



Life. Well Crafted.

A = Approved, A1 = Approved First Reading, A2 = Approved Second Reading, D = Deferred, NA = No Action, PH = Authorized Public Hearing, AD = Approval Denied

ACTION AGENDA

Hickory City Council
76 North Center Street

February 5, 2019
7:00 p.m.

- I. Call to Order
- II. Invocation by Reverend Cliff Moone
- III. Pledge of Allegiance
- IV. Special Presentations
 - A. Proclamation for SkillsUSA Week – Presented to Tammy Muller, Department Head of Workforce Connectivity and Talent Development and Gary Muller, CVCC Dean of the School of Business, Industry and Technology. **(Exhibit IV.A.)**

Mayor Guess read and presented a Proclamation for SkillsUSA Week to Mr. Gary Muller.
- V. Persons Requesting to Be Heard
- VI. Approval of Minutes
 - A** A. Regular Meeting of January 15, 2019. **(Exhibit VI.A.)**
- VII. Reaffirmation and Ratification of Second Readings. Votes recorded on first reading will be reaffirmed and ratified on second reading unless Council Members change their votes and so indicate on second reading.
 - A2** A. Budget Ordinance Number 11. **(First Reading Vote: Unanimous)**
- VIII. Consent Agenda: All items below are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests. In which event, the item will be removed from the Consent Agenda and considered under Item IX.
 - A** A. Special Events Activities Application for Catawba County Younlife Glow 5K, B.J. Riley Association Area Director, Catawba County Younlife, setup May 11, 2019, 5:30 a.m., and clean-up May 11, 2019 10:00 p.m., Hickory Regional Airport, 3101 9th Avenue Drive NW, Hickory. **(Exhibit VIII.A.)**
 - A** B. Special Events Activities Application for Community Bike Day, Kyle Mishler, Senior Recreation Programmer, Hickory Parks and Recreation, May 11, 2019, 9:30 a.m. to 3:00 p.m., Hickory City Park. **(Exhibit VIII.B.)**
 - A** C. Special Events Activities Application for Unifour March for Babies, Rebecca Sellers, Development Manager, March of Dimes, April 27, 2019, 7:00 a.m. to 1:00 p.m., L.P. Frans Stadium. **(Exhibit VIII.C.)**
 - A** D. Approval of the Issuance of a Pyrotechnic Display Permit to Hickory Crawdads for Dates in 2019. **(Exhibit VIII.D.)**

February 5, 2019

Approval of the issuance of a pyrotechnic display permit to Hickory Crawdads for the below-listed dates. Mark Seaman, General Manager of the Hickory Crawdads, has submitted a request to obtain permission to conduct a public fireworks display on the following dates: Friday, April 12, 2019; Friday, April 26, 2019; Friday, May 10, 2019; Friday, May 24, 2019; Friday, June 7, 2019; Friday, June 21, 2019; Thursday, July 4, 2019; Friday, July 5, 2019; Friday, July 26, 2019; Friday, August 9, 2019; Friday, August 23, 2019 and Friday, August 30, 2019. The following would be rain dates: Saturday, April 13, 2019; Saturday, April 27, 2019; Saturday, May 11, 2019; Saturday, May 25, 2019; Saturday, June 8, 2019; Saturday, June 22, 2019; Saturday, July 6, 2019; Saturday, July 27, 2019; Saturday, August 10, 2019; Saturday, August 24, 2019; and Saturday, August 31, 2019. The North Carolina Fire Code requires an operational permit for the use and handling of pyrotechnic special effects material. The Hickory Fire Department Fire & Life Safety Division shall review all required documentation for the event, including Alcohol Tobacco and Firearm's (ATF) License, Operator and Assistant Operators Permits from North Carolina Office of State Fire Marshal (NCOSFM), site plan, and the one million dollar liability insurance policy. The Fire & Life Safety Division will also inspect the pyrotechnics display area before the event to ensure compliance with NCOSFM Guidelines, National Fire Protection Association (NFPA) NFPA 1123 Code for Fireworks Display, and NFPA 1126 Use of Pyrotechnics before a Proximate Audience (if applicable). Staff recommends approval of the above pyrotechnics displays.

- PH E. Call for a Public Hearing for Consideration of a Voluntary Contiguous Annexation of Property Owned by W. Steve Ikerd aka Walter Stephen Ikerd Located at 1186 4th Street Drive SW, Containing Approximately 11.525 Acres. **(Authorize Public Hearing for February 19, 2019, at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building). (Exhibit VIII.E.)**

- PH F. Call for a Public Hearing for Consideration of a Voluntary Contiguous Annexation of Property Owned by the City of Hickory Located on Hickory Airport Road and 9th Avenue Drive NW, Containing Approximately 39.2 Acres. **(Authorize Public Hearing for February 19, 2019, at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building). (Exhibit VIII.F.)**

- PH G. Certificate of Sufficiency and Preliminary Resolution Relative to Street Improvements for Sidewalk along the Property Located the 1700 Block of 30th Avenue Drive NW, Hickory, Petition No. 19-01. **(Authorize Public Hearing for March 5, 2019 at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building). (Exhibit VIII.G.)**

- A H. Approval of a Cemetery Deed from the City of Hickory to Darlene Roberts, Southside Cemetery, Plot B, Lot Nos. 1 and 2, Section 5, Containing 80 Square Feet More or Less. (Prepared by Deputy City Attorney Arnita Dula). **(Exhibit VIII.H.)**

- A I. Approval of a Small Business Loan Agreement with CosNew, LLC in the Amount of \$20,000. **(Exhibit VIII.I.)**

In its 2015-2019 Consolidated Plan for Housing and Community Development, the City of Hickory identified increasing entrepreneurship opportunities as a high priority need. This led to the creation of a new program in 2018 to provide small business loans to businesses looking for funding necessary to take their business to the next level and with the intent of creating jobs for low to moderate income persons. The 2018-2019 Community Development Block Grant (CDBG) Annual Action Plan has \$40,000 allocated towards assistance for entrepreneurial activities (which includes these small business loans and the City's existing microenterprise grants). The Small Business Loan program offers loans of up to \$20,000 to business owners for business equipment only. Applicants are required to submit a business plan and have a counseling session with a local business support organization and create jobs for low to moderate income persons. Valerie Cosenza and Suzi Newton have applied for a Small Business Loan to support and enhance their business, CosNew LLC. Their business provides home mortgages that will benefit all scopes of borrowers including those that are low to moderate income.

The Business Development Committee reviewed the application and recommends approval of the loan in the amount of \$20,000. The loan funds will be used to purchase office furniture and computers. Staff recommends City Council's approval of the Small Business Loan Agreement with CosNew, LLC.

- A J.** Approval of Amendment Number Two to the Agreement with Gavel & Dorn, PLLC in the Amount of \$51,942.50 for the Central Business District Rehabilitation Project. **(Exhibit VIII.J.)**

Staff requests Council's approval of amendment number two to the agreement for consulting and construction administration services with Gavel & Dorn, PLLC for the Central Business District waterline, sewer line, and storm drainage rehabilitation project in the amount of \$51,942.50. City Council approved the original agreement to evaluate, design, and construct the improvements necessary for the Central Business District infrastructure rehabilitation project on April 7, 2015. Amendment number two is necessary to fund additional services as detailed in the original agreement. The additional services include: additional construction observation and management due to the contractor extending the construction time; revision to record drawings accepted by the City from the contractor; and additional closeout paperwork required by NCDEQ due to the project receiving State Revolving Fund loan funds. The increase related to these additional services is offset by a deduction that was received by the contractor for completing the project late and accepting a lesser quality of record drawings than required in the contract documents. The contractor deduction on the project was \$83,281.50. Staff recommends Council's approval of amendment number two with Gavel & Dorn, PLLC in the amount of \$51,942.50.

- A K.** Approval to Close Patrick Beaver Memorial Library and the Ridgeview Branch Library on Friday, May 10, 2019 to Allow Time for all Library Employees to Participate in Staff Training. **(Exhibit VIII.K.)**

Staff requests approval to close both branches of Hickory Public Library 9:00 a.m. to 5:00 p.m. Friday, May 10 for staff-training. Public library staff regularly interact with the public and, to provide the best possible customer service, it is necessary to periodically provide training opportunities in which all staff participate at the same time. This year we will receive training in customer service for our diverse community, learn more about the importance of early childhood services and prepare for summer learning programs for all ages. Customer service training specific to each library department will be included. All library staff – both full-time and part-time – interact on a daily basis with the public and, therefore, need periodic opportunities to participate in staff development training to re-energize, acquire new skills, and improve their ability to work together as a team. To allow all coworkers to participate, it is necessary to schedule the training during a workday. Staff determined that Friday, May 10 is a date that would create as little disruption as possible in service to the public. Staff recommends the Patrick Beaver Memorial Library and the Ridgeview Branch Library be closed on Friday, May 10, 2019 to allow time for all library employees to participate in staff training.

- A L.** Approval of a Resolution to Declare Surplus Real Property Located at 1820 Startown Road SE. **(Exhibit VIII.L.)**

The City of Hickory owns real property at 1820 Startown Road SE. This property is a 0.97 acre tract more specifically described as GIS PIN 371108878853. This property originally housed a water tower that has since been removed. It currently houses a CenturyLink Utility Building, which has a 99 year lease on a portion of the property that also includes an access easement to and from the building. The building site is a 50 foot by 50 foot square in the middle section of the property. The lease began in September 1989. North Carolina General Statute 160A-265 permits local governments to sell surplus property. This property is currently of no use to the city. If the property is declared surplus, staff could be authorized to solicit offers to purchase the property. If offers are received, they would be presented to City Council for acceptance at a future meeting. If an offer is accepted, the property would be sold through the upset bid process. Bids would require a

bid deposit of five percent in accordance with the requirements found in the general statutes. A bid deposit may take the form of a cashier's check, a certified check, or a surety bond. The deposit of the bidder to whom the award is made will be held until sale of the property is closed; if that bidder refuses at any time to close the sale, the deposit will be forfeited to the city. The deposits of other bidders will be returned at the time the Hickory City Council awards the property to the highest responsible bidder. The sale would be subject to all leases and easements of record. Staff recommends that City Council approve a resolution to declare real property at 1820 Startown Road SE as surplus.

- A M.** Approval of Agreements with the North Carolina Department of Commerce, Mills Real Estate, LLC, and the Western Piedmont Council of Governments to Accept and Administer a Building Reuse Grant for 1501 13th Street SW. **(Exhibit VIII.M.)**

The Building Reuse Grant is offered by the North Carolina Department of Commerce to provide funding to businesses looking to occupy existing buildings. The total funding amount is based on a formula involving the number and type of jobs created. The program pays 50 percent of eligible rehabilitation costs up to a maximum of \$500,000. Plastic Technologies, Inc. (PTI) proposes to create 15 jobs that pay above the median wage for Catawba County. They are eligible for and have been awarded \$187,000 in building reuse grant funding from the NC Department of Commerce. City Council authorized a resolution to submit the grant application at its October 16, 2018 meeting. The grant was awarded by the NC Department of Commerce on December 13, 2018. The grant requires a five percent match from the City of Hickory, which amounts to \$9,350. PTI plans to invest at least \$450,000 in building improvements to the property at 1501 13th Street SW. The business manufactures custom, extruded, closed-cell foam such as pool noodles and pipe insulation. PTI will bring its operations, currently in three locations, under one roof. They will occupy approximately 160,000 square feet of the building which contains a total of roughly 250,000 square feet. The property is owned by Mills Real Estate, LLC. There are three agreements that must be approved by City Council to finalize and accept the grant. The first contains the agreement with the NC Department of Commerce which describes the requirements for both the City, the property owner, and business to receive the funding. In addition this agreement contains commitments from the property owner to make the improvements and create the jobs. There is an additional agreement between the property owner and the City that states that the City will not request grant funding until the improvements have been completed and the jobs have been created and maintained for a period of six months. This minimizes the risk to the City and property owner in the event PTI fails to create the required jobs. The final agreement is an agreement with the Western Piedmont Council of Governments to administer the grant on behalf of the City for \$9,350. This qualifies as the City's required five percent match for the grant. Staff recommends that City Council approve agreements with NC Department of Commerce, Mills Real Estate, LLC, and the Western Piedmont Council of Governments to accept and administer Building Reuse Grant for 1501 13th Street SW.

- A N.** Approval of the 2019 Loan Agreement with the National Museum of the United States Air Force under their Static Display Program for Loan of Aircraft to the City of Hickory. **(Exhibit VIII.N.)**

The City has taken part in the US Air Force's Static Display Program for many years whereby certain aircraft are on loan to the City for display by the Hickory Aviation Museum. In return, the Hickory Aviation Museum agrees to maintain and ensure the preservation of said aircraft in good condition while furnishing the Air Force with photos and for the aircraft to remain prepared for expedition and periodic inspection. There are no City budgetary requirements under this agreement. The Hickory Regional Airport currently has on loan two aircraft that fall under this agreement. They are an F-105B and T-33A. Staff recommends Council's approval of the Loan Agreement for 2019.

- A1 O.** Budget Revision Number 12. **(Exhibit VIII.O.)**

1. *To recognize \$200 in donations received for the Hickory Youth Council.*
2. *To recognize a \$2,000 donation from Hickory Elks Lodge for the annual Easter Egg Hunt.*
3. *To appropriate \$25,000 from Water and Sewer Fund Balance into the Murray Basin Sewerlines Capital Project Ordinance (#803301) for the purchase of permanent and temporary sewer easements necessary for the installation of sanitary sewer lines.*
4. *To establish the McLin & Lyle Creek Wastewater Capital Project Ordinance (project #803305) by transferring \$197,500 from the Water and Sewer Fund Balance into the Water and Sewer Capital Projects Fund. These funds will be applied initially towards the engineering contract with McGill and Associates. Future Budget Revisions will appropriate funds for construction.*

IX. Items Removed from Consent Agenda

Item "L" was removed from the Consent Agenda, discussed and approved by City Council.

X. Informational Item

XI. New Business:

A. Public Hearings

- A** 1. Economic Development Regarding Isotopen Technologien Munchen AG (ITM) – Presentation by Catawba County Economic Development Corporation President Scott Millar. **(Exhibit XI.A.1.)**

Isotopen Technologien Munchen AG ("ITM"), a group of specialized radiopharmaceutical companies, plans to construct a manufacturing facility in the Trivium Corporate Center Park for the production of a new radiopharmaceuticals for the treatment of cancer patients. ITM plans to invest \$12 million in machinery and equipment and create 137 jobs over the next five years. The City of Hickory proposes to expend City funds for economic development with ITM Medical Isotopes, Inc. ("ITM") pursuant to North Carolina General Statute 158-7.1. Trivium Corporate Center, Inc. intends to convey up to 9 acres, portions of PINs 372117220111 and 372117119870, for \$40,000 per acre. The consideration shall consist of the creation of new jobs, real property improvements and personal property acquisition, resulting in additional value for ad valorem tax purposes. The City of Hickory believes this project will help stimulate and stabilize the local economy. Staff recommends Council approve the proposed economic development agreement between the City of Hickory and ITM.

This public hearing was advertised in a newspaper having general circulation in the Hickory area on January 25, 2019.

- A** 2. Economic Development Regarding Design Foundry, L.L.C. – Presentation by Catawba County Economic Development Corporation President Scott Millar. **(Exhibit XI.A.2.)**

Design Foundry, L.L.C. plans to make improvements to the old Baker Furniture Building to begin manufacturing upholstered furniture in partnership with a major furniture and home goods retailer. The Company plans to invest \$3.133 million in building renovations and machinery and equipment and create 202 new jobs with an overall average wage of \$57,995 over a five-year period. The City of Hickory proposes to enter into an economic development agreement with Design Foundry in support of the manufacturing project. The City of Hickory proposes to appropriate and expend City funds for economic development with Design Foundry, L.L.C. ("Design Foundry") pursuant to North Carolina General Statute 158-7.1. The City intends to provide economic incentive grants in an amount equal to 50% of the ad valorem taxes paid on Design Foundry's Three Million

One Hundred Thirty-three Thousand Dollars (\$3,133,000) in real and personal property improvements for property located at 1105 22nd Street, SE, Hickory, North Carolina and the creation of a minimum of 202 new jobs over a five-year period. Staff recommends Council approve the proposed economic development agreement between the City of Hickory and Design Foundry, L.L.C.

This public hearing was advertised in a newspaper having general circulation in the Hickory area on January 25, 2019.

B. Departmental Reports:

- NA 1. Quarterly Financial Report – Presented by Assistant City Manager Rodney Miller
- A 2. Appointments to Boards and Commissions

COMMUNITY APPEARANCE COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 At-Large (Outside City but within HRP) (Council Appoints) VACANT

COMMUNITY RELATIONS COUNCIL

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 African-American (Council Appoints) VACANT
 Other Minority (Council Appoints) VACANT
 Other Minority (Council Appoints) VACANT
 Other Minority (Council Appoints) VACANT

Alderwoman Williams nominated Lakeisha Johnson as an African-American Representative on the Community Relations Council

HICKORY REGIONAL PLANNING COMMISSION

(Terms Expiring 6-30; 3-Year Terms With Unlimited Appointments)
 (Appointed by City Council)
 Burke County (Mayor Appoints with Recommendation from County) VACANT
 Caldwell County (Mayor Appoints with Recommendation from County) VACANT

INTERNATIONAL COUNCIL

(Appointed by Mayor with the Concurrence of City Council)
 (3) Positions VACANT

PARKS AND RECREATION COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 At-Large Minority (1) (Council Appoints) VACANT

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 At-Large (Mayor Appoints) VACANT

RECYCLING ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Ward 2 (C. Williams Appoints) (Mahesh Patel Resigned 10-1-18) VACANT
 Ward 4 (D. Williams Appoints) VACANT
 At-Large (Council Appoints) VACANT

Alderwoman Williams nominated Nancy Miller as Ward 2 Representative on the Recycling Advisory Board

YOUTH COUNCIL

(Terms Expiring 6-30; 1-Year Terms) (Appointed by City Council)
 At-Large Representative VACANT
 At-Large Representative VACANT

- C. Presentation of Petitions and Requests
- XII. Matters Not on Agenda (requires majority vote of Council to consider)
- XIII. General Comments by Members of Council, City Manager or City Attorney of a Non-Business Nature
- XIV. Closed Session Per NC General Statutes 143-318.11(a)(1)(4) to consult with the attorneys regarding the following: (Action on these items, if any, will occur in Open Session)
 - 1. Approval of Closed Session Minutes of November 20, 2018 and January 8, 2019 - NCGS §143-318.11(a)(1)
 - 2. Potential Economic Development - NCGS §143-318.11(a)(4)
- XV. Adjournment

****Hickory City Code Section 2-56. Public Address to Council:***

“When conducting public hearings, considering ordinances and otherwise considering matters wherein the public has a right to be heard, when it appears that there are persons present desiring to be heard, the Mayor shall require those opposing and favoring the proposed action to identify themselves. Each side of the matter shall be given equal time. Those opposing the proposed action shall be allowed 15 minutes for presentation, followed by 15 minutes for those favoring the action, with the opponents then to have five minutes for rebuttal and the proponents to then have five minutes for surrebuttal. Those persons on either side shall have the right to divide their allotted time among them as they may choose. The Council, by majority vote, may extend the time for each side equally. On matters in which the person desiring to address the Council does not have a legal right to speak, the Council shall determine whether it will hear the person. The refusal to hear a person desiring to speak may be based upon grounds that the subject matter is confidential, that its public discussion would be illegal, that it is a matter not within the jurisdiction of the Council or for any other cause deemed sufficient by the Council. Any person allowed to speak who shall depart from the subject under discussion or who shall make personal, impertinent or slanderous remarks, or who shall become boisterous while addressing the Council shall be declared out of order by the Mayor, or by vote of the Council, and barred from speaking further before the Council unless permission to continue shall be granted by a majority vote of the Council, under such restrictions as the Council may provide.”

**The City of Hickory holds all public meetings in accessible rooms.
Special requests for accommodation should be submitted by individuals
with disabilities at least 48 hours before the scheduled meeting.
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