

Town of Dallas
Agenda
July 14, 2020
6:00 PM
BOARD OF ALDERMEN
Rick Coleman, Mayor

Allen Huggins

Darlene Morrow

Stacey Thomas

Jerry Cearley, Mayor Pro-Tem

E. Hoyle Withers

<u>ITEM</u>	<u>SUBJECT</u>	<u>Page</u>
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2.	Approval of Agenda with Additions Or Deletions	
3.	Approval of Minutes	
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TOWN OF DALLAS
MINUTES FOR BOARD OF ALDERMEN VIRTUAL MEETING
JUNE 9, 2020
6:00 PM

The following elected officials were present: Mayor Richard Coleman, Mayor Pro-Tem Jerry Cearley, Alderman Allen Huggins, Alderwoman Stacey Walker Thomas, Alderman E. Hoyle Withers Jr., and Alderwoman V. Darlene Morrow.

The following staff members were present: Maria Stroupe, Town Manager; Da'Sha Leach, Town Clerk; Tom Hunn, Town Attorney; Nolan Groce, Development Services Director; Brandon Whitener, Parks and Recreation Assistant and Robert Walls, Police Chief. Virtual attendance: Jonathan Newton, Finance Director; Bill Trudnak, Public Works Director and Earl Withers III, Fire Chief.

Mayor Coleman called the meeting to order at 6:00 pm. He opened with the Invocation and the Pledge of Allegiance to the Flag followed. Mayor Coleman read the meeting rules to the audience. He asked if there were any additions or deletions to amend the agenda. There were two items to be added. Alderman Cearley a motion to approve the agenda with additions: Item 8E Proclamation Supporting Social Equity and Justice, and Item 8F Resolution Supporting Powell Bill and Regular Maintenance Funding for the North Carolina Department of Transportation, seconded by Alderwoman Morrow, and carried unanimously.

Alderwoman Morrow made a motion to approve the minutes from May 12th, 2020 Regular Meeting and May 26th Work Session, seconded by Alderman Cearley, and carried unanimously.

Recognition of Citizens:

No comments made nor items sent it to be submitted to the Board.

Recognition of New Employees:

Mayor Coleman recognized new employee Mr. Nolan Groce (Development Services Director) and Mr. Brandon Whitener (Parks and Recreation Assistant). Both employees came with some great experience and Staff is excited to have them join the Dallas team. Everyone welcomed both new employees.

Consent Agenda: NONE

Public Hearing:

Item 6A was a Public Hearing for FY2020-21 Budget Ordinance. Alderwoman Thomas made a motion to enter into a public hearing, seconded by Alderman Cearley, and carried unanimously. The Board was given a proposed Budget Ordinance for Fiscal Year 2020-2021, including the proposed fee schedules in their agenda packet. An original proposal was submitted to the Board on May 21, 2020 for review at a Budget Work Session held on May 26, 2020. As discussed at the Work Session, this budget proposal is conservative due to uncertainty surrounding COVID-19. Most of the Capital Outlay projects considered for this budget have been put on hold and can be reviewed as the fiscal year progresses. No changes were proposed to the draft budget at the May 26th Work Session. As proposed, the FY 2020-2021 budget for the Town of Dallas would total \$16,385,641 (a decrease of 5.3% from the current FY2019-2020 budget), which is composed of the following fund breakdown: 1)General Fund: \$3,901,326, 2)Water & Sewer Fund: \$3,122,044, 3)Electric Fund: \$9,161,892, and 4)Storm Water Fund: \$ 200,379. This budget is based upon an Ad Valorem (property) tax rate of \$0.40 (which reflects no change). There are also no proposed changes to any rates or fees.

Continued on the next Page

Public Hearing continued.....:

NC G. S. §159-12 requires that the Board hold a public hearing before adopting the budget ordinance so that any persons who wish to be heard on the budget may voice their comments. Since the meeting was held virtually for the public, any public comments could be submitted to Town Hall for 24 hours after this public hearing. The public hearing will be continued until Thursday, June 11th at 12:00 pm to allow time for review of any comments received before conducting a vote on the Budget Ordinance. Alderman Thomas made the motion to recess the meeting until Thursday, June 11th 2020 at 12:00pm, seconded by Alderman Cearley, and carried unanimously. (Exhibit A)

Old Business: NONE

New Business:

Item 8A was an update on Electric True Up Budget Amendment. As part of the contract with Duke Energy, Dallas operates peak shaving generators. Each year, based on a pre-determined formula, there is a true-up component that is also part of the Duke Energy contract. This true-up component can result in the Town of Dallas paying additional funds to Duke Energy, or Duke Energy paying the Town of Dallas a refund of prior payments based on upon criteria in the contract. This year Dallas is projected to receive a refund payment from Duke Energy for approximately \$240,000. There are still minor adjustments that can occur, so this figure is a reasonable estimate. Although this refund will not be received until July, it will be counted as revenue for the 2019/20 fiscal year. A budget amendment reflecting the anticipated revenue and budgeting it to purposes that will return value to the Town of Dallas was given to the Board. There are future needs to upgrade the Warehouse facility and \$79,857 is to be placed in a Capital Reserve Fund for these future needs in order to reduce dependence on debt. The remaining \$160,143 is budgeted for the Economic Development Fund to enable Dallas to continue to invest in economic development activities. In FY2013 this fund was established and a formula approved to contribute monies from the Electric Fund to the Economic Development Fund in a consistent manner. Also attached are the funding calculations for FY2019 and FY2020, which brings the funding current. Alderwoman Thomas made a motion to approve the budget amendment as presented, seconded by Alderman Huggins, and carried unanimously. (Exhibit B)

Item 8B was on Public Facilities Reopening/Recreation Program Discussion. On Friday, May 22nd North Carolina entered Phase 2 of Governor Cooper's Reopening Plan. While loosening restrictions in a few categories, most of the restrictions are still in place, including restricting gatherings to less than 10 individuals inside and 25 individuals outside. Phase 2 is currently in effect until Friday, June 26th. Currently, the Town of Dallas has closed all buildings to the public pending this discussion, refunded fees for reservations of the Civic Building through mid-June and halted any new reservations, and suspended the summer Recreation programs pending this discussion. The purpose of this discussion is to determine a guide to reopening Town facilities and programs. After much discussion, the Board gave consensus to open public facilities Phase 3, potentially Monday, June 29th at 8:00 am if Governor Cooper goes to Phase 3. The Recreation Director Garrett Lowery notified the Board that the only other municipalities in the Gaston County is not having any recreation due to the current pandemic except Town of Stanley. He stated that he does not have enough baseball teams for 11-12 so they were refunded. There were discussions regarding the number of players, refunds, uniform orders, season timeline, and the desire of the participants to have the season to gain clarity before a decision can be made. Some of the Board members stated to not allow recreation at this due to the liability and concerns of a potential outbreak as well as crowd control. After much discussion, the Board decided to discuss this again on Thursday. Alderman Withers made a motion to continue to discuss this item on Thursday, June 11th 2020, seconded by Alderman Cearley, and carried unanimously. Town Manager Stroupe discussed the July 4th concert with the Board. They want to make sure the band is still coming and made note of the possibility to need more room for traffic by blocking off Main St. up to Gaston St.

Item 8C was an update on Sewer Interconnect with City of Gastonia. Below is the schedule for bidding the project with adaptations for COVID-19: 1) Bid Documents Sent Out by May 13th- COMPLETED, 2) Pre-Bid Meeting – May 28th (Held Outside at Dallas' Public Works Facility- COMPLETED), 3) Bid Opening – June 18th (Held Outside at Rotary Pavilion in Gastonia), 4) Bid Awarded in July (after confirming bid data). This item was for informational purposes and no formal action was required.

Item 8D was on Kintegra Health Mobile Testing. Kintegra Health reached out concerning the possibility of conducting a mobile testing event for COVID-19 in Dallas. This would be a drive-up event with patients remaining in their vehicles. Information from Mr. Mark Skillestad concerning the event, along with a flyer used for an event in Lincoln on Friday, June 5th was given to the Board in their agenda packets. Kintegra will ask for insurance cards from patients with insurance and bill the insurance company. Uninsured patients will be tested at no cost. There will be no out of pocket costs for any patient, whether insured or uninsured. Alderman Cearley made a motion to approve the testing event and task Town Staff to coordinate the best date for the event with the testing organization, seconded by Alderwoman Thomas, and carried unanimously. (Exhibit D)

Item 8E was a Proclamation Supporting Social Equity and Justice. The Town of Dallas is in full support of social equity and justice. The Town of Dallas and the Law Enforcement are committed to supporting the rights of those whom chose to participate in peaceful protests and honor the memory of Mr. George Floyd, whom lost his life at the hands of a Minneapolis Police Officer. There was discussion and Board consensus to add "End Racism Now" to the Electronic Sign for a display of unity as well as a in front of the Town of Dallas Parks (Jaggers and Cloninger) in a temporary paint. Several other cities like Charlotte, Greensboro, and Raleigh has installed something similar for End Racism Now displays. The pricing for the street displays will be in the be discussed and locations on Thursday, June 11th 2020. Staff was directed to post on the electronic sign. Alderman Thomas made a motion to approve the proclamation, seconded by Alderman Cearley, and carried unanimously. (Exhibit E)

Item 8F was a Resolution Supporting Powell Bill and Regular Maintenance Funding for the North Carolina Department of Transportation (NCDOT). NCDOT has suspended work on most transportation projects in response and is considering reductions in Powell Bill funding and in the basic maintenance of its system such as resurfacing and mowing of rights-of-way, which will result in the decreased safety of travelers and in unsightly conditions of state thoroughfares in Dallas and other municipalities across North Carolina. Any reduction of maintenance responsibility of NCDOT could force municipalities to spend their limited resources on mowing of state roads. Alderwoman Thomas made a motion to approve the Resolution Supporting Powell Bill and Regular Maintenance Funding for the North Carolina Department of Transportation, seconded by Alderman Cearley, and carried unanimously. (Exhibit F)

Manager's Report and General Notices:

- The door at Town Hall was replaced.
- There will not be any late fees (\$19,800 revenue fees lost) and disconnections (\$18,500 revenue fees lost) in June. The July numbers will be double.
- The Planning Board will meet in July.

Alderman Huggins made a motion to recess meeting until Thursday, June 11th at 12:00, seconded by Alderwoman Morrow, and carried unanimously. (7:20)

Rick Coleman, Mayor

Da'Sha Leach, Town Clerk

TOWN OF DALLAS
MINUTES FOR BOARD OF ALDERMEN VIRTUAL MEETING
JUNE 11, 2020 (Recessed from JUNE 9, 2020)
12:00 PM

The following elected officials were present: Mayor Richard Coleman, Mayor Pro-Tem Jerry Cearley, Alderman Allen Huggins, Alderwoman Stacey Walker Thomas, Alderman E. Hoyle Withers Jr., and Alderwoman V. Darlene Morrow.

The following staff members were present: Maria Stroupe, Town Manager; Da'Sha Leach, Town Clerk; Tom Hunn, Town Attorney and Robert Walls, Police Chief. Virtual attendance: Jonathan Newton, Finance Director; Bill Trudnak, Public Works Director; Nolan Groce, Development Services Director and Earl Withers III, Fire Chief.

Mayor Coleman called the meeting to order at 12:00 pm, reconvening the meeting from June 9, 2020.

Public Hearing:

Item 6A was a Public Hearing for FY2020-21 Budget Ordinance. This public hearing was recessed on June 9, 2020 Regular Board Meeting to allow up to 24 hours for public comments regarding the FY2020-21 Budget Ordinance. There were not any comments submitted for the public hearing. Alderman Withers made a motion to exit the public hearing, seconded by Alderwoman Morrow, and carried unanimously. Alderman Huggins made a motion to adopt the FY2020-21 Budget Ordinance and Fee Schedule as proposed, seconded by Alderwoman Thomas, and carried unanimously. (Exhibit A)

New Business:

Item 8B was on Public Facilities Reopening/Recreation Program Discussion. This item was recessed from June 9, 2020 Regular Board Meeting. Mayor Coleman stated that he was against the Baseball Season due to the pandemic situation. Some of the Board Members want the parents to decide. Alderwoman Thomas made a motion to cancel the Baseball Season. Yays-Alderwoman Thomas and Alderman Huggins. Nays-Alderwoman Morrow, Alderman Cearley, and Alderman Withers. After much discussion regarding allowing the Baseball Season for recreation. Alderman Cearley made a motion to contact the parents (40) to delegate the authority to the Recreation Director to make the decision to have or cancel the Baseball Season based on the response from the parents, seconded by Alderman Morrow. Yays-Alderman Withers, Alderwoman Morrow, and Alderman Cearley. Nays-Alderwoman Thomas and Alderman Huggins. Refunds will be given to anyone who chooses not to play.

Additional Items:

- Concert on July 4th update. Mr. Walker Reid said his band could be flexible on re-scheduling but he did have concerns about the band playing in the heat. The Board consensus was to re-schedule for a Thursday, Friday or Saturday in the fall.
- There will not be any fireworks on July 4th but to stay in compliance for license, the Town is required to have 1 display. A small fireworks display will be held on December 31st at 11:58 pm.
- Price Quote for End Racism Now. The temporary paint cost will come out of the Street Department budget and the total cost of \$4550 would cover two locations if two is desired. At the previous discussion on June 9, 2020 Regular Board Meeting, the Board discussed having the display painted in the street in front of two Dallas park locations: Jagers and Cloninger. Alderwoman Morrow made a motion to approve, seconded by Alderwoman Thomas, and carried unanimously. (Exhibit B)

Alderman Cearley made a motion to adjourn, seconded by Alderwoman Morrow, and carried unanimously. **(12:30)**

Rick Coleman, Mayor

Da'Sha Leach, Town Clerk

**TOWN OF DALLAS
MINUTES FOR BOARD OF ALDERMEN VIRTUAL MEETING
JUNE 23, 2020
5:00 PM**

The following elected officials were present: Mayor Richard Coleman, Mayor Pro-Tem Jerry Cearley, Alderman Allen Huggins, Alderwoman Stacey Walker Thomas, Alderman E. Hoyle Withers Jr., and Alderwoman V. Darlene Morrow.

The following staff members were present: Maria Stroupe, Town Manager; Da'Sha Leach, Town Clerk; Tom Hunn, Town Attorney; David Lingafelt, Code Enforcement Officer; Nolan Groce, Development Services Director and Robert Walls, Police Chief. Virtual attendance: Jonathan Newton, Finance Director; Earl Withers III, Fire Chief; Doug Huffman, Electrical Director and Bill Trudnak, Public Works Director.

Mayor Coleman called the meeting to order at 5:00 pm. He opened with the Pledge of Allegiance to the Flag. He asked if there were any additions or deletions to amend the agenda. Alderman Cearley made a motion to approve the agenda with an addition Item 3E-Business Assistance, seconded by Alderwoman Morrow, and carried unanimously.

New Business:

Item 3A was a discussion on the Request for Town Support for Building Reuse Grant by Mr. Jim Bailey. Mr. Bailey asked for the Town's support and collaboration applying for the NC Department of Commerce's Rural Building Reuse Grant. The grant would assist in the rehabilitation of 130 W. Trade St. The Board discussed the parameters to gain clarity of what the Town would be committing to and questioned Mr. Bailey about the amount of jobs as well as what he would be asking for in the grant. Mr. Bailey gave some details of his projections but stated additional information could be gained on the pre-application call. Planning Board member Ms. Tiffany Faro (formerly Development Service Director) gave some feedback on the process since she was working with Mr. Bailey about the possibilities with obtaining the grant. She stated that the Town would be agreeing to 5% of his awarded amount and doing that would align with making sure Mr. Bailey kept the commitment made in his purchase agreement for 130 W. Trade St. to bring jobs to Dallas. The Board expressed some concerns about the Town being liable since the grant is structured for the Town to be responsible if Mr. Bailey does not meet his obligations. Mr. Bailey stated he would sign a promissory note to be legally obligated to the Town of Dallas if he defaulted on his obligations. The grant range is \$75,000 to \$300,000. Mr. Bailey stated he would not entertain the higher end of the range of the grant; he would ask for his full-time employee's salary coverage up to six months. Mayor Coleman made note that Mr. Bailey previously stated that he did not want any assistance from the town with this project and he expressed concerns of the climate for restaurants due to the shift for restaurants since the pandemic took place. The Town Attorney discussed options to secure a promissory note from Mr. Bailey if he defaults on the grant. The pre-application conference call does not obligate the Town to anything, and it will help clarify more details for a final decision for the Board to vote on. The Board gave consensus for the pre-application conference call. (Exhibit A)

Item 3B was a Code Enforcement Report. The Code Enforcement Officer Mr. Lingafelt gave the Board updates on the code enforcement complaints including closed cases, progress on open cases and new cases waiting on investigation.

Item 3C was a Development Update. The Development Services Director Mr. Groce gave the Board updates on pending and potential developments in Dallas. He explained some of the projected timelines for items that will be discussed at future meetings.

Item 3D was a Sewer Interconnect Project Update. The pre-bid meeting will be held in the Fire Department Parking Lot. All the items were published, and no delays are expected.

Item 3E was a discussion on Business Assistance. This discussion was regarding damage to a business owner Mr. John Beaty's paved parking area located on the corner of N. Oakland Street and W. Trade St. Staff, the Town Attorney, and the Board discussed who is liable as well as the possibilities for the Town to assist in this issue. The Town Attorney informed the Board that the Town has no liability in this matter, as the street in question is a NC DOT street. The Board asked that this item be brought back to the July Board Meeting as an agenda item for action.

Alderman Cearley made a motion to adjourn, seconded by Alderman Huggins, and carried unanimously. **(6:45)**

Rick Coleman, Mayor

Da'Sha Leach, Town Clerk

TOWN OF DALLAS, NORTH CAROLINA

REQUEST FOR BOARD ACTION

DESCRIPTION: Resolution to Adopt the Cleveland Gaston Lincoln Regional Hazard Mitigation Plan

AGENDA ITEM NO. 5A

MEETING DATE: 07/14/2020

BACKGROUND INFORMATION:

The Cleveland Gaston Lincoln Hazard Mitigation Plan is a long-term strategy to reduce the area's vulnerability to natural disasters. This plan identifies hazards and potential hazards in our region and creates a framework to help community officials make decisions that may ultimately protect lives and property.

History shows that the physical, financial and emotional losses caused by disasters can be reduced significantly through hazard mitigation planning. The planning process encourages communities to integrate mitigation with day-to-day decision making regarding land-use planning, floodplain management, site design, and other activities.

The Federal Emergency Management Agency (FEMA) reviews and approves local hazard mitigation plans, which are required as a condition for states and communities to receive certain types of disaster assistance, including funding for mitigation projects. Local mitigation plans must be approved at least once every five years.

FEMA has approved the 2020 update of the Cleveland Gaston Lincoln Regional Hazard Mitigation Plan. The next step in the process is for all of the participating jurisdictions to officially adopt the plan by resolution. In order for Dallas to remain eligible for certain types of FEMA Hazard Mitigation Funding, the Board must adopt the attached resolution.

A copy of the entire plan is available in the Town Manager's office.

MANAGER RECOMMENDATION: To approve the attached Cleveland Gaston Lincoln Regional Hazard Mitigation Plan.

BOARD ACTION TAKEN:

Resolution to Adopt the Cleveland Gaston Lincoln Regional Hazard Mitigation Plan

WHEREAS, the Town of Dallas is vulnerable to an array of natural hazards that can cause loss of life and damages to public and private property; and

WHEREAS, the Town of Dallas desires to seek ways to mitigate situations that may aggravate such circumstances; and

WHEREAS, the development and implementation of a hazard mitigation plan can result in actions that reduce the long-term risk to life and property from natural hazards; and

WHEREAS, it is the intent of the Town of Dallas Board of Aldermen to protect its citizens and property from the effects of natural hazards by preparing and maintaining a local hazard mitigation plan; and

WHEREAS, it is also the intent of the Town of Dallas Board of Aldermen to fulfill its obligation under North Carolina General Statutes, Chapter 166A: North Carolina Emergency Management Act and Section 322: Mitigation Planning, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act to remain eligible to receive state and federal assistance in the event of a declared disaster affecting the Town of Dallas; and

WHEREAS, the Town of Dallas, in coordination with Cleveland, Gaston, and Lincoln Counties and the participating municipalities within those Counties has prepared a multi-jurisdictional hazard mitigation plan with input from the appropriate local and state officials; and

WHEREAS, the North Carolina Division of Emergency Management and the Federal Emergency Management Agency have reviewed the Cleveland Gaston Lincoln Regional Hazard Mitigation Plan for legislative compliance and have approved the plan pending the completion of local adoption procedures;

NOW, THEREFORE, BE IT PROCLAIMED, that the Town of Dallas Board of Aldermen hereby:

1. Adopts the Cleveland Gaston Lincoln Regional Hazard Mitigation Plan; and
2. Agrees to take such other official action as may be reasonably necessary to carry out the proposed actions of the Plan.

Adopted this the 14th day of July, 2020.

Rick Coleman, Mayor

Attested by:

Da'Sha Leach, Town Clerk

TOWN OF DALLAS, NORTH CAROLINA

REQUEST FOR BOARD ACTION

DESCRIPTION: Reimbursement for Repairs to Road Apron – Beaty’s Service Center

AGENDA ITEM NO. 8A

MEETING DATE: 07/14/2020

BACKGROUND INFORMATION:

Mr. John Beaty, Jr. has made improvements to the road apron at the edge of his property at 302 W. Trade St. While this road is the responsibility of NC DOT to maintain, they would not participate in the improvements with him. Inquiries were made as to whether the Town could partner with Mr. Beaty on the repairs. Based upon research by the Town Attorney and Manager, the Town has no responsibility as the road is not a Town-owned thoroughfare. Attached is a letter previously sent to Mr. Beaty concerning this repair.

At the Work Session on June 23rd, the Board requested that this item be brought to the July meeting for possible action. It is generally felt that the Town should participate in the repairs, since NC DOT has cut back on repairs and projects for financial reasons and Mr. Beaty’s business is located on the main thoroughfare through town.

MANAGER RECOMMENDATION: Based upon the interest to share in the responsibility of the project, the recommendation would be to equally share the cost.

BOARD ACTION TAKEN:



Mayor

Rick Coleman

Aldermen

Jerry Cearley
Allen Huggins
Darlene Morrow
Stacey Thomas
Hoyle Withers

Town Manager

Maria Stroupe

Town Clerk/HR

Da'Sha Leach

Finance

Jonathan Newton

Town Attorney

J. Thomas Hunn

Police

Robert Walls

Electrical

J. Doug Huffman

Public Works

Bill Trudnak

Development Svc

Nolan Groce

Fire Chief

Earl Withers

Recreation

Garrett Lowery

Town of Dallas
210 N. Holland St.
Dallas, NC 28034

Phone:

704-922-3176

Fax:

704-922-4701

Web Page:

www.dallasnc.net



June 18, 2020

Mr. John Beaty II
Beaty's Service Center
216 W. Trade St.
Dallas, NC 28034

Dear Mr. Beaty;

As per our conversation concerning the Town of Dallas' ability to contribute to the work you had completed at the edge of your property and W. Trade St. (Highway 279), I have consulted with our Town Attorney. As we discussed, W. Trade St. is not a Town-owned street, but is the responsibility of North Carolina Department of Transportation (NCDOT). Therefore, since that is not a Town-owned street, and based upon research done by our Town Attorney, the Town of Dallas cannot contribute to the improvement made at the edge of your property.

Dallas does have a Façade Grant program that can help business owners with the cost of certain improvements to the front and sides of their business that are visible to the public. I would be glad to send you a copy of the program and would encourage you to utilize the program if you make improvements to your business' building.

If you have any questions, or need further information, please let me know.

Warmest Regards,

Maria Stroupe
Town Manager

Cc: J. Thomas Hunn, Town Attorney

NC DOT Recent Actions

(Due to Financial Constraints)

Immediately Suspend

- Wildflower Program
- Litter Sweep
- Engineering Training Program
- HBCU and Summer Internship Program
- Economic Development Grants and Projects
- Passenger Ferry from Hatteras to Ocracoke
- State Park Road Maintenance
- Reimbursements to Schools for Road Improvements

Significantly Reduce

- Mowing Along Roadways and Rest Areas
- Storm Repairs
- Sign Repairs
- Patching Pavement
- Municipal Support for Traffic Signals/Signs/Landscaping
- Traffic Signal Installation
- Spot Safety Projects
- Incident Management Assistant Program (IMAP)
- Ferry and Rail Operations

TOWN OF DALLAS, NORTH CAROLINA

REQUEST FOR BOARD ACTION

DESCRIPTION: Wilson Family Rentals Annexation Request

AGENDA ITEM NO. 8B

MEETING DATE: 07/14/2020

BACKGROUND INFORMATION:

Wilson Family Rentals, LLC, owner of PID #169183 (no address assigned), is petitioning for annexation into the Town of Dallas. The requested zoning is R-8 "Multi Family Residential" for the development of an apartment community. This parcel is considered non-contiguous.

Pursuant to the motion passed by the Board of Alderman on November 12, 2019, and G.S. §160A-58.2, a sufficiency investigation was performed and the petition was deemed sufficient. The 2003 Future Land Use Plan highlights this specific parcel for new residential development.

The Planning Board unanimously approved a motion to recommend the property be annexed in as R-8 during their October 2019 meeting.

To move forward, the Board must fix a date for a public hearing on the annexation. At the hearing, any person residing in or owning property in the proposed area for annexation and any resident of the annexing town may appear and be heard on the question of sufficiency of the petition and the desirability of the annexation.

MANAGER RECOMMENDATION: Set a public hearing for August 11, 2020.

BOARD ACTION TAKEN:

TOWN OF DALLAS, NORTH CAROLINA

PETITION FOR ANNEXATION

PETITION NUMBER: _____

Contiguous

Non-Contiguous

DATE: _____

FEE: \$100.00 *

* Petitioner understands there will be additional costs associated with this petition such as advertising, postage, etc. and agrees to pay these fees upon receipt of invoice(s).

Current Property Use: vacant land Planned Property Use: Multi Family
Requested Zoning: Multi Family

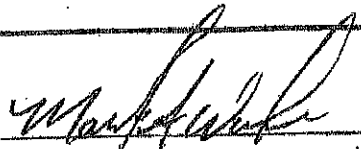
To the Board of Aldermen of the Town of Dallas:

We, the undersigned owners of real property, respectfully request that the area described as None assign, DALLAS, NC 28034, further identified as parcel ID # 169183, be annexed to the Town of Dallas.

Name of petitioner/property owner: WF Rentals LLC
Mailing Address of property owner: PO Box 1422
Email Address: wilsonfamilybuilders@gmail.com Phone Number: 704-747-5031

Attachments included with Petition:

1. Legal description (as noted in property deed)
2. Letter outlining reasons for annexation request
3. \$100 Fee

Applicant Signature:  Date: 10/23/19

Received By: _____ Date: _____

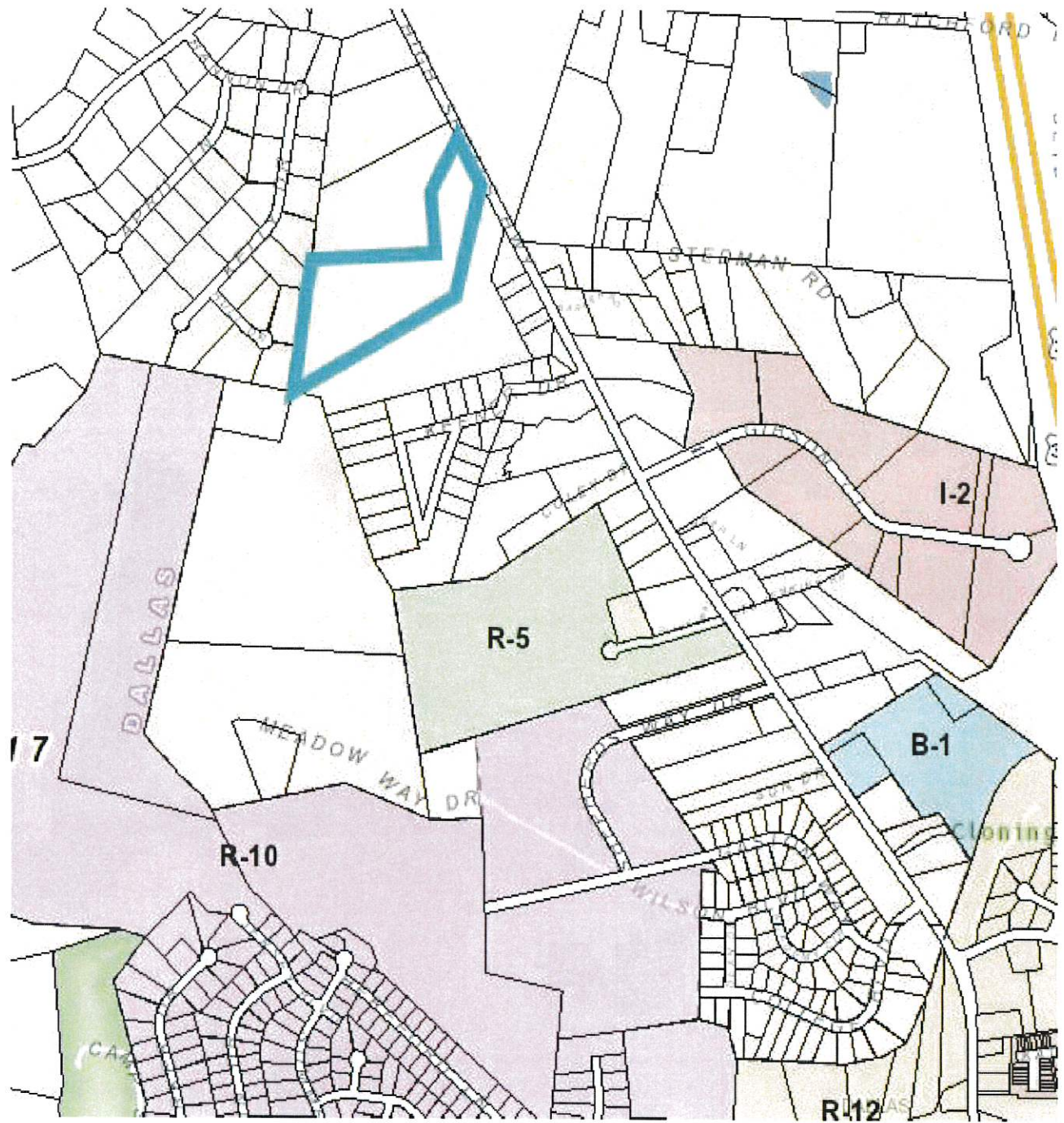


EXHIBIT "A"

BEGINNING at a point in the paved portion of old U.S. Highway No. 321, said point being located at the northernmost corner of that certain tract of land which was conveyed to Henry F. Rhyne and wife, Gertrude F. Rhyne, by E. Fritz Blankenship and wife, Evelyn Blankenship, by deed dated November, 1942 and recorded in the Office of the Register of Deeds for Gaston County in Deed Book 434 at Page 560 and runs thence South 28 degrees 17 minutes 28 seconds East 291.13 feet to a railroad spike located in the paved portion of old U.S. Highway No. 321; thence with a new line, South 13 degrees 01 minutes 33 seconds West 666.72 feet to an iron pin set; thence with another new line, South 60 degrees 37 minutes 23 seconds West 1,101.88 feet to an iron pin set; thence with the easterly boundary line of Lots Nos. 26, 13, 10, and 9 in Block "A" of Thornbird Meadows as shown on Map No. 2 thereof recorded in the above-mentioned registry in Plat Book 40 at Page 41, North 07 degrees 47 minutes 15 seconds East 727.38 feet to an existing iron pin located in the easterly boundary line of Lot No. 9 in Block "A" of said Thornbird Acres; thence with the southerly boundary line of the property of James E. Lindsay, Jr. and wife, Wadeliza C. Lindsay, as described in deed recorded in the above-mentioned registry in Deed Book 1022 at Page 443, North 86 degrees 00 minutes 22 seconds East 736.42 feet to an existing iron pin at a stone; thence with Lindsay's easterly boundary line, North 05 degrees 33 minutes 02 seconds West 338.02 feet to an existing iron pin; thence continuing with Lindsay's easterly boundary line, North 27 degrees 26 minutes 00 seconds East 371 feet to the point of beginning and containing 13.1183 acres.

The above description by courses and distances is taken from a plat entitled "Survey Made at the Request of Gertrude F. Rhyne Est." made by John W. Lineberger, Registered Surveyor, dated July 30, 1986, on which subject property is identified as Tract No. 1. A copy of said plat may be found of record in Book 1831 at Page 534, Gaston County Registry.

This conveyance is made subject to the rights-of-way of old U.S. Highway No. 321 and an overheard telephone line as shown on the abovementioned plat.

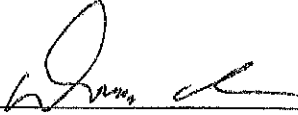
BEING the identical property conveyed to Bobby H. Rhyne and wife, Frances S. Rhyne by that Deed dated January 20, 1987 and duly recorded in Book 1831 at Page 534 of the Gaston County Registry.

CERTIFICATE OF SUFFICIENCY

for Wilson Family Rentals, LLC satellite annexation, PID#169183, Dallas, NC

Pursuant to the motion passed by the Board of Aldermen on November 12, 2019, and GS 160A-58.2, I have investigated the petition for noncontiguous ("satellite") annexation from Wilson Family Rentals LLC, and I have determined that the petition is sufficient and technically meets the requirements of GS 160A-58.1.

In accordance GS160A-58.2, upon my certification, the Board of Aldermen shall fix a date for public on the question of the requested annexation.



Da'Sha Leach, Town Clerk

5/06/2020

Date





LIMITED LIABILITY COMPANY ANNUAL REPORT

NAME OF LIMITED LIABILITY COMPANY: WILSON FAMILY RENTALS, LLC

SECRETARY OF STATE ID NUMBER: 1461898 STATE OF FORMATION: NC

REPORT FOR THE CALENDAR YEAR: 2018

Filing Office Use Only
E - Filed Annual Report
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 Changes

SECTION A: REGISTERED AGENT'S INFORMATION

1. NAME OF REGISTERED AGENT: Wilson, Mark A

2. SIGNATURE OF THE NEW REGISTERED AGENT: _____

SIGNATURE CONSTITUTES CONSENT TO THE APPOINTMENT

3. REGISTERED OFFICE STREET ADDRESS & COUNTY

151 Snyder Place

Gastonia, NC 28052 Gaston County

4. REGISTERED OFFICE MAILING ADDRESS

151 Snyder Place

Gastonia, NC 28052

SECTION B: PRINCIPAL OFFICE INFORMATION

1. DESCRIPTION OF NATURE OF BUSINESS: Home/Apartment/Storage Units

2. PRINCIPAL OFFICE PHONE NUMBER: (704) 747-5031

3. PRINCIPAL OFFICE EMAIL: Privacy Redaction

4. PRINCIPAL OFFICE STREET ADDRESS & COUNTY

151 Snyder Place

Gastonia, NC 28052 Gaston County

5. PRINCIPAL OFFICE MAILING ADDRESS

P O Box 1422

Gastonia, NC 28053

6. Select one of the following if applicable. (Optional see instructions)

The company is a veteran-owned small business

The company is a service-disabled veteran-owned small business

SECTION C: COMPANY OFFICIALS (Enter additional company officials in Section E.)

NAME: Mark A Wilson

NAME: _____

NAME: _____

TITLE: President

TITLE: _____

TITLE: _____

ADDRESS: _____

ADDRESS: _____

ADDRESS: _____

P O Box 1422

Gastonia, NC 28053

SECTION D: CERTIFICATION OF ANNUAL REPORT. Section D must be completed in its entirety by a person/business entity.

Mark A Wilson

4/15/2018

SIGNATURE

DATE

Form must be signed by a Company Official listed under Section C of This form.

Mark A Wilson

President

Print or Type Name of Company Official

Print or Type Title of Company Official

This Annual Report has been filed electronically.

MAIL TO: Secretary of State, Business Registration Division, Post Office Box 29525, Raleigh, NC 27626-0525

State of North Carolina
Department of the Secretary of State

C2015 215 00560

Limited Liability Company
ARTICLES OF ORGANIZATION

Pursuant to §57D-2-20 of the General Statutes of North Carolina, the undersigned does hereby submit these Articles of Organization for the purpose of forming a limited liability company.

1. The name of the limited liability company is: WILSON FAMILY RENTALS, LLC
(See Item 1 of the Instructions for appropriate entity designation)
2. The name and address of each person executing these articles of organization is as follows: (State whether each person is executing these articles of organization in the capacity of a member, organizer or both. **Note: This document must be signed by all persons listed.**)
Richard D. Laws ORGANIZER
401 E. Franklin Blvd.
Gastonia, NC 28054
3. The name of the initial registered agent is: Mark A. Wilson
4. The street address and county of the initial registered agent office of the limited liability company is:
Number and Street 151 Snyder Place
City Gastonia State: NC Zip Code: 28052 County: Gaston
5. The mailing address, if different from the street address, of the initial registered agent office is:
Number and Street P. O. Box 1422
City Gastonia State: NC Zip Code: 28053 County: Gaston
6. Principal office information: (Select either a or b.)
a. The limited liability company has a principal office.
The principal office telephone number: _____
The street address and county of the principal office of the limited liability company is:
Number and Street _____
City _____ State: _____ Zip Code: _____ County: _____

The mailing address, if different from the street address, of the principal office of the company is:

Number and Street _____

City _____ State: _____ Zip Code: _____ County: _____

b. The limited liability company does not have a principal office.

7. Any other provisions which the limited liability company elects to include (e.g., the purpose of the entity) are attached.

8. (Optional): Please provide a business e-mail address: RLaws@shpw.com
The Secretary of State's Office will e-mail the business automatically at the address provided above at no cost when a document is filed. The e-mail provided will not be viewable on the website. For more information on why this service is offered, please see the instructions for this document.



9. These articles will be effective upon filing, unless a future date is specified:

This is the 28th day of July, 2015.

Signature

Richard D. Laws, Organizer
Type or Print Name and Title

The below space to be used if more than one organizer or member is listed in Item #2 above.

Signature

Type and Print Name and Title

Signature

Type and Print Name and Title

Signature

Type and Print Name and Title

Signature

Type and Print Name and Title

NOTES:

1. Filing fee is \$125. This document must be filed with the Secretary of State.

OPERATING AGREEMENT
OF
WILSON FAMILY RENTALS, LLC
LIMITED LIABILITY COMPANY

This Operating Agreement (“Agreement”) of WILSON FAMILY RENTALS, LLC (the “Company”) effective as of this _____ day of August, 2015, by, between and among the undersigned confirms our understanding as to the matters contained herein.

The parties hereto agree as follows:

ARTICLE I

Definitions

SECTION 1.1. As used herein, the following terms and phrases shall have the meanings indicated:

- A. “Act” shall mean the Limited Liability Company Act of the State of organization, as amended.
- B. “Capital Account” shall mean, with respect to each Member, the account established for each Member pursuant to Section 6.5, which will initially equal the Capital Contributions of such Member and will be (a) increased by the amount of Net Profits allocated to such Member and (b) reduced by the amount of Net Losses allocated to such Member and the amount of Cash Flow distributed to such Member. Members’ Capital Accounts shall be determined and maintained in accordance with the rules of paragraph (b)(2)(iv) of Regulation Section 1.704-1 of the Code.
- C. “Capital Contributions” shall mean the fair market value of the amounts contributed by the Members pursuant to Section 6.1.
- D. “Cash Flow” shall have the meaning provided in Section 7.1.
- E. “Code” shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent revenue laws.
- F. “Operating Managers” shall mean the Member or Members selected by the Members in accordance with this Agreement to serve as Operating Manager or Operating Managers of the Company.
- G. “Members” shall mean the persons designated as such in Schedule A of this Agreement, any successor(s) to their interests as such in the Company; and any other person who

pursuant to this Agreement shall become a Member, and any reference to a "Member" shall be to any one of the then Members.

H. "Net Profits" and "Net Losses" shall mean the net profit or net loss, respectively, of the Company determined in accordance with Section 8.1.

I. The words "Membership Interest" shall mean a Member's interest in the Company which shall be in the proportion that the Member's share of the profits and losses of the Company bears to the aggregate shares of all the Members. A Membership Interest may be evidenced by a certificate issued by the Company. A Membership Interest may be expressed on a certificate as "Units" where a Member's Units bears the same relationship to the aggregate Units of all Members that the Member's Membership Interest bears to the aggregate Membership Interests of all Members. A Member's Interest may be a certificated security or an uncertificated security within the meaning of section 8-102 of the Uniform Commercial Code if the requirements of section 8-103(c) are met, and if the requirements are not met such interest shall, for purposes of the Uniform Commercial Code, be deemed to be a general intangible asset.

J. "Company" shall mean this Limited Liability Company.

K. "Person" shall mean any natural person, corporation, partnership, joint venture, association, limited liability company or other business or legal entity.

ARTICLE II

Organization of the Company

SECTION 2.1. The purpose of the Company is to conduct any lawful business for which limited liability companies may be organized and to do all things necessary or useful in connection with the foregoing.

SECTION 2.2. The Company name shall be "WILSON FAMILY RENTALS, LLC".

SECTION 2.3. The Members shall be Members in the Company and shall continue to do business under the name of the Company until the Operating Managers shall change the name or the Company shall terminate.

SECTION 2.4. The principal address of the Company shall be such place or places as the Operating Managers may determine. The Operating Managers will give notice to the Members promptly after any change in the location of the principal office of the Company.

SECTION 2.5. The Company shall terminate on the date provided in the Certificate of Formation/Articles of Organization, except that the Company may terminate prior to such date as provided in this Agreement.

ARTICLE III

Status of Members

SECTION 3.1. No Member will be bound by, or be personally liable for the expenses, liabilities or obligations of the Company.

SECTION 3.2. No Member will be entitled to withdraw any part of his Capital Account or to receive any distributions from the Company except as expressly provided in this Agreement.

SECTION 3.3. No Member will have the right to require partition of the Company property or to compel any sale or appraisal of the Company's assets or any sale of a deceased Member's interest in the Company's assets, notwithstanding any provision of law to the contrary.

ARTICLE IV

Meeting of Members

SECTION 4.1. An annual meeting of Members shall be held within five (5) months after the close of the fiscal year of the Company on such date and at the time and place (either within or without the state of its organization) as shall be fixed by the Members. At the annual meeting, the Members shall elect the Operating Managers and transact such other business as may properly be brought before the meeting.

SECTION 4.2. A special meeting of Members may be called at any time by the Operating Managers and shall be called by the Operating Managers at the request in writing of that Membership interest specified in Schedule C of the Members entitled to vote at such meeting. Any such request shall state the purpose or purposes of the proposed meeting. Business transacted at any special meeting of Members shall be confined to the purposes set forth in the notice thereof.

SECTION 4.3. Written notice of the time, place and purpose of every meeting of Members (and, if other than an annual meeting, the person or persons at whose direction the meeting is being called), shall be given by the Operating Managers to each Member of record entitled to vote at such meeting, not less than ten nor more than sixty days prior to the date set for the meeting. Notice shall be given either personally or by mailing said notice by first class mail to each Member at his address appearing on the record book of the Company or at such other address supplied by him in writing to the Operating Managers of the Company for the purpose of receiving notice.

A written waiver of notice setting forth the purposes of the meeting for which notice is waived, signed by the person or persons entitled to such notice, whether before or after the time of the meeting stated therein, shall be deemed equivalent to the giving of such notice. The attendance by a Member at a meeting either in person or by proxy without protesting the lack of notice thereof shall constitute a waiver of notice of such Member.

All notices given with respect to an original meeting shall extend to any and all adjournments thereof and such business as might have been transacted at the original meeting may be transacted at any adjournment thereof; no notice of any adjourned meeting need be given if an announcement of the time and place of the adjourned meeting is made at the original meeting.

SECTION 4.4. The holders of a majority in interest of the Members present in person or represented by proxy, shall be requisite and shall constitute a quorum at all meetings of members except as otherwise provided by statute or the Certificate of Formation/Articles of Organization. If, however, a quorum shall not be present or represented at any meeting of Members, the Members entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. When a quorum is once present to organize a meeting, such quorum is not deemed broken by the subsequent withdrawal of any Members.

SECTION 4.5. Every Member entitled to vote at any meeting shall be entitled to vote in accordance with his membership interest in the Company held by him of record on the date fixed as the record date for said meeting and may so vote in person or by proxy. Any Company action shall be authorized by a majority in interest of the votes cast by the Members entitled to vote thereon except as may otherwise be provided by statute, the Certificate of Formation/Articles of Organization or this Operating Agreement.

SECTION 4.6. Every proxy must be signed by the Member entitled to vote or by his duly authorized attorney-in-fact and shall be valid only if filed with the Operating Managers of the Company prior to the commencement of voting on the matter in regard to which said proxy is to be voted. No proxy shall be valid after the expiration of eleven months from the date of its execution unless otherwise expressly provided in the proxy. Every proxy shall be revocable at the pleasure of the person executing it except as otherwise provided by statute. Unless the proxy by its terms provides for a specific revocation date and except as otherwise provided by statute, revocation of a proxy shall not be effective unless and until such revocation is executed in writing by the Member who executed such proxy and the revocation is filed with the Operating Managers of the Company prior to the voting of the proxy.

SECTION 4.7. All meetings of Members shall be presided over by the Operating Managers, or if not present, by a Member thereby chosen by the Members at the meeting. The Operating Managers or the person presiding at the meeting shall appoint any person present to act as secretary of the meeting.

SECTION 4.8. For the purpose of determining the Members entitled to notice of, or to vote at any meeting of Members or any adjournment thereof or to express consent or dissent from any proposal without a meeting, or for the purpose of determining the Members entitled to receive payment of any distribution of Cash Flow or the allotment of any rights, or for the purpose of any other action, the Members may fix, in advance, a date as the record date for any

such determination of Members. Such date shall not be more than fifty nor less than ten days before the date of any meeting nor more than fifty days prior to any action taken without a meeting, the payment of any distribution of Cash Flow or the allotment of any rights, or any other action. When a determination of Members of record entitled to notice of, or to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof, unless the Members fix a new record date under this Section for the adjourned date.

SECTION 4.9. The Company shall be entitled to treat the holder of record of any Membership Interest as the holder in fact thereof and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such Membership Interest on the part of any other person whether or not it shall have express or other notice thereof, except as otherwise provided by the Act.

ARTICLE V

Management

SECTION 5.1. Management of the Company shall be vested in all of the Members who shall also serve as Operating Managers of the Company. The Operating Managers shall vote in proportion to their Membership Interests in the Company. Except as otherwise provided in this Agreement, all decisions of the Operating Managers shall be by a majority in interest of the Members. All Operating Managers must be Members of the Company. No Member will take part in or interfere in any manner with the conduct or control of the business of the Company or have any right or authority to act for or bind the Company except as provided in this Agreement.

SECTION 5.2. The Operating Managers shall hold office for the term for which elected and until a successor has been elected and qualified. A vacancy in the office of Operating Manager arising from any cause may be filled for the unexpired portion of the term by the Members.

SECTION 5.3. Any Operating Manager may resign at any time by giving written notice to the Members. Any such resignation shall take effect at the time specified therein or, if the time is not specified therein, upon the receipt thereof, irrespective of whether any such resignations shall have been accepted.

SECTION 5.4. The Company shall be managed by the Operating Managers and the conduct of the Company's business shall be controlled and conducted solely and exclusively by the Operating Managers in accordance with this Agreement. In addition to and not in limitation of any rights and powers conferred by law or other provisions of this Agreement, the Operating Managers shall have and may exercise on behalf of the Company all powers and rights necessary, proper, convenient or advisable to effectuate and carry out the purposes, business and objectives of the Company, and to maximize Company profits.

SECTION 5.5. Notwithstanding the foregoing, the Operating Managers may not make any of the management decisions stated in Schedule B without obtaining the consent of that Membership Interest stated in Schedule B.

SECTION 5.6. The Operating Manager shall serve as Tax Matters Member as such term is defined in Code Section 6231 (a)(7).

SECTION 5.7. Any person made or threatened to be made a party to an action or proceeding, whether civil or criminal, by reason of the fact that he, his testator or intestate, then, is, or was a manager, Member, employee or agent of the Company, or then serves or has served on behalf of the Company in any capacity at the request of the Company, shall be indemnified by the Company against reasonable expenses, judgments, fines and amounts actually and necessarily incurred in connection with the defense of such action or proceeding or in connection with an appeal therein, to the fullest extent permissible by the Act. Such right of indemnification shall not be deemed exclusive of any other rights to which such person may be entitled.

ARTICLE VI

Capital

SECTION 6.1. The Members have contributed to the Company in exchange for their membership interests, the cash and other property as set forth on Schedule A, annexed hereto.

SECTION 6.2. The fair market value and the adjusted basis of the contributing Member of any property other than cash contributed to the Company by a Member shall be set forth on Schedule A, annexed hereto.

SECTION 6.3. Except as expressly provided in this Agreement, no Member shall be required to make any additional contributions to the capital of the Company.

SECTION 6.4. No interest shall be paid on the Capital Account of any Member.

SECTION 6.5. A Capital Account shall be established for each Member on the books and records of the Company. If any assets of the Company are distributed to the Members in kind, the Capital Accounts of the Members shall be adjusted to reflect the difference between the fair market value of such assets on the date of distribution and the basis of the Company in such assets.

ARTICLE VII

Distributions of Cash

SECTION 7.1. The Company shall distribute to the Members from time to time all cash (regardless of the source thereof) of the Company which is not required for the operation or the reasonable working capital requirements of the Company (such cash is sometimes referred to herein as "Cash Flow"). For purposes of this Agreement all Cash Flow allocated to the Members shall be allocated among them in proportion to their respective Membership Interests.

SECTION 7.2. Distributions of Cash Flow shall be made from time to time in such manner as determined by the Operating Managers.

ARTICLE VIII

Profits and Losses

SECTION 8.1. The Net Profits and Net Losses of the Company shall be the net profits and net losses of the Company as determined for Federal income tax purposes.

SECTION 8.2. The Net Profits and Net Losses of the Company and each item of income, gain, loss, deduction or credit entering into the computation thereof, shall be allocated to the Members in the same proportions that they share in distributions of Cash Flow pursuant to Section 7.1, or if there is no Cash Flow, that they would have shared if there had been Cash Flow.

SECTION 8.3. References herein to "Reg. Sec.", are to the regulations promulgated by the United States Treasury to the Code. The terms "minimum gain", "minimum gain chargeback", "qualified income offset", "nonrecourse deduction" and "nonrecourse liability" are to be interpreted consistent with the definitions and use of such terms in Reg. Sec. 1.704-2 and Reg. Sec. 1.704-1. The following special allocations shall be made in the following order: -

A. Except as otherwise set forth in Reg. Sec. 1.704-2(f), if there is a net decrease in minimum gain, during the fiscal year of the Company, each Member, shall be specially allocated items of gross income and gain for such fiscal year (and, if necessary, subsequent fiscal years) in an amount equal to that Member's share of the net decrease of minimum gain determined in accordance with Reg. Sec. 1.704-2(g). Allocations in accordance with this Section shall be made first from the disposition of Company assets subject to nonrecourse liabilities, to the extent of the minimum gain attributable to those assets, and thereafter, from a pro-rata portion of the Company's other items of income and gain for the taxable year. This Section is intended to comply with the minimum gain chargeback requirement of Reg. Sec. 1.704-2(f).

B. Except as otherwise set forth in Reg. Sec. 1.704-2(i)(4), if there is a net decrease in a Member's nonrecourse liability minimum gain attributable to Members' nonrecourse liabilities during any fiscal year, each Member who has a share of the Member nonrecourse liability minimum gain attributable to Member nonrecourse liability shall be specially allocated items of gross income and gain for such fiscal year (and, if necessary, subsequent fiscal years) in an amount equal to that Member's share of the net decrease in Members' nonrecourse debt minimum gain attributable to such Member nonrecourse debt. Allocations pursuant to this Section shall be made first from gain recognized from the disposition of Company assets subject to Member nonrecourse liabilities to the extent of Member minimum gain attributable to those assets, and thereafter, from a pro-rata portion of the Company's other items of income and gain for the fiscal year. This section is intended to comply with the minimum gain chargeback requirements of Reg. Sec. 1.704-2(i).

C. A Member who unexpectedly receives an adjustment, allocation or distribution described in (4), (5) or (6) of Reg. Sec. 1.704-1(b)(2)(ii)(d) will be allocated items of income and gain in an amount and manner sufficient to eliminate such deficit balance as quickly as possible. An allocation shall be made pursuant to this Section and if and to the extent a Member would have a deficit in his adjusted Capital Account after all other allocations provided for in this Section 8.3 were made as if this paragraph were not in the Agreement.

D. Nonrecourse deductions shall be allocated among the Members in the same proportion in which they share the Cash Flow of the Company.

E. Any nonrecourse deduction shall be allocated to any Member who bears the economic risk of loss with respect to the Member nonrecourse liability to which such deduction is attributable.

SECTION 8.4. Any Company gain or loss realized with respect to property, other than money, contributed to the Company by a Member shall be shared among the Members pursuant to Code section 704(c) and regulations to be promulgated thereunder so as to take account of the difference between the Company basis and the fair market value of the property at the time of the contribution ("built-in gain or loss"). Such built-in gain or loss shall be allocated to the contributing Member upon the disposition of the property.

ARTICLE IX

Admission and Withdrawal of a Member

SECTION 9.1. A Member may transfer his interest in the Company to another person or entity only with the prior unanimous consent of the other Members either in writing or at a meeting called for such purpose. If all of the other Members do not approve of the transfer, the transferee shall have no right to participate in the management of the business and affairs of the Company or to become a Member. The transferee shall be entitled to receive the share of profits, losses and Cash Flow or other compensation by way of income and the return of contributions to which the transferor otherwise would be entitled.

SECTION 9.2. The Members agree to sign such additional documents as may be required in order to admit additional Members to the Company, pursuant to section 9.1 as well as, among other things, to provide for the division of profits, losses and Cash Flow among the Members.

SECTION 9.3. All costs and expenses incurred by the Company in connection with the assignment of a Member's interest, including any filing fees and publishing costs and the fees and disbursements of counsel, shall be paid by the assigning Member.

SECTION 9.4. Each person who becomes a Member in the Company, by becoming a Member, shall and does hereby ratify and agree to be bound by the terms and conditions of this Agreement.

ARTICLE X

Termination or Dissolution of Company

SECTION 10.1. The Company shall be terminated prior to the date of expiration of the term as provided in Section 2.5 if (a) a majority in interest of the Members consent that the Company should be terminated and dissolved, or (b) the Company is dissolved pursuant to this Agreement.

SECTION 10.2. The Company shall be terminated in the event any Member (i) withdraws, resigns or is expelled from the Company; (ii) makes an assignment for the benefit of creditors, is the subject of an order for relief under Title 11 of the United States Code, files a petition or answer seeking for himself any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law or regulation, files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against him in any proceeding of this nature, seeks, consents to, or acquiesces in the appointment of a trustee, receiver or liquidator for of all or any substantial part of his properties; (iii) dies; or (iv) a judgment is entered by a court of competent jurisdiction adjudicating him incompetent to manage his person or his property.

SECTION 10.3. If the Company is dissolved, the owners of a majority in interest of the remaining Members may elect to reconstitute and continue the Company as a successor Company upon the same conditions as are set forth in this Agreement. Any such election to continue the Company will not result in the creation of a new Company among the remaining Members, nor will such election require the amendment of this Agreement or the execution of an amended Agreement.

SECTION 10.4. Upon the termination and dissolution of the Company, the then Operating Manager, or Operating Managers, if any, or, if there is no Operating Manager, any person elected to perform such liquidation by the written consent of the owners of a majority in interest of the Members, shall proceed to the liquidation of the Company. The proceeds of such liquidation shall be applied and distributed as follows:

A. If any assets of the Company are to be distributed in kind, such assets shall be distributed on the basis of the fair market value thereof, and any Member entitled to any interest in such assets shall receive such interest therein as a tenant-in-common with all other Members so entitled. The fair market value of such assets shall be determined by an independent appraiser to be selected by the Company's independent public accountants. The amount by which the fair market value of any Property to be distributed in kind to the Members exceeds or is less than the basis of such Property, shall, to the extent not otherwise recognized by the Company, be taken into account in computing Net Profits or Net Losses (and shall be allocated among the Members in accordance with Section 8.2) for purposes of crediting or charging the Capital Accounts of, and liquidating distributions to, the Members under Section 10.4.B.

B. All distributions upon liquidation of the Company shall be distributed as follows: to each of the Members, in proportion to the amounts of their respective positive Capital Accounts, as such accounts have been adjusted (i) in accordance with Section 6.5 to reflect the

Net Profit or Net Loss realized or incurred upon the sale of the Company's property or assets and any deemed sale pursuant to Section 10.4.A; (ii) in accordance with Section 8.2 to reflect all Net Profits or Net Losses with respect to the year of liquidation. No Member shall be liable to repay the negative amount of his Capital Account.

SECTION 10.5. Each of the Members shall be furnished with a statement, reviewed by the Company's independent public accountants, which shall set forth the assets and liabilities of the Company as of the date of the Company's liquidation. Upon completion of the liquidation, the Operating Managers shall execute and cause to be filed a Certificate of Dissolution of the Company and any and all other documents necessary with respect to termination of the Company.

ARTICLE XI

Books and Reports

SECTION 11.1. The Operating Managers shall cause the Company to maintain the following records:

A. Complete and accurate books of account, in which shall be entered, fully and accurately, each and every transaction of the Company, shall be kept by the Operating Managers at the principal office of the Company. The fiscal year of the Company shall be the calendar year. The books of account of the Company shall be kept in accordance with sound accounting practices and principles applied in a consistent manner by the Company; provided, however, that all methods of accounting and treating particular transactions shall be in accordance with the methods of accounting employed for Federal income tax purposes. All determinations by the Operating Managers with respect to the treatment of any item or its allocation for Federal, state or local tax purposes shall be binding upon all the Members unless the determination is inconsistent with any express provision of this Agreement.

B. A current list of the full name and last known mailing address of each Member set forth in alphabetical order together with the contribution and share in profits and losses of each Member; a copy of the Certificate of Formation or Articles of Organization of the Company and any amendments thereto; a copy of the Company Operating Agreement and any amendments thereto; a copy of the Company's federal, state and local income tax returns for the three most recent fiscal years.

C. Any Member shall have the right from time to time at his expense to have his accountants and representatives examine and/or audit the books and records of the Company and the information referred to in this Section, and the Operating Managers will make such books and records and information available for such examinations and/or audits.

SECTION 11.2. No value shall be placed for any purpose upon the Company name or the right to its use, or upon the goodwill of the Company or its business. Upon termination or dissolution of the Company (without reconstitution thereof) as provided in this Agreement, neither the Company name or the right to its use, nor the goodwill of the Company, shall be considered as an asset of the Company.

SECTION 11.3. The Operating Managers will cause to be sent to the Members within a reasonable period after the close of each year the following: (a) annual statements of the Company's gross receipts and operating expenses, and the capital accounts of each Member, prepared by the Company's independent public accountants, to be transmitted to each Member; and (b) a report to be transmitted to each Member indicating the Member's share of the Company's profit or loss for that year and the Member's allocable share of all items of income, gain, loss, deduction, and credit, for Federal income tax purposes.

ARTICLE XII

Tax Elections

SECTION 12.1. In the event of a transfer of a Member's interest, or upon the death of a Member, or in the event of the distribution of Company property to any party hereto, the Company may (but need not necessarily) file an election, in accordance with Section 754 of the Code to cause the basis of the Company Property to be adjusted for Federal income tax purposes, as provided by Sections 734 and 743 of the Code.

ARTICLE XIII

Miscellaneous

SECTION 13.1. Any notice or other communication under this Agreement shall be in writing and shall be considered given when mailed by registered or certified mail, return receipt requested, to the parties at the following addresses (or at such other address as a party shall have previously specified by notice to the others as the address to which notice shall be given to him):

- A. If to the Company, to it in care of the Operating Managers at the address of the Company.
- B. If to the Operating Managers, to them at the address of the Company.
- C. If to any Member, to him at his address set forth on the books and records of the Company.

SECTION 13.2. This Agreement contains a complete statement of all of the arrangements among the parties with respect to the Company and cannot be changed or terminated orally or in any manner other than by a written agreement executed by all of the Members. There are no representations, agreements, arrangements or understandings, oral or written, between or among the parties relating to the subject matter of this Agreement which are not fully expressed in this Agreement.

SECTION 13.3. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.

SECTION 13.4. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations of the jurisdiction in which the Company does business. If any provision of this Agreement, or the application thereof to any person or circumstance, shall for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of that provision to other persons or circumstances shall not be affected, but rather shall be enforced to the extent permitted by law.

SECTION 13.5. Anything hereinbefore in this Agreement to the contrary notwithstanding, all references to the Property of the Company are deemed to include the profits, losses and Cash Flow of the Property.

SECTION 13.6. Irrespective of the place of execution or performance, this Agreement shall be governed by and construed in accordance with the laws of the State of organization of the Company applicable to agreements made and to be performed in the State of organization of the Company.

SECTION 13.7. The captions, headings and table of contents in this Agreement are solely for convenience of reference and shall not affect its interpretation.

SECTION 13.8. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which shall be deemed to constitute a single document.

SECTION 13.9. Whenever the context so requires, the male gender when used herein shall be deemed to include the female gender, the female gender shall be deemed to include the male gender, the singular shall be deemed to include the plural and the plural shall be deemed to include the singular.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the day and year first above written.



Name: Mark A. Wilson
Member

Name:
Member

Name:
Member

SCHEDULE B

The following management decisions shall require the following consent of the Membership interests:

Decision	Membership interest required
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

SCHEDULE C

The Membership interest required to call a meeting of Members shall be:

51 Percent

TOWN OF DALLAS, NORTH CAROLINA

REQUEST FOR BOARD ACTION

DESCRIPTION: Budget Amendment for W. Robinson St. Sewer Extension

AGENDA ITEM NO. 8C

MEETING DATE: 07/14/2020

BACKGROUND INFORMATION:

Due to development of two houses, a sewer extension was necessary in the 500 block of W. Robinson St. Such an extension must be approved by NC Department of Environmental Quality. The approval was applied for in the FY2019/2020 budget year, but was not received in that budget year. Because it was hoped that the project could be completed in that budget year, the project was not included in the current FY2020/21 budget.

In order to account for the project properly in this current year, attached is a budget amendment in the amount of \$57,650.00 for the project that will need to be approved.

MANAGER RECOMMENDATION: Approve the attached budget amendment in the amount of \$57,650.00.

BOARD ACTION TAKEN:

Town of Dallas
Budget Amendment

Date: July 14, 2020

Action: Water/Sewer Fund Amendment

Purpose: To Appropriate Funds for Sewer Line Extension on 500 Block of West Robinson St.

Number: WS-001

Fund	Dept	Line Item	Item Description	Original Amount	Amended Amount	Difference
20	3999	0000	Fund Balance Appropriated	\$0	\$57,650	\$57,650
20	8100	7303	Capital Outlay: Sewer	\$0	\$57,650	\$57,650

Approval Signature
(Town Manager)

TOWN OF DALLAS, NORTH CAROLINA

REQUEST FOR BOARD ACTION

DESCRIPTION: Update on Sewer Interconnect Project

AGENDA ITEM NO. 8D

MEETING DATE: 07/14/2020

BACKGROUND INFORMATION:

Bid Opening for the Dallas portion of the project is scheduled for Monday, July 13th at the Dallas Fire Department. There is a meeting scheduled with the City of Gastonia on Thursday, July 16th to discuss bids received by both entities and moving forward.

MANAGER RECOMMENDATION:

BOARD ACTION TAKEN: