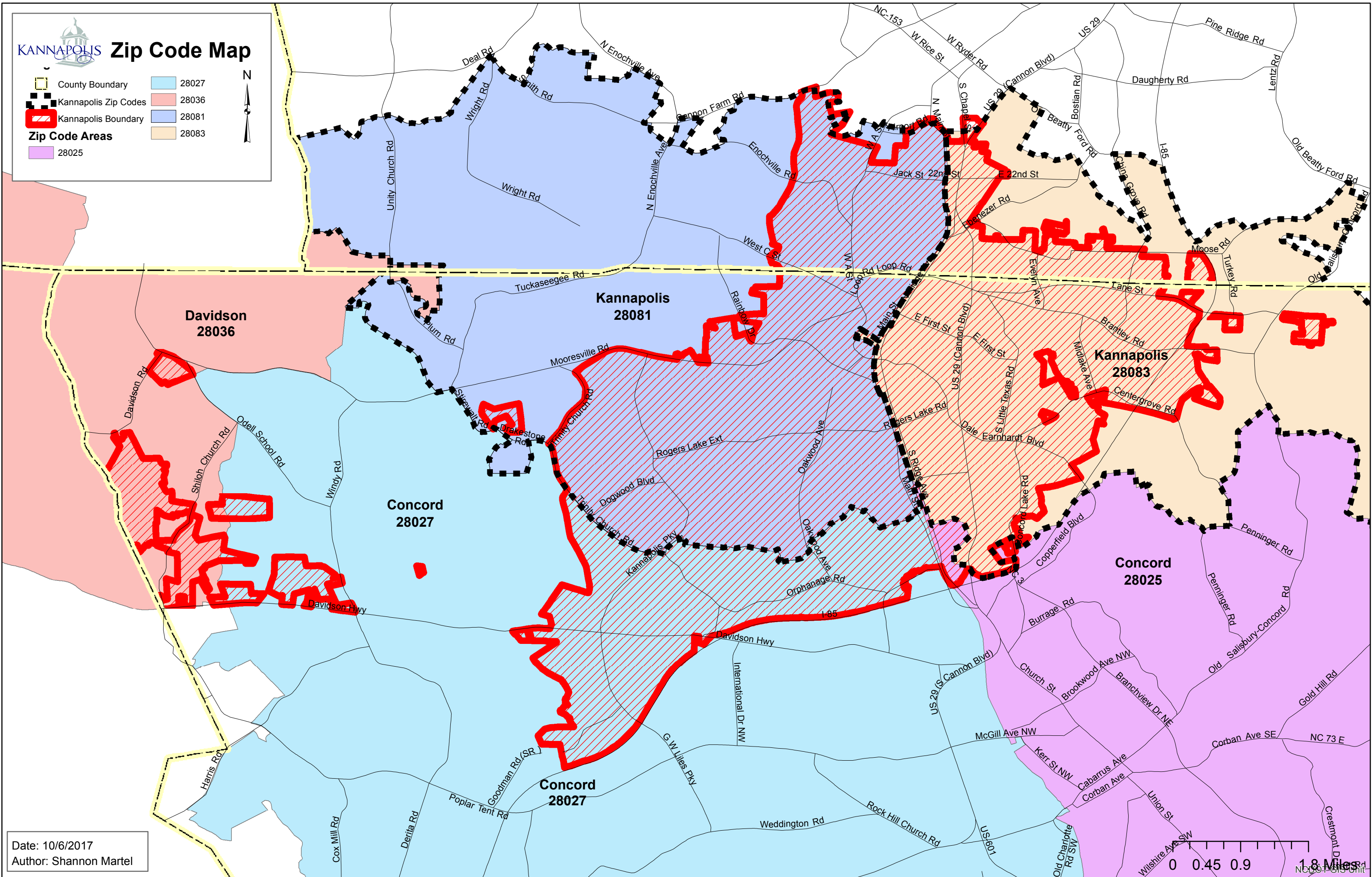
As Kannapolis continues to experience commercial and residential development, the zip code "disconnect" between Kannapolis is going to be an ongoing source of confusion.

Our most up-to-date numbers show that residential growth alone in these areas over the next two years will include more than 3,000 single and multifamily homes. (Please see attached document).

In consideration of the above, we ask that you aid us in appealing to the U.S. Post Office to re-assign zip codes for all property within the City's corporate limits to a Kannapolis zip code. For those areas where the City has annexation agreements, we would also request that a Kannapolis zip code be assigned.

KANNAPOLIS Zip Code Map

- County Boundary
- Kannapolis Zip Codes
- Kannapolis Boundary
- Zip Code Areas
- 28025
- 28027
- 28036
- 28081
- 28083



Date: 10/6/2017
Author: Shannon Martel

0 0.45 0.9 1.8 Miles
NCEM GIS Unit



Proposed Zip Code Map

Throughfares

Streets

Kannapolis Boundary

County Boundary

Proposed Kannapolis Zip Code

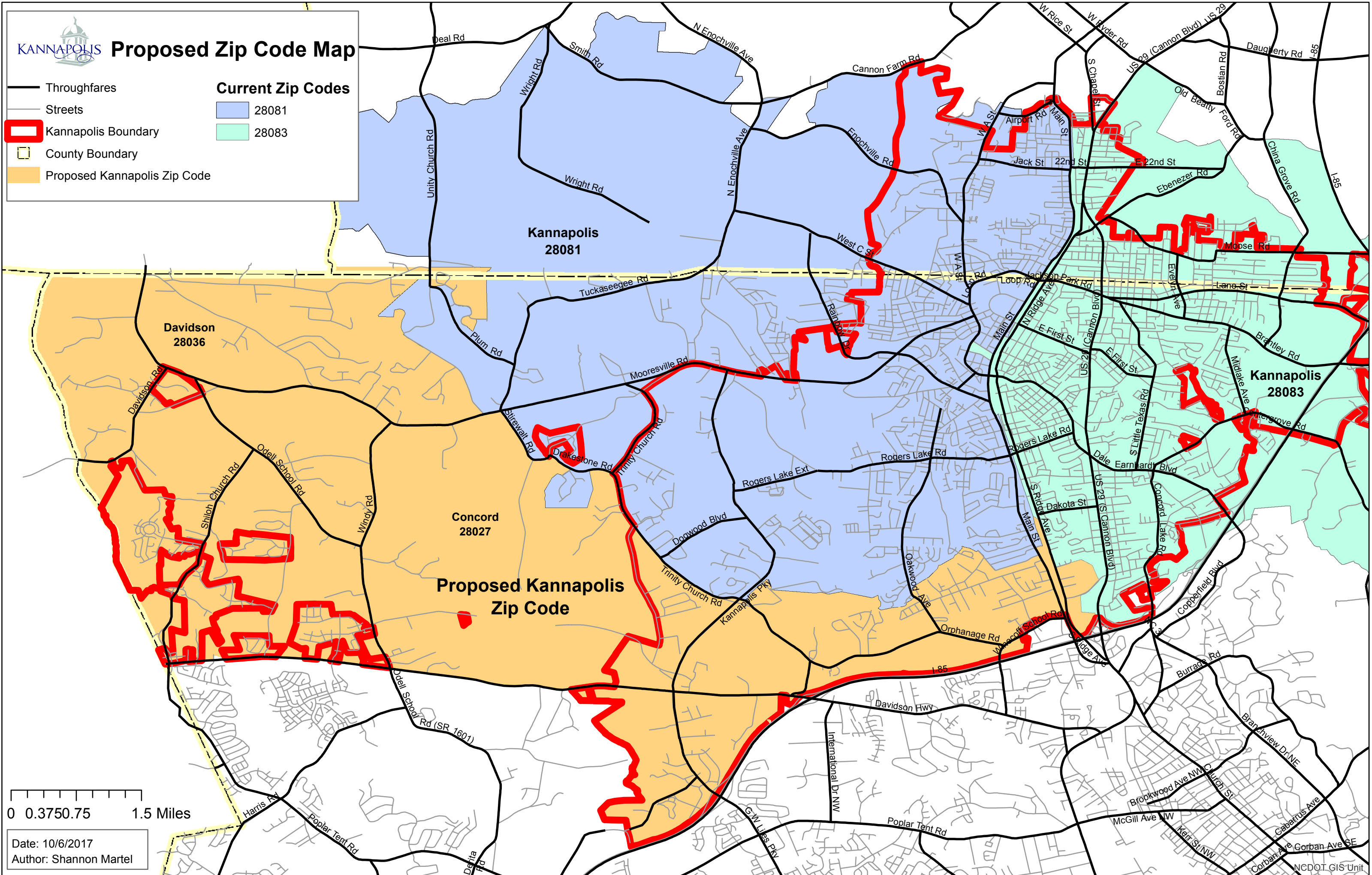
Current Zip Codes

28081

28083

0 0.3750.75 1.5 Miles

Date: 10/6/2017
Author: Shannon Martel





**City of Kannapolis
City Council Meeting
February 25, 2019
Staff Report**

TO: Mayor and City Council
FROM: Wilmer Melton, III - Director of Public Works
TITLE Municipal Construction Agreement TIP #Y-4810K
(Rogers Lake Road Grade Crossing Separation)

A. Action Requested by City Council

Motion to approve the Municipal Construction Agreement between the City of Kannapolis and the North Carolina Department of Transportation for work associated with TIP #Y-4810K (Rogers Lake Road Grade Crossing Separation) and authorize the Mayor to execute Agreement.

B. Required Votes to Pass Required Action

Majority present at meeting

C. Background

As a part of North Carolina Department of Transportation (NCDOT) TIP #Y-4810K (Rogers Lake Road Grade Crossing Separation), the City of Kannapolis has requested Betterments associated with the Project. NCDOT shall construct the following Betterments in conjunction with the Project work:

1. Construction of a five-foot concrete sidewalk on the south side along the Project limits.
2. Installation of approximately 400 LF of black vinyl coated chain link fence on both sides of the separated grade crossing.
3. Installation of three mast arms for the signals at Rogers Lake Road and Meadow Avenue.

D. Fiscal Considerations

The City of Kannapolis' portion of the estimated costs for the Betterments is approximately \$70,200. Our cost share associated with this Project will be funded from General Fund.

E. Policy Issues

City Council approval is required prior to the City entering into this Municipal Construction Agreement with the North Carolina Department of Transportation for TIP #Y-4810K.

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation
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1. **Approve the Municipal Construction Agreement between the City of Kannapolis and North Carolina Department of Transportation for work associated with TIP #Y-4810K (Rogers Lake Road Grade Crossing Separation) and authorize the Mayor to execute Agreement. (Recommended)**
2. Take no action
3. Table to future meeting.

ATTACHMENTS:

File Name

2019_02-25_Rogers_Lake_Road_TIP_#Y-4810K_Municipal_Construction_Agreement.docx

NORTH CAROLINA
CABARRUS COUNTY

DRAFT: 2/6/19

NORTH CAROLINA DEPARTMENT OF
TRANSPORTATION

MUNICIPAL CONSTRUCTION
AGREEMENT

AND

PROJECT: Y-4810K

CITY OF KANNAPOLIS

WBS: 40325.1.46

THIS AGREEMENT is made and entered into on the last date executed below, by and between the North Carolina Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the "Department", and the City of Kannapolis, a local government entity, hereinafter referred to as the "Municipality", and individually, hereinafter referred to as "Party", and collectively, as "Parties".

W I T N E S S E T H:

WHEREAS, the Department plans to eliminate redundant and/or unsafe at-grade rail-highway crossings on a statewide basis as part of a comprehensive effort to improve and promote safer and more efficient rail and highway operations along heavily used railroad corridors; and

WHEREAS, the Department has proposed certain improvements along Rogers Lake Road that will eliminate the at-grade crossing (Crossing # 724 408Y, Milepost NM 350.77), and will include the construction of a grade separation, a roundabout, and certain intersection improvement/road closures, in Kannapolis, North Carolina, hereinafter referred to as the "Project", and,

WHEREAS, the Department has programmed funding in the approved State Transportation Improvement Program (STIP) for the Project; and,

WHEREAS, this Agreement is made under the authority granted to the Department by the North Carolina General Assembly including, but not limited to, the following legislation: General Statute of North Carolina (NCGS) Section 136-18, and Section 136-20, to participate in the planning and construction of the Project approved by the Board of Transportation; and,.

WHEREAS, as part of the construction of the Project, the Municipality has requested the Department add some betterments to the Project, including, but not limited to, the construction of sidewalks and a vinyl coated chain link fence (hereinafter "Betterment"), and,

WHEREAS, the Department has agreed to included said Betterments in the Project subject to reimbursement by the Municipality; and,

WHEREAS, the governing board of the Municipality has agreed to participate in certain costs of the Project and to assume certain maintenance responsibilities as hereinafter set out; and,

WHEREAS, the Municipality agrees that construction of the Project and Betterments is contingent upon the permanent closure of the at-grade highway/railroad crossing of Rogers Lake Road (Crossing No. 724 408Y, Milepost MN 350.77); and

WHEREAS, the Municipality fully understands that this Agreement is contingent upon and subject to the receipt and availability of the appropriate funds for the purpose set forth in this Agreement and this Agreement shall automatically terminate if funds cease to be available.

NOW, THEREFORE, this Agreement states the promises and undertakings of each Party as herein provided, and the Parties do hereby covenant and agree, each with the other, as follows:

1. PROJECT WORK

This Project consists of the re-alignment of approximately 0.70 miles of the existing SR 1625/1766 (Rogers Lake Road) on new location approximately 200 feet north of the existing SR 1625/1766 at-grade highway/railroad crossing. The re-alignment will involve the design of a new highway two lane bridge over the existing NCRR/NS railroad, and the removal of the existing SR 1625/1766 at-grade highway railroad crossing (Crossing # 724 408 Y, milepost MN 350.77). The new alignment will involve the design of a roundabout at Rogers Lake Road and Rogers Avenue. The Project shall also include the roadway intersection improvements and road closure design at the following intersections:

- Rogers Lake Road and Lowrance Avenue
- Rogers Lake Road and Tiece Street
- Rogers Lake Road and Rogers Avenue
- Rogers Lake Road and Oakshade Avenue
- Rogers Lake Road and Browdis Avenue
- Rogers Lake Road and Meadow Avenue

In addition, the Project will also include, at the request of the Municipality, the construction of a five-foot wide concrete sidewalk behind curb and gutter, and the installation of a vinyl coated chain link fence.

2. BETTERMENT WORK

The Betterments consist of the improvements as set forth below, and as shown on the approved Project plans. At the request of the Municipality, the Department shall construct the following Betterments in conjunction with the Project work. The estimated cost of the Betterments, as set forth below, is approximately Seventy Thousand Two Hundred Dollars (\$70,200).

- Construction of approximately 1169 SY of a five-foot concrete sidewalk behind curb and gutter on the south side of the L-Line.
- Installation of approximately 400 LF of vinyl coated chain link fence on the both sides of the roadway bridge.
- Installation of three mast arms for the signal at Meadow Avenue.

The Municipality understands that these are estimated costs and are subject to change as more precise numbers are developed. The actual total construction costs of the Betterments, including administrative costs, shall be determined upon completion and acceptance of the Project.

3. FUNDING

The current estimated cost of the Project is Eighteen Million Four Hundred Twenty-Six Thousand, Five Hundred Dollars (\$18,426,500).

4. DESIGN

The Department, and/or its agent, shall prepare the Project's plans, specifications, and a professional estimate of costs (PS&E package) needed to construct the Project and Betterments. All work shall be done in accordance with applicable Federal and State standards, specifications, policies and procedures. Project plans shall be submitted to the Municipality for review and comment. All comments must be submitted in writing to the Department within sixty (60) days of receipt of the plans from the Department. If no comments are received from the Municipality within sixty (60) days, the Department shall conduct a conference call meeting within five (5) business days thereof to discuss the status of the plans review.

5. ENVIRONMENTAL/PLANNING DOCUMENTATION

The Department shall prepare the environmental and/or planning document, including any environmental permits, needed to construct the Project and Betterments, in accordance with the State Environmental Policy Act (SEPA) or as required and defined pursuant to N.C.G.S. §113A 1 through §113A 13 and all other appropriate environmental laws and regulations. If required, the Department shall design an erosion control plan for the Project.

6. RIGHT OF WAY (ROW)

The Department shall be responsible for acquiring the right of way/property required for the construction of the proposed Project.

(a) Betterments

It is understood by all Parties that all betterment work shall be performed within the proposed Project right of way.

The Municipality, at no expense or liability whatsoever to the Department, shall remove from said Betterment rights of way all obstructions and encroachments of any kind or character.

The Department shall be indemnified and held harmless from any and all damages and claims for damages associated with the acquisition of any Betterment construction easements and/or right of way.

(b) Right of Entry from the Municipality to the Department

The Municipality hereby grants the Department a Right of Entry for access to any necessary municipally-owned street or property in order to perform the Project and Betterment work and any additional improvements as defined by the Project plans.

7. UTILITIES

The Department shall relocate and adjust utilities in conflict with the Project, with the exception of municipally-owned utilities and utilities in conflict with the betterment work.

(a) Relocation of Municipally-Owned Utilities

The Municipality, without cost or liability to the Department, shall relocate and adjust all municipally-owned utilities in conflict with the Project and shall exercise any rights which it may have under any franchise to relocate and adjust any telephone, telegraph and electric power lines, underground cables, gas lines, and other pipelines or conduits. Said work shall be performed in a manner satisfactory to the Department prior to the Department beginning construction of the Project. The Municipality shall make reasonable efforts to promptly relocate said utilities in order that the Department will not be delayed in the construction of the Project. The Municipality shall make all necessary adjustments to house or lot connections or services lying within the right of way or construction limits, whichever is greater, of the Project.

(b) Relocation of Utilities in Conflict with Any Betterments

The Municipality, at no cost to the Department, shall relocate and adjust all utilities in conflict with the construction of any and all Betterments that are requested by the Municipality and are to be included in the Department's construction contract.

(c) Utilities Under Franchise Agreement

The Municipality shall exercise any rights which it may have under any franchise to effect all necessary changes, adjustments, and relocations of telephone, telegraph, and electric power lines; underground cables, gas lines, and other pipelines or conduits; or any privately- or publicly-owned utilities.

8. CONSTRUCTION

The Department, and or its agent, shall construct the Project and Betterments in accordance with the Department's standards and specification, State policies and procedures, and the approved project plans. The Department shall administer the construction contract for aid Project.

9. PROJECT COST REIMBURSEMENT BY THE MUNICIPALITY

The Municipality shall reimburse the Department the actual cost, including administrative costs, of all work performed by the Department and associated with any Betterment work. Applicable reimbursement to the Department is set out below:

Sidewalk

Based on the Department's "Guidelines for Planning Pedestrian Facilities", the Municipality shall reimburse the Department Thirty Percent (30%) of the actual cost of the construction of sidewalks.

Chain Link Fence

The Municipality shall reimburse the Department One Hundred Percent (100%) of the cost difference between the installation of an in-kind chain link fence and the installation of the vinyl coated chain link fences proposed by the Municipality.

Mast Arms

The Municipality shall reimburse the Department One Hundred Percent (100%) of the cost of the Mast Arms proposed by the Municipality.

(i) SUBMITTAL OF INVOICE

Upon completion and acceptance of the Project by the Department, the Department shall submit an invoice to the Municipality for the actual cost of all work performed by the Department and associated with the Betterment work. Payment to the Department shall be made within sixty (60) days of receipt of an invoice from the Department. A late payment penalty and interest shall be charged on any unpaid balance due in accordance with North Carolina General Statute 147-86.23.

(ii) FAILURE TO SUBMIT PAYMENT BY MUNICIPALITY

In the event the Municipality fails for any reason to pay the Department in accordance with the provisions for payment herein above provided, North Carolina General Statute 136-41.3 authorizes the Department to withhold so much of the Municipality's share of funds allocated to said Municipality by the General Statutes of North Carolina, Section 136-41.1 until such time as the Department has received payment in full under the reimbursement terms set forth in this Agreement. A late payment penalty and interest shall be charged on any unpaid balance due in accordance with G.S. 147-86.23.

10. MAINTENANCE

(a) Roadway and Structure

Upon completion of the construction of the Project, the Department, at no expense to the Municipality, shall maintain roadway and structures within the Department's right of way.

(b) Betterment

The Municipality, and/or its agent, shall assume all maintenance responsibilities for the denoted Betterments, at no expense or liability to the Department.

(c) Municipal Street Improvements

The Municipality, at no expense or liability to the Department, shall assume all maintenance responsibilities for all improvements made to municipal streets and/or properties owned by the Municipality.

(d) Sidewalks

The Municipality, at no expense to the Department, shall assume all maintenance responsibilities for the sidewalks and release the Department from all liability relating to such maintenance.

11. OTHER PROVISIONS

(a) E-VERIFY COMPLIANCE

E-Verify is the federal program operated by the United States Department of Homeland Security and other Federal agencies, or any successor or equivalent program, used to verify the work authorization of newly hired employees pursuant to federal law. The Parties warrant that they and any subcontractor performing work under this Agreement: (i) uses E-Verify if required to do so by North Carolina law; and (ii) otherwise complies with the requirements of Article 2 of

Chapter 64 of the North Carolina General Statutes. A breach of this warranty by any Party will be considered a breach of this Agreement, which entitles the other Parties to terminate this Agreement, without penalty, upon notice to the breaching Party.

(b) INDEMNIFICATION OF DEPARTMENT

To the extent authorized by State and Federal claims statutes and case law, each Party to this Agreement shall be responsible for its respective actions under the terms of this Agreement and indemnify and save harmless the other Party(ies) for any claims for payment/damages/liabilities arising as a result of such action. Neither party shall be responsible for any damages or claims, which may be initiated by third parties.

(c) AVAILABILITY OF FUNDS

All terms and conditions of this Agreement are dependent upon, and subject to, the allocation of funds for the purpose set forth in the Agreement and the Agreement shall automatically terminate if funds cease to be available.

(d) TERMINATION OF PROJECT

i. The Department shall have the right to abandon the Project at any time it sees fit prior to the time the Municipality has been called upon to perform any part of this Agreement.

ii. If the Municipality decides to terminate the Project without the concurrence of the Department, the Municipality shall reimburse the Department one hundred percent (100%) of all costs expended by the Department and associated with the Project.

(e) FAILURE TO COMPLY

Failure on the part of the Municipality to comply with any of the provisions of this Municipal Agreement will be grounds for the Department to terminate participation in the cost of the Project and, if applicable, seek repayment of any funds expended by the Department.

(f) TRANSFER OF RESPONSIBILITIES

The Department must approve any assignment or transfer of responsibilities of the Municipality set forth in this Municipal Agreement to other entities.

(g) DEBARMENT

It is the policy of the Department not to enter into any agreement with another party that has been debarred by any government agency, Federal or State. The Municipality certifies, by signature of this Municipal Agreement, that neither it nor its agents or contractors are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal or State Department or Agency.

(h) CONFLICT OF INTEREST

No member, officer or employee of the Department or the Municipality shall have any interest, direct or indirect, in this Municipal Agreement or the proceeds there from.

(i) AGREEMENT MODIFICATIONS

Any modification to this Municipal Agreement will be agreed upon in writing by all Parties prior to being implemented.

(j) COMPLIANCE

The Municipality, and/or their agents, shall comply with the following Federal policies: (a) Conflict of Interest; (b) Equal Employment Opportunity; and (c) Title VI – Civil Rights Act of 1964, as amended.

(k) TRAFFIC CONTROL

It is further agreed that upon completion of the Project, the Department shall be responsible for all traffic operating controls and devices which shall be established, enforced, and installed and maintained in accordance with the North Carolina General Statutes, the latest edition of the Manual on Uniform Traffic Control Devices for Streets and Highways, the latest edition of the "Policy on Street and Driveway Access to North Carolina Highways", and departmental criteria.

(l) STATE MAINTAINED SYSTEM

Upon completion of the Project, the roadway shall be a part of the State Highway System and owned and maintained by the Department.

12. ETHICS PROVISION

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

IT IS UNDERSTOOD AND AGREED that the approval of the Project by the Department is subject to the conditions of this Municipal Agreement, and that no expenditures of funds on the part of the Department will be made until the terms of this Municipal Agreement have been complied with on the part of the Municipality.

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

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

WITNESS

CITY OF KANNAPOLIS

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

MUNICIPAL SEAL

Approved by the City of Kannapolis governing board as attested to by the signature of

Clerk of the City Council, _____
(Date)

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

Municipal Finance Director

FEDERAL IDENTIFICATION NUMBER

City of Kannapolis

MAILING ADDRESS

City of Kannapolis
P.O. Box 1199
Kannapolis, NC 28082-1199

ATTN: Wilmer Melton
Public Works Director
wmelton@kannapolisnc.gov

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

ATTEST

NORTH CAROLINA DEPARTMENT
OF TRANSPORTATION

BY: _____

BY: _____

NAME: Elizabeth Smith

NAME: Julie White

TITLE: Processing Agent

TITLE: Deputy Secretary of Multi-Modal
Transportation

DATE: _____

DATE: _____

SEAL

MAILING ADDRESS

North Carolina Department of Transportation
Rail Division, Engineering Coordination and
Safety Branch
1556 MSC
Raleigh, North Carolina 27699-1556
ATTN: Kumar Trivedi, PE
Engineering Coordinator Manager

APPROVED BY BOARD OF TRANSPORTATION ITEM O: June 1, 2017
(Date)



**City of Kannapolis
City Council Meeting
February 25, 2019
Staff Report**

TO: Mayor and City Council
FROM: Mike Legg, City Manager
TITLE FY 19 Mid-Year Strategic Planning Workshop

A. Action Requested by City Council

No action is required.

B. Required Votes to Pass Required Action

Presentation Only, no action required

C. Background

Staff will facilitate a discussion of the following topics:

1. Recap of the March 2018 City Council Retreat.
2. Presentation, Discussion and Action on the Employee Compensation Study (Susan Manning, Human Resources consultant will present her Study findings and recommendations).
3. Presentation and Discussion of City's current and projected financial condition.
4. Discussion of Staffing Additions in the current year (FY 19) and in FY 20 and FY 21.
5. Review and Changes to the current Downtown Master Plan (Jordan, Jones, DFI, will assist with this discussion). This will be a block by block discussion to confirm or adjust the current plans and priorities. Part of this discussion will be held in closed session - as it involves continuing negotiations with private development partners.

D. Fiscal Considerations

None

E. Policy Issues

None

F. Legal Issues

None

G. Alternative Courses of Action and Recommendation
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No action is required.

ATTACHMENTS:

File Name

No Attachments Available



**City of Kannapolis
City Council Meeting
February 25, 2019
Staff Report**

TO: Mayor and City Council
FROM: Mike Legg, City Manager
TITLE Closed Session

A. Action Requested by City Council

GS. 143-318.11 (a) (3) to consult with an attorney in order to preserve the attorney client privilege and G.S. 143.318.11 (a) (4) for discussing matters relating to the location or expansion of industries or businesses in the area (Mayor Pro tem Haas)

MOTION TO ADJOURN MEETING

B. Required Votes to Pass Required Action

C. Background

D. Fiscal Considerations

E. Policy Issues

F. Legal Issues

G. Alternative Courses of Action and Recommendation

ATTACHMENTS:

File Name

No Attachments Available