

**A G E N D A**  
**HICKORY CITY COUNCIL**

**June 16, 2015**



**7:00 p.m.**



**AGENDA**  
[www.hickorync.gov](http://www.hickorync.gov)

If you have any questions about any item on this agenda or if you need more information about any item in addition to the information contained in the agenda package, please call the City Manager at 323-7412. A "Citizen Comment Sheet", which explains the procedure to address the City Council, is located on the table outside Council Chambers. We also encourage you to complete the Comment Sheet and offer any suggestions or questions you have. For more information about the City of Hickory go to: [www.hickorync.gov](http://www.hickorync.gov).

Hickory City Council  
76 North Center Street

June 16, 2015  
7:00 p.m.

- I. Call to Order
- II. Invocation Rev. David Roberts, Pastor Morning Star First Baptist Church
- III. Pledge of Allegiance
- IV. Special Presentations
  - A. Business Well Crafted Award to WHKY Presented by Business Development Committee Member Dave Paist
  - B. Students with Attainable Goals (SWAG), Program at Ridgeview Community Center Presented by Business Development Committee Member Dave Paist.
  - C. Presentation of the 19<sup>th</sup> Consecutive Certificate of Achievement for Excellence in Financial Reporting to the City of Hickory by the Government Finance Officers Association of the United States and Canada for its Comprehensive Annual Financial Report (CAFR).
- V. Persons Requesting to Be Heard
- VI. Approval of Minutes
  - A. Regular Meeting of June 2, 2015 (**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.
  - A. Approve Applying for a 2015 Justice Assistance Grant (JAG) to Purchase Additional Officer Body-Worn Cameras and Digital Video Evidence Management Services and Approval of the Interlocal Agreement with Catawba County. (**First Reading Vote: Unanimous**)
  - B. Approval of an Agreement with Alfred Benesch & Company in the amount of \$9,450 to Update the Park Master Site Plan for the Cloninger Mill Property. (**First Reading Vote: Unanimous**)
  - C. Approval of a Railroad Permit Agreement from Norfolk Southern Railway Company for Murray Basin Sanitary Sewer Infrastructure Project. (**First Reading Vote: Unanimous**)

- D. Approval of an Amendment to the Priority Use Agreement with the Catawba Valley Youth Soccer Association (CVYSA). **(First Reading Vote: Unanimous)**
  - E. Budget Ordinance Amendment Number 20. **(First Reading Vote: Unanimous)**
  - F. Capital Project Ordinance Amendment Number 6. **(First Reading Vote: Unanimous)**
  - G. Capital Project Ordinance Number 3. **(First Reading Vote: Unanimous)**
  - H. Grant Project Ordinance Amendment Number 6. **(First Reading Vote: Unanimous)**
  - I. City Manager's Recommended Annual Budget Ordinance Fiscal Year 2015-2016. **(First Reading Vote: Unanimous)**
  - J. 2015 Community Development Entitlement Block Grant Project Ordinance. **(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. Request from Hickory Police Department to Award Police Badge and Service Weapon to Retiring MPO Danny Crump. **(Exhibit VIII.A.)**

*By authority of NC General Statute §20-187.2, City Council may award the service weapon and police badge to retiring MPO Danny Crump upon his retirement from Hickory Police Department on July 1, 2015 after completing 30 years of qualifying service with Hickory Police Department. Upon approval from City Council, the police badge and service weapon will be declared surplus and removed from the City's fixed asset inventory.*
  - B. Approval of Community Development Block Grant Funding Agreement with Hickory Soup Kitchen, Inc. for Fiscal Year 2015-2016 in the Amount of \$20,000. **(Exhibit VIII.B.)**

*In February 2015 the City of Hickory Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community Development Block Grant Program. The Citizen's Advisory Committee reviews and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved following a public hearing on May 5, 2015. The Hickory Soup Kitchen Inc. requested and were approved for funding in the amount of \$20,000 through the City of Hickory's Community Development Block Grant (CDBG) program. Approval of the agreement will allow them to continue to provide much needed nutritional services to the City of Hickory's homeless and/or low-income community. No City funding will be used for this agreement. Staff recommends approval of the funding agreement with Hickory Soup Kitchen Inc.*
  - C. Approval of Community Development Block Grant Funding Agreement with AIDS Leadership Foothills-Area Alliance, Inc. for Fiscal Year 2015-2016 in the Amount of \$15,000. **(Exhibit VIII.C.)**

*In February 2015 the City of Hickory Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community Development Block Grant Program. The Citizen's Advisory Committee reviews and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved following a public hearing on May 5, 2015. AIDS Leadership Foothills-Area Alliance requested and were approved for funding in the amount of \$15,000 through the City of Hickory's Community Development Block Grant (CDBG) program. Approval of the agreement will allow them to continue to provide much needed medical case management services to persons living with HIV and AIDS.*

No City funding will be used for this agreement. Staff recommends approval of the funding agreement with AIDS Leadership Foothills-Area Alliance, Inc.

- D. Approval of Community Development Block Grant Funding Agreement with Exodus Outreach Foundation, Inc. for Fiscal Year 2015-2016 in the Amount of \$10,000. **(Exhibit VIII.D)**

*In February 2015 the City of Hickory Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community Development Block Grant Program. The Citizen's Advisory Committee reviews and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved following a public hearing on May 5, 2015. Exodus Outreach Foundation, Inc. requested and were approved for funding in the amount of \$10,000 through the City of Hickory's Community Development Block Grant (CDBG) program. Approval of the agreement will allow them to continue to provide much needed services to homeless and previously incarcerated individuals with substance abuse issues. No City funding will be used for this agreement. Staff recommends approval of the funding agreement with Exodus Outreach Foundation, Inc.*

- E. Approval of Community Development Block Grant Funding Agreement with City of Refuge Community Development Center, Inc. for Fiscal Year 2015-2016 in the Amount of \$3,550. **(Exhibit VIII.E.)**

*In February 2015 the City of Hickory Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community Development Block Grant Program. The Citizen's Advisory Committee reviews and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved following a public hearing on May 5, 2015. City of Refuge requested and were approved for funding in the amount of \$3,550 through the City of Hickory's Community Development Block Grant (CDBG) program. Approval of the agreement will allow them to continue providing much needed afterschool program services to low and moderate income youth. No City funding will be used for this agreement. Staff recommends approval of the funding agreement with City of Refuge Community Development Center, Inc.*

- F. Approval of Community Development Block Grant Funding Agreement with Habitat for Humanity of the Catawba Valley, Inc. for Fiscal Year 2015-2016 in the Amount of \$20,000. **(Exhibit VIII.F.)**

*In February 2015 the City of Hickory Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community Development Block Grant Program. The Citizen's Advisory Committee reviews and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved following a public hearing on May 5, 2015. Habitat for Humanity of the Catawba Valley requested and were approved for funding in the amount of \$20,000 through the City of Hickory's Community Development Block Grant (CDBG) program. Approval of the agreement will allow them to continue to provide much needed housing rehabilitation serves to benefit low to moderate income households. No City funding will be used for this agreement. Staff recommends approval of the funding agreement with Habitat for Humanity of the Catawba Valley, Inc.*

- G. Citizens' Advisory Committee Recommendations for Assistance through the City of Hickory's Housing Programs. **(Exhibit VIII.G.)**

*The following request was considered by the Citizens' Advisory Committee at their regular meeting on June 4, 2015:*

- *Michael F. and Ann Fisher, 538 5<sup>th</sup> Street SW, Hickory, was awarded a City of Hickory's Housing Rehabilitation Loan. The Citizens' Advisory Committee recommends approval for assistance not to exceed \$20,000 for repairs to their*

house. Assistance would be in the form of a 3 percent interest loan for a ten year period.

Funds are budgeted for these items through the City of Hickory's former Rental Rehabilitation program income and/or program income received through the City of Hickory's Community Development Block Grant Program.

The following applicant is being recommended for approval for assistance under the City of Hickory's 2014 Urgent Repair Program. This program provides qualified low income citizens with assistance for emergency-related repairs not to exceed \$7,200.

➤ *Mattie Fuller, 826 3<sup>rd</sup> Street SE, Hickory*

*The Citizens' Advisory Committee recommends approval of the aforementioned requests for assistance through the City of Hickory's housing assistance programs.*

- H. Special Events/Activities Application Lumberjack Boom, Megan Meade, Director of Community Relations and Events Hickory Crawdads, July 4, 2015, 9:00 a.m. to 11:00 p.m. at L.P. Frans Stadium, 2500 Clement Boulevard, NW. **(Exhibit VIII.H.)**

- I. Approval of Priority and Action Plan for Fiscal Year 2015/2016. **(Exhibit VIII.I.)**

*In conjunction with adoption of the annual budget, City Council updates and approves a Priorities and Action Plan which serves as a road map for staff and Council to achieve broad goals related to five strategic priorities: Economic Growth & Transportation, Quality of Life and Natural Environment, Operational Excellence, Vision and Leadership, and Communication and Marketing.*

- J. Approve the Termination of Residential Rental Contract with Adam Walker for the Property Located at 1123 15<sup>th</sup> Street NE. **(Exhibit VIII.J.)**

*On January 22, 2015 the City entered into a Residential Rental Contract with Adam Walker for the property located at 1123 15<sup>th</sup> Street NE. The term of the lease was for one year with a monthly rental fee of \$350. Mr. Walker was formerly employed by the City of Hickory however he ended his employment to take another position which required him to relocate. Mr. Walker has requested termination of the rental agreement with the City effective June 19, 2015. He will pay pro-rated rent for the month, and \$175 as a lease buy-out fee for early termination of the rental agreement. Staff requests Council's approval of the Termination of Rental Agreement between the City of Hickory and Adam Walker for the property located at 1123 15<sup>th</sup> Street NE.*

- K. Approval of a Resolution Supporting the Application for Monies from the Greater Hickory Metropolitan Planning Organization's (GHMPO) Surface Transportation Program-Direct Appointment/Transportation Alternatives (STP-DA/TA). **(Exhibit VIII.K.)**

*The Greater Hickory Metropolitan Planning Organization has issued a call for Surface Transportation Program-Direct Appointment/Transportation Alternatives (STP-DA/TA) funding to agencies within its jurisdiction. This money can be used for transportation projects as part of discretionary projects such as greenways, intersection improvements, and traffic signal upgrades. The three projects that will be applied for are Citywalk, Sandy Ridge Road Intersection Improvements, and Pedestrian Signalization Upgrades. The Citywalk project will use bond funds for match money and the Sandy Ridge Road Intersection Improvements and Pedestrian Signalization Upgrades will utilize General Fund monies for the match. Staff recommends Council's approval of the Resolution for Support for these three projects as well as providing the matching funding in the amount of 20 percent for each project.*

- L. Rescind Grant Project Ordinance Amendment Number 5, Ordinance Number 15-23 and Approve Correction of Grant Project Ordinance Amendment Number 5C. **(Exhibit VIII.L.)**

1. *To accept a \$225,223 transfer of General Capital Reserve Fund to the Miscellaneous Storm Grant Project. The total project expenses will be \$360,381. Federal and State FEMA funding will cover \$135,158 and the remaining balance of \$225,223 will be funded by the General Capital Reserve Fund.*
2. *To accept a \$346,728 transfer of General Capital Reserve Fund to the Windridge Bridge Grant Project. The total project expenses will be \$1,208,501. Federal and State FEMA funding will cover \$861,773 and the remaining balance of \$346,728 will be funded by the General Capital Reserve Fund.*

M. Rescind Budget Ordinance Amendment Number 19, Ordinance 15-25 and Approve Correction of Budget Ordinance Amendment 19C (**Exhibit VIII.M.**)

1. *To budget a total of \$50 of Library donations from Margie Owsley in honor of Mary Ellen Snodgrass.*
2. *To budget a total of \$1,500 of Parks and Recreation donations in their Departmental Supplies line item. These funds are for the Unifour Senior Games.*
3. *To budget a total of \$7,341 of Parks and Recreation donations in their Departmental Supplies line item. These funds are for the Unifour Senior Games Registrations.*
4. *To transfer \$19,100 from the Water and Sewer Fund-Sewer Lines to the Murray Basin Capital Project. This transfer is necessary to pay for the railroad permit fees from Norfolk Southern.*
5. *To transfer \$27,000 from Water and Sewer Contingency to the Sewer Treatment line item to cover this line item for the remainder of this fiscal year. This is for the treatment and processing of sanitary sewer that is transported to the City of Conover from Hickory for treatment prior to discharge.*
6. *To transfer \$9,406 back to the General Capital Reserve Fund to close the Henry Fork Field Lighting project. There is a \$125,000 deferred revenue donation from CVYSA due in FY18 therefore a receivable account will be set up in the General Fund.*
7. *To appropriate \$225,223 of General Capital Reserve Fund and transfer to the Miscellaneous Storm Grant Project. The total project expenses will be \$360,381. Federal and State FEMA funding will cover \$135,158 and the remaining balance of \$225,223 will be funded by the General Capital Reserve Fund.*
8. *To appropriate \$346,728 of General Capital Reserve Fund and transfer to the Windridge Bridge Grant Project. The total project expenses will be \$1,208,501. Federal and State FEMA funding will cover \$861,773 and the remaining balance of \$346,728 will be funded by the General Capital Reserve Fund.*
9. *To transfer \$105,000 of Water and Sewer Fund Balance to the Water and Sewer Pipes, Hydrants and Meters line item. This transfer is needed to pay for the purchase of 600 Radio Read Water Meters at a significant price savings.*
10. *To transfer \$61,450 of Water and Sewer Capital Reserve-Appropriated Fund Balance to the Water and Sewer Capital Project Engineering Services line item. This transfer is to pay McGill and Associates for Professional Services for the Geitner Basin Outfall Replacement project.*
11. *To transfer \$20,000 of General Fund-Appropriated Fund Balance to the Airport Grant project for future land acquisition and obstruction removal. The total project is \$200,000 with 90% funded by the State (\$180) and a required 10% local match of \$20,000.*

IX. Items Removed from Consent Agenda

X. Informational Item

XI. New Business:

A. Public Hearings

1. Public Hearing for Consideration of Rezoning Petition 15-01. **(Exhibit XI.A.1.)**

*Wendell Cramer petitioned the City for the rezoning of approximately 2.36 acres of property located at the southwest corner of the intersection of Startown Road and Catawba Valley Boulevard SE. The petition is to rezone the property from Low Density Residential (R-1) to Regional Commercial (C-3). The rezoning of the subject property to Regional Commercial (C-3) is consistent with the goals and policies contained within the Hickory by Choice 2030 Comprehensive Plan. The Hickory Regional Planning Commission conducted a public hearing on May 27, 2015 to consider the petition and voted unanimously to affirm the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. The Hickory Regional Planning Commission and Staff recommends Council's approval of the rezoning.*

*This public hearing was advertised in a newspaper having general circulation in the Hickory area on June 5, and June 12, 2015.*

B. Departmental Reports:

1. Approval of an Invitation to Bid and Contract to Huffman Grading Co. Inc. in the Amount of \$121,287 for Additional Parking at Glenn C. Hilton Jr. Recreation Park. **(Exhibit XI.B.1.)**

*The paved parking lot will be constructed directly across 6<sup>th</sup> Street Drive NW from the existing Glenn C. Hilton, Jr. Recreation Park to provide overflow parking spaces for the facility. Work under the contract will include clearing, grading, paving, curb/gutter and fencing. The Traffic Division will provide the crosswalk on 6<sup>th</sup> Street Drive NW and parking lot striping. Landscape Services will provide landscaping and Building Services will provide area lighting for the parking lot. Informal bids were received on May 22, 2015. Staff recommends awarding the contract to the low responsive, responsible bidder, Huffman Grading Co., Inc. in the amount of \$121,287 for the construction of Glenn C. Hilton, Jr. Recreation Park additional parking lot.*

2. Accept the Hickory Public Library Strategic Plan for 2015-2018. **(Exhibit XI.B.2.)**

*The library received a \$20,160 Library Services and Technology Act planning grant in 2014 for the development of a new strategic plan to guide library services at Patrick Beaver Memorial Library and Ridgeview Branch Library for the next three years. Dr. Anthony Chow was retained to facilitate the planning process that was undertaken by a Steering Committee representing the business, education and non-profit communities, media, Library Advisory Board, Friends of the Library Board, City government, and library staff. Approximately 1000 residents were involved in the ten month study from July 2014 to May 2015 by participating in interviews, focus groups, community forums, and surveys that were available in print and online. Using input from the Steering Committee, staff, and survey results a final document was created. Staff recommends acceptance of the Hickory Public Library Strategic Plan for 2015-2018.*

3. Appointments to Boards and Commissions

**BUSINESS DEVELOPMENT COMMITTEE**

(Terms Expiring 6-30; 2 Year Terms) (Appointed by City Council)

At-Large	Jeff Neuville (Not Eligible for Reappointment)
At-Large	Dave Gissy (Not Eligible for Reappointment)
At-Large	Dave Paist (Not Eligible for Reappointment)

Alderwoman Patton to nominate Lori Alala to Business Development Committee, At-Large Representative.

**CATAWBA COUNTY ECONOMIC DEVELOPMENT BOARD OF DIRECTORS FOR HICKORY**

(Terms Expiring 6-30; 3-Year Terms with Unlimited Appointments) (Appointed by City Council)

Position One Gary Garvey and Stephen Shuford have expressed interest

**CITIZENS ADVISORY COMMITTEE**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

At-Large Michael L. Holland (Not Eligible for Reappointment)

**COMMUNITY APPEARANCE COMMISSION**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 1 Steven E. Bowman (Not Eligible for Reappointment)

**COMMUNITY RELATIONS COUNCIL**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Caucasian VACANT

Caucasian Neal Orgain (Eligible for Reappointment/ Does not wish to serve again)

Other Minority Ray Cerda (Eligible for Reappointment/ Does not wish to serve again)

Other Minority VACANT

**HICKORY REGIONAL PLANNING COMMISSION**

(Terms Expiring 6-30; 3-Year Terms With Unlimited Appointments)

(Appointed by City Council)

Ward 4 Sam Hunt (Eligible for Reappointment)

Burke County (Mayor to Nominate) VACANT Since 8-6-2008

Brookford (Mayor to Nominate) VACANT Since 6-2006

Caldwell County (Mayor to Nominate) James R. Noggle (Eligible for Reappointment)

Catawba County (Mayor to Nominate) Oscar Vasquez (Eligible for Reappointment)

**HISTORIC PRESERVATION COMMISSION**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Licensed Architect Christopher Wilson (Eligible for Reappointment/ Does not wish to serve again)

At-Large (3) Thomas R. Dobbins (Eligible for Reappointment/ Does not wish to serve again)

**INTERNATIONAL COUNCIL**

(Appointed by Mayor with the Concurrence of City Council)

Alex Mezei Resigned 3-19-2015

(10) VACANT Positions

**LIBRARY ADVISORY BOARD**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 1 VACANT (Charles Jeffers Passed Away 6/6/2015)

Ward 3 Kathy Ivey (Not Eligible for Reappointment)

**PARKS AND RECREATION COMMISSION**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 6 Jim Powers (Eligible for Reappointment/Willing to Serve)

At-Large (1) Minority (Bee Yang was reappointed but does not wish to serve again)

At Large (2) VACANT

**PUBLIC ART COMMISSION**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 3 VACANT

At-Large (Mayor Nominates) VACANT

At-Large (Mayor Nominates) Thomas McBrayer

(Eligible for Reappointment/Does not wish to serve again)

**PUBLIC HOUSING AUTHORITY**

(Terms Expiring 6-30; 5-Year Terms) (Appointed by Mayor)

Position 3 (Mayor Nominates) Clement Geitner

(Eligible for Reappointment)

Tenant Representative

(Mrs. Lester Clark is no longer eligible to serve because she is no longer a tenant)

**RECYCLING ADVISORY BOARD**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 3 VACANT

At-Large (1) VACANT

**UNIVERSITY CITY COMMISSION**

(Terms Expiring 6-30; 2-Year Terms) (Appointed by City Council)

At-Large Bill McBrayer

(Eligible for Reappointment/Does not wish to serve again)

**YOUTH COUNCIL**

(Terms Expiring 6-30; 1-Year Terms) (Appointed by City Council)

The Youth Council Applicant Review Committee Makes the Following Recommendations for Appointment to the Youth Council:

- Mary Kathryn Cockerham – Statesville Christian Academy – At-Large Representative
- Caroline Collins - Hickory Christian Academy – At-Large Representative
- Jalil Thompson – Hickory High School – At-Large Representative
- Jack McMahon – Hickory High School – At-Large Representative
- Caleb Hewitt – Hickory High School – At-Large Representative
- Mickaela Simmons – Hickory High School - At-Large Representative
- Matthew Sturgess – Hickory Christian Academy – At-Large Representative
- Molly Dwyer – Hickory Christian Academy – At-Large Representative
- Trevor Fulcher – Hickory Christian Academy – At-Large Representative
- Emmy Williams – Hickory High School – At-Large Representative
- Alanna Church – Fred T. Foard High School – Fred T. Foard Representative
- Darian Abernathy – Hickory High School – Hickory High School Representative
- Grace Bollinger – Hickory High School – Hickory High School Representative
- Tyler Cochrane – Hickory High School – Hickory High School Representative
- Bella Fields – Hickory High School – Hickory High School Representative
- Landen Linkous – Hickory High School – Hickory High School Representative
- Claire McCrea – Hickory High School – Hickory High School Representative
- Ally Sweeney – Hickory High School – Hickory High School Representative
- Aislynn Hosey – Homeschool – Homeschool Representative
- Chase delCharco – Hickory Christian Academy - Private School Representative
- Shea Hall – Hickory Christian Academy – Private School Representative
- Carson Bailey – St. Stephens High School – St. Stephens High School Representative
- Emily Childers – St. Stephens High School – St. Stephens High School Representative
- Andrew Howard – St. Stephens High School – St. Stephens High School Representative
- Jenny Kerley – St. Stephens High School – St. Stephens High School Representative

Paul Wood – St. Stephens High School –  
St. Stephens High School Representative  
Ben Neuville – St. Stephens High School –  
St. Stephens High School Representative  
Arianna Mack – St. Stephens High School –  
St. Stephens High School Representative

- 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)(5) 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 May 19, 2015 and June 2, 2015 - NCGS §143-318.11(a)(1)
  - 2. Potential Property Acquisition - NCGS §143-318.11(a)(5)
- 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. Phone Services (hearing impaired) – Call 711 or 1-800-735-2962**

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, June 2, 2015 at 7:00 p.m., with the following members present:

Brad Lail	Rudy Wright	Hank Guess
Bruce Meisner	Aldermen	David P. Zagaroli
Danny Seaver		Jill Patton

A quorum was present.

Also present were: City Manager Mick Berry, Assistant City Manager Andrea Surratt, Deputy City Attorney Arnita Dula, City Attorney John W. Crone, III, Deputy City Clerk Sarah Prencipe and City Clerk Debbie D. Miller

- I. Mayor Wright called the meeting to order. All Council members were present.
- II. Invocation by Rev. George Coates, Pastor Hartzell Memorial United Methodist Church and McQueen's Chapel United Methodist Church
- III. Pledge of Allegiance
- IV. Special Presentations
- V. Persons Requesting to Be Heard
- VI. Approval of Minutes
  - A. Regular Meeting of May 19, 2015
 

Alderman Seaver moved, seconded by Alderman Zagaroli that the Minutes of May 19, 2015 be approved. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderman Seaver seconded by Alderman Zagaroli and the motion carried unanimously.
- 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.
 

Alderwoman Patton moved, seconded by Alderman Seaver that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderwoman Patton seconded by Alderman Seaver and the motion carried unanimously.

  - A. Approval of a Contract with Hickory Metro Convention Center in the Amount of \$2,233 for the Annual Coworker Appreciation Event and Service Awards. (First Reading Vote: Unanimous)
  - B. Acceptance of a Cemetery Deed Conveying Exchanged Plots. (First Reading Vote: Unanimous)
  - C. Approval of the Purchase of 600 Radio Read Water Meters from HD Supply, Inc. in the Amount of \$105,000. (First Reading Vote: Unanimous)
  - D. Approval of Change Order Number One with Hickory Sand Company, Inc. in the Amount of \$82,410. (First Reading Vote: Unanimous)
  - E. Grant Project Ordinance Number 8. (First Reading Vote: Unanimous)
  - F. Grant Project Ordinance Amendment Number 5. (First Reading Vote: Unanimous)
  - G. Capital Project Ordinance Amendment Number 5. (First Reading Vote: Unanimous)
  - H. Budget Ordinance Amendment Number 19. (First Reading Vote: Unanimous)
  - I. Cloninger Mill Property/North Carolina Outward Bound School (NCOBS) Declaration of Covenants and Restrictions. (First Reading Vote: Unanimous)
  - J. Agreement with Cranfill Sumner & Hartzog LLP for Legal Services related to Willie Grimes vs City of Hickory et. al. (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.

Mayor Wright requested that Items D., E., and H. be removed from the Consent Agenda. Mayor Wright moved, seconded by Alderman Meisner approval of the Consent Agenda with the exception of Items D., E., and H. The motion carried unanimously.

Mayor Wright announced that he moved seconded by Alderman Meisner and the motion carried unanimously.

- A. Called for a Public Hearing – For Consideration of Rezoning Petition 15-01. (Authorize Public Hearing for June 16, 2015)

The property is located at the southwest corner of the intersection of Startown Road and Catawba Valley Boulevard SE and contains 2.36 acres. The request is to rezone from Low Density Residential (R-1) to Regional Commercial (C-3).

- B. Approved Applying for a 2015 Justice Assistance Grant (JAG) to Purchase Additional Officer Body-Worn Cameras and Digital Video Evidence Management Services and Approved on First Reading the Interlocal Agreement with Catawba County.

Hickory Police Department requests permission to use funds from the 2015 Justice Assistance Grant (JAG) to purchase additional body-worn cameras, hardware, hardware service/replacement, and digital evidence management storage. City of Hickory and Catawba County have received notification of approval to receive a combined allocation of \$32,455 under the 2015 Justice Assistance Grant Program. Cities and Counties are required to submit joint applications for the available funding. Catawba County is eligible for a direct award of \$12,900 and the City of Hickory is eligible for a direct award of \$19,555. There is no match required. The City of Hickory has agreed to serve as lead agency in the grant application process. Hickory Police Department recommends approval to apply for the JAG grant to purchase additional body worn cameras, hardware, service and digital evidence management solution in the amount of \$19,555 and to serve as lead agency in the grant process for a combined amount of \$32,455. Hickory Police Department also recommends approval of the Interlocal Agreement between Catawba County and the City of Hickory for allocation of the JAG funds.

- C. Approved on First Reading an Agreement with Alfred Benesch & Company in the amount of \$9,450 to Update the Park Master Site Plan for the Cloninger Mill Property.

In 2008, Alfred Benesch & Company (formerly known as Site Solutions) was contracted by the City of Hickory to develop a Park Master Site Plan for Cloninger Mill property. The plan excluded 10.1 acres of the property which was proposed for future commercial development. This agreement provides for design services to incorporate the additional 10.1 acres into the overall Park Master Site Plan. The updated Master Plan will be utilized to seek North Carolina Parks and Recreation Trust Fund grants for eventual park development. Staff recommends approval of the agreement with Alfred Benesch & Company in the amount of \$9,450 to update the Park Master Site Plan for the Cloninger Mill property. Funds are budgeted in Parks and Recreation Department's current budget.

- D. Removed from Consent Agenda, discussed and approved under "Items Removed from Consent Agenda" the Write-off of Uncollectable Accounts Totaling \$227,716.22, in Accordance with North Carolina General Statutes.

North Carolina General Statutes establish all street assessments and property taxes that are over ten years old and are no longer collectable, and should be written off in conjunction with the annual audit. For the current fiscal year (FY2014-2015), there are no street assessments to be written off, but \$88,081.21 in unpaid property taxes that exceeds the ten year limitation. The City of Hickory's Accounting Division requires all other accounts that are over eighteen months in arrears be written off to comply with "Generally Accepted Accounting Principles" in order to more fairly represent financial assets of the City on the balance sheet. For the current fiscal year, this amount is \$139,635.01.

The Finance Division will continue to pursue collection of the debts. All eligible accounts over \$50 are submitted to the North Carolina Debt Setoff Program for collection. As of May 5, 2015, the City of Hickory has collected \$30,525.59 from the garnishment of North Carolina State tax refunds and North Carolina State lottery winnings during this fiscal year. Staff recommends approval to write-off uncollectable accounts for Fiscal Year 2014-2015.

- E. Removed from Consent Agenda, discussed and approved under "Items Removed from Consent Agenda" the Termination of the Lease Agreement for Property Located at 470 Highway 70 SW.

In June 2004, the City entered into a ground lease agreement with the Hickory Jaycees for a building located at 470 Highway 70 SW. The term of the lease was for twenty-five (25) years with a lease fee of one dollar (\$1.00) per year. The Jaycees used the building and parking for their meetings and events. Due to several factors, including the need for repairs to the building, the Jaycees informed City Staff the organization had found an

alternative location for their meetings and events as of January 2015. Both parties mutually desire to terminate the agreement at this time. Staff requests Council approve the Termination of Lease Agreement between the City of Hickory and the Hickory Jaycees for the property located at 470 Highway 70 SW.

- F. Approved on First Reading a Railroad Permit Agreement from Norfolk Southern Railway Company for Murray Basin Sanitary Sewer Infrastructure Project.

The Murray Basin is the area located between Springs Road, Section House Road, and Highland Avenue. Staff and HDR Engineering Inc. have determined that approximately 6,000 linear feet of the existing system needs to be replaced and enlarged due to the existing pipe being vitrified clay pipe and numerous problems found during inspection. Staff requests approval of a license agreement in the amount of \$19,100 with Norfolk Southern Railway Company to install, maintain, operate, and remove a 12-inch ductile iron sewer force main in a 24-inch steel casing located on the right of way or property of the Railway in the Murray Basin service area.

- G. Approved on First Reading an Amendment to the Priority Use Agreement with the Catawba Valley Youth Soccer Association (CVYSA).

The City of Hickory entered into a Priority Use Agreement with CVYSA in July of 2013 to reflect CVYSA's commitment to contribute \$125,000 towards the purchase and installation of lights on fields 2, 4, 5 and 6 at the Henry Fork River Regional Recreation Park. Under the current \$125,000 financial commitment terms, contributions towards the financial commitment can be made at any time within the first five years of the agreement, but the entire \$125,000 contribution must be made by June 30, 2018. CVYSA has experienced several factors which have significantly impacted the organization's revenue and its ability to meet the current payment schedule.

CVYSA remains committed to fulfilling its financial commitment to the City but now desires to amend the Agreement's terms governing the payment schedule. Under the terms of the financial commitment in the first amendment, CVYSA still agrees to contribute a minimum of \$125,000 towards the installation of lights on the previously mentioned soccer fields. CVYSA agrees to pay an initial \$26,000 of the \$125,000 commitment by June 30, 2015. CVYSA agrees to pay the remaining \$99,000 in nine (9) equal installments of \$11,000 beginning June 30, 2016 and ending June 30, 2024. The annual payment will be made by June 30<sup>th</sup> of each year. Contributions would include direct monetary payments from CVYSA funds as well as any grant funds obtained by CVYSA. If CVYSA exceeds the \$125,000 commitment as of June 30, 2018, one (1) additional year of priority use will be added to the agreement for each additional \$2,500 above the \$125,000 commitment level. The first amendment to the priority use agreement was presented to, and endorsed by, the Parks and Recreation Commission at their April 14, 2015 meeting. Staff recommends approval of the First Amendment to the Priority Use Agreement with CVYSA for the use of the City of Hickory owned soccer fields at Henry Fork River Regional Recreation Park.

- H. Removed from Consent Agenda and discussed under "Items Removed from Consent Agenda". Council deferred a decision on the Invitation to Bid and Contract to Huffman Grading Co. Inc. in the Amount of \$121,287 for Additional Parking at Glenn C. Hilton Jr. Recreation Park.

The paved parking lot will be constructed directly across 6<sup>th</sup> Street Drive NW from the existing Glenn C. Hilton, Jr. Recreation Park to provide overflow parking spaces for the facility. Work under the contract will include clearing, grading, paving, curb/gutter and fencing. The Traffic Division will provide the crosswalk on 6<sup>th</sup> Street Drive NW and parking lot striping. Landscape Services will provide landscaping and Building Services will provide area lighting for the parking lot. Informal bids were received on May 22, 2015. Staff recommends awarding the contract to the low responsive, responsible bidder, Huffman Grading Co., Inc. in the amount of \$121,287 for the construction of Glenn C. Hilton, Jr. Recreation Park additional parking lot.

- I. Approved on First Reading Budget Ordinance Amendment Number 20.

ORDINANCE 15-26  
BUDGET ORDINANCE AMENDMENT NO. 20

BE IT ORDAINED by the Governing Board of the City of Hickory, that pursuant to Section 15 of Chapter 159 of the General Statutes of North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2015.

SECTION 1. To amend the General Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture and Recreation	260	-
General Government	-	498,400
Other Financing Uses	498,400	-

TOTAL	498,660	498,400
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To provide the additional Revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	260	-
TOTAL	260	0

SECTION 2. To amend the Water and Sewer Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
	-	-
TOTAL	0	0

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	68	68
TOTAL	68	68

SECTION 3. Copies of the budget ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

- J. Approved on First Reading Capital Project Ordinance Amendment Number 6.

ORDINANCE 15-27  
CAPITAL PROJECT ORDINANCE AMENDMETN NO. 6

BE IT ORDAINED by the Governing Board of the City of Hickory, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, that the following capital project ordinance is hereby adopted for the duration of this project.

SECTION 1. To amend the General Capital Project Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Project	-	197,000
TOTAL	0	197,000

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	-	72,000
Other Financing Sources	-	125,000
TOTAL	0	197,000

SECTION 2. Copies of the capital project ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

- K. Approved on First Reading Capital Project Ordinance Number 3.

ORDINANCE 15-27  
CAPITAL PROJECT ORDINANCE NO. 3

BE IT ORDAINED by the Governing Board of the City of Hickory, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, that the following capital project ordinance is hereby adopted for the duration of this project.

SECTION 1. To amend the Capital Project Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Project	498,400	-
TOTAL	498,400	0

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	498,400	-
TOTAL	498,400	0

SECTION 2. Copies of the capital project ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

- L. Approved on First Reading Grant Project Ordinance Amendment Number 6.

ORDINANCE 15-29  
GRANT PROJECT ORDINANCE AMENDMENT NO. 6

BE IT ORDAINED by the Governing Board of the City of Hickory that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following amendment be made to the grant project ordinance for the duration of the project.

SECTION 1. To amend the Grant Project Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Uses	68	-
TOTAL	68	0

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Restricted Government Revenue	68	-
TOTAL	68	0

SECTION 2. Copies of the grant project ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

IX. Items Removed from Consent Agenda – Items D., E. and H.

City Manager Mick Berry explained “Item D”, approval of the write-off of uncollectable accounts totaling \$227,716.22. The General Statues establish that all street assessments and property taxes that are over ten years old are no longer collectable and should be written off. He advised that the \$227,000 was over the course of ten years, which averages out to approximately \$22,000 per year. From the current fiscal year there were no street assessments to be written off, but \$88,081.21 in unpaid property taxes that exceeds the ten year limitation. The City of Hickory’s Accounting Division requires all other accounts that are over eighteen months in arrears be written off to comply with the “Generally Accepted Accounting Principles” in order to more fairly represent them on the financial statements of the City. He advised that total for the current fiscal year was \$139,635.01. The City continues to pursue those debts. Everything that is over \$50 is eligible to be pursued through the North Carolina Debt Setoff Program. He explained that process. If you owe the City of Hickory a debt and you receive a North Carolina Income Tax refund the City would get paid before you get the income tax refund back. As of May 5, 2015, the City of Hickory had collected \$30,525.59 from those garnishments. Lottery winnings are also garnished as well. He advised that Finance Director Melissa Miller could answer any other detailed questions.

Mayor Wright commented that the write-off of property taxes was a statutory requirement. In ten years the assumption is that it is uncollectable, but you keep trying to collect it. The other items are not statutory, it is more likely than not uncollectable. The City continues to collect with diligence. He commented that there were some large items in the write-offs. Mayor Wright recommended acceptance of the write-offs. He commented that this is a very small amount of the total dollars that go through the City’s receivables. Most corporations would be very pleased to have this small of a percentage of charge-offs.

Mayor Wright moved, seconded by Alderman Lail to accept the charge-offs. The motion carried unanimously.

Mayor Wright announced that he moved seconded by Alderman Lail and the motion carried unanimously.

Mr. Berry discussed “Item E” which asked Council to consider approving the termination of a lease agreement of City owned property located at 470 Highway 70 SW. The former Catawba County Chamber of Commerce building and was formerly occupied for many years by the Hickory Jaycees. The building was leased to the Jaycees for one dollar per year. It is a very old building and in need of significant repairs. The Jaycees determined that they did not want to do the repairs on the building, and had communicated that with Staff. They have vacated the premises, and are not meeting there anymore. He asked Council to consider terminating the lease with the Hickory Jaycees.

Alderman Meisner questioned if a decision had been made on what to do with the building.

Mr. Berry advised not at this time, but it is in rough shape and he is not sure that the City will want to repair it.

Mayor Wright confirmed that Council would be acknowledging that the Jaycees were wanting to terminate the lease. He confirmed that the Jaycees had been taking care of the routine maintenance on the property.

Mr. Berry confirmed that was correct.

Mayor Wright questioned the size of the parcel.

Mr. Berry estimated a quarter of an acre or a little less, with very limited parking. He advised that Staff would be coming back to Council for further discussion about the building.

Discussion ensued regarding the location and size of the parcel.

Mayor Wright moved, seconded by Alderman Zagaroli acceptance of the Termination of the Lease. The motion carried unanimously.

Mayor Wright questioned "Item H", the location of the parking spaces for the Glenn Hilton Park.

Mr. Berry advised that designed parking is across the road from the park. He advised that Council had previously talked about it approximately a year ago. He asked Mr. Mack McLeod to the podium to discuss the item with Council.

Alderwoman Patton asked about crosswalks. She had concerns about the road being curvy.

Mr. Mack McLeod advised that in 2011 the City purchased a little over an acre lot directly diagonally across from Hilton Park. The City had purchased the property for a future parking lot. Due to the popularity of the park there had been issues with parking especially on the weekend. Funds were appropriated in the Parks and Recreation department budget to construct an additional parking lot consisting of 53 additional parking spaces. Pedestrian signals and pedestrian crossings had been addressed. It will be a gated lot that will only open as needed and will have an automatic gate.

Alderman Guess questioned if there had been discussions about using that for bus parking.

Mr. McLeod confirmed that was correct. Right now it would be relatively closed unless it is needed on the weekends.

Alderman Lail requested a review of the plans. He had concerns regarding the crossing, and felt that something more substantial would be needed for the crosswalk. He also questioned the fencing. He wanted to make sure that it was compatible with both the neighborhood and the existing park use. He also was concerned about the connection, which is directly across from houses. It is not directly across from the park. He confirmed that there was a sidewalk on that side of the street.

Public Service Director Chuck Hansen advised Council that there would be a push button, pedestrian crossing light that would be installed, and a painted crosswalk as well. It is a lighted crossing from a flashing light scenario. The fencing will be a decorative fence that will be placed on top of a landscaped berm area. That will be opposite the lakeside of the property where it adjoins the existing residential property. There will be a three to four foot berm in that area, and on top of that will be a six foot high decorative fence with landscaping. That will serve as a buffer between the existing residential property there and the parking lot. On the east side of the property, which falls towards the pump station will remain natural. They are only using approximately two-thirds of the property. That would be the corner between the driveway of the Money property, the James property, and the pump station.

Alderman Lail questioned how the pedestrian crossing would work at a non-signal crossing.

Mr. Hansen commented that it is a flashing light to warn motorists of pedestrians in the crosswalk area. It is not a traffic signal that is going to stop traffic. It is notification that someone is in the crosswalk and it is activated just like a pedestrian crossing would be from a push button standpoint.

Alderman Lail commented that Council may have to look at speeds along that whole stretch as part of that whole thing, especially between those two turns.

Alderwoman Patton commented that has been a problem on that street for a long time.

Alderman Lail requested a site plan to see what the fence and the berm would look like and to understand how it connects to Hilton Park. He questioned the funds for the project.

Mr. McLeod advised that the funds were appropriated in the current fiscal year.

Mr. Berry advised that Council had talked about this previously and that Staff would be glad to bring back any information that Council would like to see on it.

Alderman Guess questioned if the delay would jeopardize anything.

Alderman Guess confirmed that delaying it one Council meeting would not have a significant impact.

June 2, 2015

Mr. McLeod stated no sir.

Alderman Lail commented that it is relatively significant at \$120,000 construction and capital project for parks and recreation for arguably our most used park.

Alderman Zagaroli asked if there were drawings on this.

Alderman Lail commented that there was none furnished in the agenda packet, but there was quotes.

Mr. McLeod advised that there were construction plans.

Alderman Lail commented that when the property was acquired that Council had looked at schematics.

Mr. McLeod commented from a Staff standpoint they were very conscious of crossing 6<sup>th</sup> Street. That is why it has an automatic gate and would not be open only if the existing parking at Hilton Park is filled up.

Alderwoman Patton commented that one of the complaints had been the parking up and down 6<sup>th</sup> Street. It wasn't that the park was full, but that they quit parking on the side.

City Attorney Crone asked if Council was proposing a motion.

Alderman Lail moved, seconded by Alderwoman Patton for this item to come back before Council for details on construction. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderman Lail seconded by Alderwoman Patton and the motion carried unanimously.

X. Informational Item

XI. New Business:

A. Public Hearings

1. Public Hearing on the City Manager's FY2015-2016 Recommended Annual Budget.

Pursuant to NC General Statutes §159-12(b), a public hearing shall be held before adopting the budget ordinance. This public hearing was advertised in a newspaper having general circulation in the Hickory area on May 22, 2015. Copies of the budget ordinance were filed for public inspection in the Office of the City Clerk, Patrick Beaver Memorial Library and Ridgeview Library. The recommended budget is also posted on the City's web page, [www.hickorync.gov](http://www.hickorync.gov). Pursuant to NC General Statutes §159-13(a), the City Council is required to adopt a balanced budget before July 1, making the appropriations and levying taxes for the budget year. The City Manager recommends adoption of the attached budget ordinance for Fiscal Year 2015-2016.

Mr. Berry presented to Council a PowerPoint presentation. At a prior meeting he had spoken to Council regarding the annual spending plan and the various measures that the City had gone through over the last ten years. Cost saving measures and other things as we have tried to manage through the recession and some significant changes to the local economy. He showed a graph. By law discussions are required on the entire budget. The real part of the budget that is funded with taxes, property tax and sales tax, is the General Fund. The Utility Fund, Sanitation Fund, and Airport Funds are almost completely self-supporting from the fees that either residents or businesses pay or uses of the Airport. The General Fund really becomes the bell weather for looking at what is going on with taxes in the community. Mr. Berry pointed out on the chart what the General Fund budget was for 2004-2005 and where it was in 2014-2015. He advised \$40 million dollars eleven years ago, \$46 million dollars in the current budget. That had increased by \$6 million dollars. In that time there had been the addition of 12 firefighters and 10 police officers. Those were the only substantial staffing changes that were made. He pointed out the line for the property tax. He commented that was almost completely flat. Property tax had gone from \$21.5 eleven years ago to \$23.5, being \$2 million dollars over eleven years or .8 percent a year. He stated that this is a telling chart to look at to understand what is really going on in the General Fund and property tax. What we are doing in the Utility Fund with major capital projects can make it look like there are big increases. In reality for 11 years the City had been extremely flat in the General Fund. This chart represented that. Mr. Berry stated his recommended budget stays consistent with where the City had been in the past, actually a slight decrease. He pointed

out that the number was approximately \$150,000 less than he had presented to Council at the previous meeting two weeks ago. There was an overstatement in a transfer from the General Fund to the Solid Waste Fund which did not materially change the budget. He pointed out the fund where all of the property tax and sales tax are collected and accounted for. That is where the core services of the City that are supported by those taxes are funded from. The Water and Sewer Fund is almost one-half the size of the General Fund. That is 100 percent funded by the monthly fees paid by all the businesses, individuals and the other local governments purchase water and wastewater services. The sludge composting facility is a subset of the Water and Sewer Fund. That is accounted for separately because it is partnership with the City of Hickory, the City of Conover, and Catawba County. That is set up to do its own accounting. That revenue, that \$1.7 million dollars is completely funded from the charges of all the users of the system for wastewater pay. The Storm Water Fund is relatively a small amount of money. There is not a separate revenue source to pay for storm water. He advised that would be taxes and fees that are represented there. He addressed the Airport which was approximately \$2.5 million dollars which was a slight increase. That is self-supporting so there is not general tax dollars going from the General Fund to the Airport. Staff had been working hard on that for several years to get it to that point. The Solid Waste Fund was down significantly because the purchase of the rollout carts that are being distributed in this fiscal year. We will not have that expenditure again. Solid waste is 80 percent funded from the monthly bills that both the businesses and the residents pay. There is only a small subsidy from property tax. All of the Internal Services Funds are basically double accounting as required by Generally Accepted Accounting Principles (GAAP). The Capital Reserve Fund, you budget it in the Water and Sewer Fund and then you move it to the Capital Reserve Fund for accounting purposes and expend it from there. Fleet Maintenance in the Police Department, Fire Department, Utilities, and Sanitation all have money budgeted to maintain their vehicles. When they "pay their bills" to the City that is all accounted for in Fleet Maintenance. The Insurance Fund is the same way. All the cost for Human Resources is accounted for in either the General Fund or the Water and Sewer Fund and then is moved between accounts within the City in the Insurance Fund. You are overstating the budget by \$18 million dollars, but we have to do it that way. That is general accepted accounting principles and law that requires us to account for it that way. That is where you end up with just a little less than a six percent increase in the total overall budget but the General Fund is actually a slight decrease by .34 percent.

Mr. Berry discussed the big issues in the budget this year that had been discussed at the previous meeting which was revaluation of all of the property throughout the County. The City is seeing a six and a half percent drop there. Statutorily a revenue neutral rate has to be presented. The revenue neutral rate for the City of Hickory is 3.95 cents. The rate may change but on average the tax bill stays the same. He gave an example of the average residential property being \$150,000, the tax rate being 50 cents. The average property owner paying \$750 a year or \$62.50 per month. If that average home went down by the average loss that we saw across the City of six and a half percent, you have revenue neutral rate of 53.95. They basically come in 50 cents more a month. There is no way to equalize that across thousands of parcels and properties across the City. The City will not take in any more revenue from revaluation than we have taken in in the past. The Statute does allow you to have a little bit of a growth factored in there. We have new structures and new construction going on throughout the year. They don't make you wipe that out when you do the revenue neutral formula.

Mr. Berry addressed the repeal of the Business Privilege License which goes into effect July 1<sup>st</sup> and equates to \$1.1 million dollars. To hold the City harmless would require a 2.7 cent tax rate increase. Revenue neutral 3.95 to replace over a million dollars in privilege license loss puts us at a tax rate at 56.65. The loss of the privilege license does effect the taxpayers. This would be the first time in 20 years that Council had considered a property tax rate increase. He showed the chart again of what the General Fund and the property tax revenues had done in 11 years. He pointed out that there were no windfalls and there hasn't been significant growth in the revenues. The total expenditures over the course of 11 years increasing by just a little over one percent a year, and the property tax revenue being even more flat than that. He pointed out the million dollars in Privilege License which had also been very flat in comparison to \$20 million in property tax. The Privilege License funds are gone which creates a million dollar hole. Council would need to uptick the property tax by one million dollars to make up for the million dollar loss that has taken place in the Privilege License.

Mr. Berry commented that the big dollar changes are taking place in the Utility Fund. There is over five and a half million dollars in projects that are being funded in the upcoming year. These are funds that are collected from the sale of water and sewer. These are not tax dollars that are being used to develop the Utility

Fund and replace pipes. They are the actual fees that everybody pays into the system to use water and sewer.

Mr. Berry discussed the overall highlights. The pennies value goes down because of revaluation. We are seeing fairly strong growth in sales tax which is encouraging. We still have a contingency built in of \$650,000 which has been Council's practice and policy for a number of years. When unexpected things come up during the year there is a "small pot" to pull from. He did not recommend any new positions. The merit pay program is funded at two percent and three percent depending on performance. The benefits package stays the same with a few minor increases in deductibles and copays in the health insurance. Per Council's policy fees are increasing consistent with the 2014 CPI which is a little less than one percent. The same policy applies in the Water and Sewer Fund for water and sewer rates. Council had approved contracts to do design work on three major capital projects. That should be designed and ready for bid in the next 12 months and those total five and a half million dollars.

Mr. Berry discussed the Solid Waste Fund. The City processes hundreds of millions of tons of waste per year. Our recycling has been very solid and should continue to uptick significantly with the new rollouts. The Solid Waste Fund is 83.5 percent self-supporting. That had been a strategic initiative that Staff has embarked on for the last several years. He proposed that fee be increased from \$16.50 to \$18.50 per month. Property tax had been so flat you have to pay for services with other mechanisms.

Mr. Berry went back to the chart to discuss what is happening on the average home. He used the \$140,000 home with a tax rate of .5665 which is \$66.17 per month. Doing a comparison, the new monthly tax bill at \$62.50, which would be \$3.67 per month more on property tax and \$2.00 solid waste fee. On the average residential property \$5.67 per month increase.

Mr. Berry discussed the next steps which were to conduct the public hearing. The recommended budget was available on the website. Staff had used a new graphing tool to present the full budget and it was an easy way for the community to look at. The current year budget had been removed when the recommended budget was posted. He would ask Staff to figure out how to do both of those so citizens could do a comparison of the two.

Alderman Seaver asked how the Solid Waste Fund compared to other municipalities.

Mr. Berry commented that is a philosophical policy decision that cities make. Some cities say that is a service that the city provides and they don't charge anybody for throwing out trash. Other places are like the City of Hickory and they want it to be supported by fees. There is a whole mess of what people do out there.

Mayor Wright commented that do you collect it based on property taxes or based on services. The City has chosen the later.

Alderman Lail commented that the capital improvement plan was provided for information within the budget and it is sort of a roadmap and it goes out five years. He asked about construction at police headquarters for an addition at \$500,000. He asked if that was programed for fiscal year 2015-2016.

Mr. Berry advised that was a leftover. That is put out there because of various facility improvements. He used for example the property that was purchased on Highway 127 for future expansion of the Fire Department. Staff doesn't know exactly when the need may be to expand the Fire Department. That money is put out there to remind Staff of things in the future so we can be thinking about them. It is a planning tool to help Staff, Council and the public to know of things that are out there potentially in the future.

Alderman Seaver asked about the sales tax distribution. He asked if they were still battling that and if it would affect the next year.

Mr. Berry commented that he didn't know how they could adopt it and make it retroactive. He showed some charts on that. He showed a map of the State of North Carolina. Right now two cents of the sales tax in North Carolina comes back to the County and then back to the City. It is about 50/50 the way it comes back. One percent comes back on where it was bought. The other part, all of the sales in the whole State of North Carolina goes into a pool and it gets divvied out based on your population. The General Assembly, specifically the Senate is looking at several different Bills that would change that. That would do away with bringing it

back to a community based on where the item was purchased and would distribute it based on per capita. We have not been given access to the formulas yet and have been told that they are trying to hash out ways to do this. He showed charts signifying the impact on Catawba County. Hickory is a regional shopping hub. We have people coming from all over the region to shop. Therefore the one percent that comes back to us based on where you bought it is a good thing. If you change that to population based then we are going to lose. Every scenario shows a negative impact to the City of Hickory and Catawba County. There are a lot less losers than there are winners.

Alderman Seaver commented that we are working hard to get businesses to come to Hickory, and the rest of the people of the State are seeing the fruits of our labor too. We are sharing it so to speak.

Mr. Berry commented Staff had provided hard data to the Legislators identifying approximately four million dollars of very direct cost for Police and Fire calls, and the cost for street maintenance. These figures were very conservative. There significant cost to have a mall, or a Catawba Valley Boulevard. Those are good things, but if you take the sales tax away the cost is still going to be there. People are still going to be here and are still going to be shopping, but we want get the revenue that we are using right now to pay for these services that are required when you are a regional shopping destination. He questioned what the communities would do when they get this windfall of sales tax. Are they going to lower their property tax or go build a pool, or a recreation center, or whatever that they have been wanting to do? You are going to have an overall increase in public spending with that happening. We are not going to be able to avoid the cost. We cannot cut our Police and Fire services because the people are still here. We just will not have the sales tax money to pay for it, so you would potentially have to increase property tax and yet these other communities are going to get these windfalls. He is concerned about the way it impacts Hickory and Catawba County.

Alderman Seaver commented there should be representatives fighting for the people in these areas.

Alderwoman Patton referenced the chart. The water issue is a resource that we have and they are taking it away because they can.

Mayor Wright commented that there is a philosophy that the rural areas have been left behind. Although we are in that urban/rural area we get thrown in with the urban.

Alderman Lail commented that this is all part of the State's effort for tax reform to reduce State income taxes. That may be something that is either good or bad for North Carolina. This is one technique that they are using to do it. How they are implementing it is where it starts to rub up.

Mayor Wright commented that those first passed did not affect income taxes, but down the road the intent is that the sales tax will become a State tax.

Alderman Lail commented that is the way it is in some States. Getting it equalized is where good hard governing comes in play. It is hard decisions.

Mayor Wright commented that ultimately the sales tax will be just part of the State's General Fund and we will have to be raising that same amount of money in property taxes.

Alderman Seaver commented that it is just shifting the taxes, raising on one end and lowering on the other.

Alderman Lail commented that is problematic because it is diverting money away from Hickory and Catawba County. Counties will be bigger losers than municipalities.

Mr. Berry referenced the map. The counties are as concerned about it as the cities are.

Alderman Guess questioned if there were discussions about something to replace Privilege License.

Mr. Berry advised not a word.

Mayor Wright commented that it was promised at one time.

Mr. Berry showed a graph pointing out the various versions that Staff had heard about in the sales tax redistribution. He pointed out the green line, with six percent growth, if nothing were to change and we continue to grow at six percent that is where you would be in 2021. He pointed out where the City would be at on the other three which indicated a loss of several million dollars.

Alderman Seaver questioned the six percent growth per year.

Mr. Berry advised that is what we have seen this year and what we are projecting for next year. He commented that is pretty progressive. If it is less than six percent then the line would shift down, but you are still going to have a pretty significant gap there. Part of the problem is that the formula tries to hold the red areas harmless over time with population growth. The State is projecting that Catawba County's population growth is going to be less than one percent in the next ten years. From the last census to the next census. We are one of the few communities that might be able to grow our way out of this. Unless we are super successful at attracting people and businesses and can grow our population in the two to four percent range, we are going to really struggle. Mecklenburg, and Wake County are in red now, but they are projected to have almost double digit growth. The population formula will start holding them harmless at some point in time. We are one of only five counties that are projected to not grow our way out of this by 2020.

Mayor Wright explained the rules for conducting the public hearing. He declared the public hearing open and asked if there was anyone present to speak in opposition to the proposal. No one appeared. He asked if there was anyone present to speak in favor to the proposal. No one appeared. Mayor Wright closed the public hearing.

Alderman Lail moved, seconded by Alderwoman Patton approval of the City Manager's FY2015-2016 Recommended Annual Budget. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderman Lail seconded by Alderwoman Patton and the motion carried unanimously.

Mr. Berry commended Melissa Miller and Karen Hurley for their work on the budget.

Mayor Wright added and the Department Heads. There is a lot of time that goes into it beforehand.

Alderman Lail commented for 10 years our City Staff leaders and Department Heads, Managers, and Finance Directors have done such a good job in keeping us consistent in what we have seen within the economy and with the property taxes. There are other communities that have not fared that well. For us to have made it in that ten year decline, without major changes is commendable. They have made some really tough decisions and continue to do so.

Mayor Wright added in times that are as tough as anybody in the State has faced.

Alderwoman Patton commented that we have not had a lack of service in which our City does have fantastic services to everything that we offer. It is commendable for what you have been able to do.

Mr. Berry commented that there had been a good partnership between the professional Staff and the elected officials to jointly wade through these difficult challenging times.

Alderman Seaver commented that we have done so much, with so little for so long, now we can do everything with nothing.

Alderman Meisner commented that stood for 30 years. We have had great Staff the whole time. It had been a good partnership.

Mayor Wright recognized Mr. Phil Yount who had served for 24 years with the City. Mr. Yount continues to serve as the Chairman of the TDA. He donates his knowledge to the City. Mayor Wright commented on how invaluable that knowledge is and the City is getting it for nothing. He thanked Mr. Yount for his service.

ORDINANCE 15-30  
CITY OF HICKORY  
BUDGET ORDINACE  
FISCAL YEAR 2015-2016

BE IT ORDAINED by the Governing Board of the City of Hickory, North Carolina:

SECTION 1: It is estimated that the following revenues will be available in the General Fund for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016:

Ad Valorem Taxes	\$24,986,613
Other Taxes	13,848,165
Unrestricted Intergovernmental Revenues	525,000
Restricted Intergovernmental Revenues	2,018,825
Licenses and Permits	7,255
Sales and Services	1,744,885
Investment Earnings	125,000
Miscellaneous	267,000
Other Financing Sources	<u>2,574,233</u>
	\$46,096,976

SECTION 2: The following amounts are hereby appropriated in the General Fund for the operation of the City government and its activities for the Fiscal Year beginning July 1, 2015, and ending June 30, 2016, in accordance with the chart of accounts heretofore established for this City:

General Government	\$5,945,123
Public Safety	22,185,081
Transportation	5,906,643
Economic and Community Development	2,763,670
Culture and Recreation	6,034,469
Other Financing Uses	1,458,196
Debt Service	1,153,794
Contingency	<u>650,000</u>
	\$46,096,976

SECTION 3: It is estimated that the following revenues will be available in the Water and Sewer Fund for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016:

Restricted Intergovernmental Revenues	\$1,350,217
Sales and Services	21,238,000
Investment Earnings	50,000
Miscellaneous	320,000
Other Financing Sources	<u>5,500,000</u>
	\$28,458,217

SECTION 4: The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer utilities for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$23,359,351
Other Financing Uses	872,946
Debt Service	4,075,920
Contingency	<u>150,000</u>
	\$28,458,217

SECTION 5: It is estimated that the following revenue will be available in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016:

Restricted Intergovernmental Revenues	<u>\$1,725,076</u>
	\$1,725,076

SECTION 6: The following amounts are appropriated in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2015, and ending June 30, 2016 in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	<u>\$1,725,076</u>
	\$1,725,076

SECTION 7: It is estimated that the following revenue will be available in the Stormwater Fund for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016:

Other Financing Sources	<u>\$265,893</u>
	\$265,893

SECTION 8: The following amounts are appropriated in the Stormwater Fund for the Fiscal Year beginning July 1, 2015, and ending June 30, 2016 in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	<u>\$265,893</u>
	\$265,893

SECTION 9: It is estimated that the following revenues will be available in the Transportation Fund for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016:

Sales and Services	\$2,435,496
Investment Earnings	1,000
Other Financing Sources	<u>53,422</u>
	\$2,489,918

SECTION 10: The following amounts are appropriated in the Transportation Fund for the operation of Transit and Airport activities for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016, in accordance with the chart of accounts heretofore established for this City:

Transportation	<u>\$2,489,918</u>
	\$2,489,918

SECTION 11: It is estimated that the following revenues will be available in the Solid Waste Fund for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016:

Other Taxes	\$25,000
Sales and Services	4,096,200
Investment Earnings	5,000
Miscellaneous	3,000
Other Financing Sources	<u>641,049</u>
	\$4,770,249

SECTION 12: The following amounts are appropriated in the Solid Waste Fund for the operation of recycling, residential solid waste collection and commercial bulk services activities for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	<u>\$4,770,249</u>
	\$4,770,249

SECTION 13: It is estimated that the following revenue will be available in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016:

Other Financing Sources	<u>\$8,314,000</u>
	\$8,314,000

SECTION 14: The following amounts are hereby appropriated in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2015, and ending June 30, 2016 in accordance with the chart of accounts heretofore established for this City:

General Government	\$925,000
Transportation	40,000
Environmental Protection	740,000
Other Financing Uses	<u>6,609,000</u>
	\$8,314,000

SECTION 15: The following amounts form the revenue portion of the financial plan for the Fleet Maintenance Fund:

Sales & Services	<u>\$2,942,924</u>
	\$2,942,924

SECTION 16: The following amounts form the expenditure portion of the financial plan for the Fleet Maintenance Fund:

General Government	<u>\$2,942,924</u>
	\$2,942,924

SECTION 17: The following amounts form the revenue portion of the financial plan for the Insurance Fund:

Sales & Services	\$6,510,183
Investment Earnings	<u>40,001</u>
	\$6,550,184

SECTION 18: The following amounts form the expenditure portion of the financial plan for the Insurance Fund:

General Government	<u>\$6,550,184</u>
	\$6,550,184

SECTION 19: The operating funds encumbered on the financial records of June 30, 2015 are hereby re-appropriated into this budget.

SECTION 20: There is hereby levied a property tax at the rate of fifty-two cents (\$0.5665) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2015, for the purpose of raising the revenue listed as "Ad Valorem Taxes" in the General Fund in Section 1 of this ordinance. This rate is based on a total estimated valuation of property for the purposes of taxation of \$4,415,178,221 and the Fiscal Year 2014-2015 estimated rate of collection of .969%.

SECTION 21: The corresponding "FY 2015-2016 Schedule of Fees" is approved with the adoption of this Annual Budget Ordinance.

SECTION 22: The City Manager (Budget Officer) is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He may transfer amounts between line-item expenditures within the same functional area within a fund without limitation and without a report being required.
- b. He may transfer amounts up to \$1,000 between functional areas including contingency appropriations, within the same fund. He must make an official report on such transfers at the next regular meeting of the Governing Board.
- c. He may not transfer any amounts between funds, except as approved by the Governing Board in the Annual Budget Ordinance as amended.

SECTION 23: Copies of the Annual Budget Ordinance shall be furnished to the City Clerk, to the Governing Board and to the City Manager (Budget Officer) and the Finance Officer to be kept on file by them for their direction in the disbursement of funds.

ORDINANCE 15-31  
2015 COMMUNITY DEVELOPMENT ENTITLEMENT  
BLOCK GRANT PROJECT ORDINANCE

BE IT ORDAINED by the City Council of the City of Hickory that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted.

SECTION 1. The project authorized is the 2015 Community Development Entitlement Block Grant program.

SECTION 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the Department of Housing and Urban Development, and the budget contained herein.

SECTION 3. The following revenues are anticipated to be available to complete the project:

Restricted Intergovernmental Revenues	\$300,041
Miscellaneous	<u>\$165,000</u>
	\$465,041

SECTION 4. The following amounts are appropriated for the project:

Economic and Community Development	<u>\$465,041</u>
	\$465,041

SECTION 5. The Finance Director is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and Federal and State regulations.

SECTION 6. Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in a orderly and timely manner.

SECTION 7. The Finance Director is directed to report quarterly on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

SECTION 8. The City Manager (Budget Officer) is directed to include a summary analysis of past and future costs and revenues on this grant project in every budget submission made to this board.

SECTION 9. Copies of this grant project ordinance shall be furnished to the Clerk of the Governing Board, the City Manager (Budget Officer) and the Finance Director for direction in carrying out this project.

B. Departmental Reports:

1. Authorize Staff to Apply for the US Department of Transportation TIGER Discretionary Grant in the Amount of \$27,500,000.

The TIGER Discretionary Grants provide funding up to 80 percent of project costs in urban areas for surface transportation infrastructure project that will have a significant impact on the nation, a region, or metropolitan area. There is a \$10 million dollar minimum funding request. The City of Hickory's TIGER request will be \$27.5 million dollars. Funds will be used for critical infrastructure improvements such as streets, sidewalks, crosswalks, gateways, trails, and streetscape to promote the City as a choice location to live, work and play, and one where businesses want to locate, invest and expand. The match requirement is 20 percent of the grant award. The \$40 million dollar bond referendum will serve as the non-federal funding match. Staff recommends Council authorize Staff to apply for the TIGER Discretionary Grant in the amount of \$27,500,000.

Mr. Berry asked Assistant City Manager Andrea Surratt to the podium to present an application to the US Department of Transportation for a \$27.5 million dollar grant possibility.

Mrs. Surratt advised Council that this grant application had come up fairly quickly. We have a project opportunity to apply for some funding for one of the bond projects. She advised that this is a Federal DOT Grant Application. Staff requested Council's permission to apply for the grant. It is a TIGER grant which stands for "Transportation Investment Generating Economic Recovery". This is the seventh round of TIGER grants for the nation. The City would like to submit an application for the "Citywalk" project. The request was to consider a 22 million dollar grant application for the citywalk, which required a 20 percent match of approximately 5.5 million dollars. The citywalk project had the most detailed cost estimates prepared by LandDesign through the Inspiring Spaces project. She advised that number was a high number, but a very complex project. The estimate was \$27.5 million. Those numbers and those details are the level of information that is needed by DOT. With the short timeframe for this grant that is one factor on why this project is being submitted for approval.

Mrs. Surratt advised that 60 days ago the Secretary of Transportation Anthony Foxx announced the 500 million dollar transportation funding pool for the TIGER grants. The City would have until Friday, June 5<sup>th</sup> to get this full application in. In April we were in the process of contracting with Freese Nichols. Their consultant Jessica Martin-Lane with Martin McGill Associates was tasked with finding supplemental funding. This grant came up on the radar. Staff worked with her to do a pre-application. We are now able to apply for the full project. She advised that it is about transportation projects that are tied to generating economic development. She commented that there are a lot of streetscape projects that are tied with the bond. Those are still concepts on paper and have not had any engineering done. For this cycle of grant applications we have more detailed information related to citywalk. Citywalk falls in the intermodal category of the type

of project that would be considered. It might stand out a little more than just a highway project. This particular grant is interested in providing affordable transportation, so walking, biking, and travel with areas that are disconnected. We have made the case that our college area all the way up to the lake is a way that should be connected for people to travel. We have identified sites along the citywalk for redevelopment for corporate headquarters. That emphasis in our plan is going to stand out quite significantly in our application. Community revitalization, workforce development, education services, connections to those jobs, all of that is what the TIGER grant is seeking out. She showed a PowerPoint presentation which displayed the plan. The plan also included bridge improvements which are also allowed as an eligible project. She displayed a list from the website for TIGER. She had left a handout at Council's seat for their information. Intermodal is probably the greatest category link to the grant.

Mrs. Surratt discussed the funding. We are seeking 22 million, which was the recommended amount from consultant Jessica Lane. The City would put up \$5.5 million dollars for the 20 percent match. This grant is so significant nationwide that for urban areas it is a minimum of \$10 million dollars to apply. Some of our projects would not meet the test for that amount of money. A lot of things wouldn't even be able to be applied for. It is related to regionalism, interconnectivity, economic development and revitalization.

Alderman Seaver commented that we are ahead of the curve compared to other communities.

Mrs. Surratt advised that timing is on our side because we had this plan ready and they only give you 60 days to get it in. Cities have to have something ready to submit or miss the opportunity. She discussed the timeline. If we were to receive an award for the grant we should hear by early September. We would need to decide if we were ready to agree to participate with DOT and sign the document by September 30<sup>th</sup>. That would obligate the City to the match and you would have until September 2022, five years, to spend the money and build the project. She advised that was really a nice timeframe sequence with what we already have for the bond program.

Alderman Lail questioned when the City would find out.

Mrs. Surratt advised 2015.

Mayor Wright commented that they were going to get hundreds of applications.

Mrs. Surratt advised that they would, and it is nationwide. Asheville and Goldsboro in North Carolina had previously received a grant. Atlanta received one for a street car project. We are as competitive as other cities. Larger urban areas would compete and ask for funding. We have to do our homework to connect with our Legislators in Washington. We also need to present this plan to them so they can make some calls. It is a competition. We stand a good chance because of our decline in population and jobs. We make the case very strongly that we need this type of regional revitalization. This is one project that could help spur that. We have already recognized it, we just didn't decide to make it up after the grant was awarded, or announced. We actually knew that this was what we needed to do. One piece of the puzzle.

Mayor Wright commented that this is clearly a regional amenity. It is like our parks. It will be used regionally and we don't charge people from outside this region to use them. We provide regional amenities.

Mrs. Surratt advised that it goes across two counties if you count it going out to the lake. It crosses into Burke County. It is a longer range look at that project.

Mayor Wright commented that it will be used by people from even a wider range.

Mrs. Surratt advised that the consultants are working very hard and they know how to do this. She commented that at a quick request Staff had responses from Corning with a letter of support, Patrick Harper and Dixon, The Salt Block Foundation, Chamber of Commerce, EDC, the COG, HDDA, Innovate Catawba, the Symphony, and a number of others. She advised Lenoir-Rhyne University was in the pipeline and also CVCC. She commented there were a number of letters of community support for the grant application.

Alderman Seaver asked how much of that grant money was available.

Mrs. Surratt advised 500 million dollars.

Alderman Seaver asked if that was just for this year.

Mrs. Surratt replied yes sir.

Alderman Seaver commented since 2009 they had provided over \$790 million dollars.

Mayor Wright commented that at \$20 million a pop that is 40 cities.

Mrs. Surratt commented that some are larger applications than even that. The average grant was around \$17 million dollars and ours was \$22 million dollars.

Mayor Wright commented look at how many projects that we could add to our list.

Mrs. Surratt advised that we have a good grant writer with Martin McGill, and we are in good standing to make that application.

Alderwoman Patton moved, seconded by Alderman Zagaroli approval to apply for the US Department of Transportation TIGER Discretionary Grant. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderwoman Patton seconded by Alderman Zagaroli and the motion carried unanimously.

Mayor Wright commented that some cynics would say that is government money that is borrowed from other foreign countries, it is not money that is really in the bank. It is printing money in order to do this for us. Mayor Wright advised that his response would be whether we get in line for these grants or not, our grandchildren will be paying them back. He preferred that they only spend what they have in the bank. If we are going to be paying back money that is going to California, Texas, Michigan and other places let's get in line to get some of it for our grandchildren's benefit.

2. Appointments to Boards and Commissions

BUSINESS DEVELOPMENT COMMITTEE

(Terms Expiring 6-30; 2 Year Terms) (Appointed by City Council)

At-Large	Jeff Neuville (Not Eligible for Reappointment)
At-Large	Dave Gissy (Not Eligible for Reappointment)
At-Large	Dave Paist (Not Eligible for Reappointment)

CATAWBA COUNTY ECONOMIC DEVELOPMENT BOARD OF DIRECTORS FOR HICKORY

(Terms Expiring 6-30; 3-Year Terms with Unlimited Appointments) (Appointed by City Council)

Position One Gary Garvey and Stephen Shuford have expressed interest

CITIZENS ADVISORY COMMITTEE

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

At-Large	Joseph M. Hart (Eligible for Reappointment)
At-Large	Michael L. Holland (Not Eligible for Reappointment)

Mayor Wright reappointed Joseph M. Hart to the Citizens Advisory Committee, At-Large Representative.

COMMUNITY APPEARANCE COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 1	Steven E. Bowman (Not Eligible for Reappointment)
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COMMUNITY RELATIONS COUNCIL

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

African-American	Crystal S. Killian (Eligible for Reappointment/ Willing to Serve)
Caucasian	VACANT
Caucasian	Neal Orgain (Eligible for Reappointment/Does not wish to serve again)
Other Minority	Ray Cerda (Eligible for Reappointment/ Does not wish to serve again)
Other Minority	VACANT
Differently Abled	Beth Whicker (Eligible for Reappointment/ Willing to Serve)

Mayor Wright reappointed Crystal S. Killian to the Community Relations Council as the African-American Representative and Beth Whicker as the Differently-Abled Representative.

HICKORY REGIONAL PLANNING COMMISSION

(Terms Expiring 6-30; 3-Year Terms With Unlimited Appointments)  
(Appointed by City Council)

Ward 4		Sam Hunt (Eligible for Reappointment)
Burke County	(Mayor to Nominate)	VACANT Since 8-6-2008
Brookford	(Mayor to Nominate)	VACANT Since 6-2006
Caldwell County	(Mayor to Nominate)	James R. Noggle (Eligible for Reappointment)
Catawba County	(Mayor to Nominate)	Oscar Vasquez (Eligible for Reappointment)

HISTORIC PRESERVATION COMMISSION

(Terms Expiring 6-30; 3-Year Terms (Appointed by City Council)

Licensed Architect	Christopher Wilson	(Eligible for Reappointment/ Does not wish to serve again)
At-Large (2)	Jody Blake	(Eligible for Reappointment/ Willing to Serve)
At-Large (3)	Thomas R. Dobbins	(Eligible for Reappointment/ Does not wish to serve again)

Mayor Wright reappointed Jody Blake to the Historic Preservation Commission as the At-Large (2) Representative.

INTERNATIONAL COUNCIL

(Appointed by Mayor with the Concurrence of City Council)

Alex Mezei Resigned 3-19-2015  
(10) VACANT Positions

LIBRARY ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 2	Walter Smith (Eligible for Reappointment/Willing to Serve)
Ward 3	Kathy Ivey (Not Eligible for Reappointment)
Ward 6	Carolyn Sinclair (Eligible for Reappointment/Willing to Serve)
At-Large (3)	(Mayor to Nominate) John T. Kenny (Eligible for Reappointment/Willing to Serve)

Alderman Meisner reappointed Walter Smith to the Library Advisory Board as the Ward 2 Representative.

Alderwoman Patton reappointed Carolyn Sinclair to the Library Advisory Board as the Ward 6 Representative.

Mayor Wright reappointed John T. Kenny to the Library Advisory Board as the At-Large (3) Representative.

PARKS AND RECREATION COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 1	Michael (Tony) Wood (Not Eligible for Reappointment)
Ward 4	Allen Mitchell Jr. (Eligible for Reappointment/Willing to Serve)
Ward 5	David Crosby (Eligible for Reappointment/Willing to Serve)
Ward 6	Jim Powers (Eligible for Reappointment/Willing to Serve)
At-Large Minority (1)	Bee Yang (Eligible for Reappointment)
At Large (2)	VACANT

Alderman Lail nominated Lanie Wood to the Parks and Recreation Commission as the Ward 1 Representative.

Alderman Guess reappointed Allen Mitchell Jr. to the Parks and Recreation Commission as the Ward 4 Representative.

Alderman Zagaroli reappointed David Crosby to the Parks and Recreation Commission as the Ward 5 Representative.

Mayor Wright reappointed Bee Yang to the Parks and Recreation Commission as the At-Large Minority (1) Representative.

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 1	Jennifer Helton (Eligible for Reappointment/Willing to Serve)
Ward 3	VACANT

At-Large (Mayor Nominates) VACANT  
 At-Large (Mayor Nominates) Thomas McBrayer (Eligible for reappointment/Does not wish to serve again)

Alderman Lail reappointed Jennifer Helton to the Public Art Commission as the Ward 1 Representative.

PUBLIC HOUSING AUTHORITY

(Terms Expiring 6-30; 5-Year Terms (Appointed by Mayor)  
 Position 2 (Mayor Nominates) Dr. Sidney Myles (Eligible for reappointment/Willing to Serve)  
 Position 3 (Mayor Nominates) Clement Geitner (Eligible for Reappointment)

Mayor Wright reappointed Dr. Sidney Myles to Public Housing Authority as the Position 2 Representative.

RECYCLING ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
 Ward 3 VACANT  
 Ward 5 J.C. Epting (Eligible for Reappointment/Does not wish to serve again)  
 At-Large (1) VACANT

Alderman Zagaroli nominated Bob Warmuth to the Recycling Advisory Board as the Ward 5 Representative.

UNIVERSITY CITY COMMISSION

(Terms Expiring 6-30; 2-Year Terms) (Appointed by City Council)  
 At-Large Joyce Beard (Eligible for Reappointment/Willing to Serve)  
 At-Large Bill McBrayer (Eligible for Reappointment/Does not wish to serve again)

Mayor Wright reappointed Joyce Beard to the University City Commission as an At-Large Representative.

Mayor Wright moved, seconded by Alderman Seaver approval of the above nominations and reappointments. The motion carried unanimously.

Mayor Wright announced he moved seconded by Alderman Seaver and the motion carried unanimously.

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

Mr. Berry recognized interns with the City for the month of June, Deisy Zavala-Vazquez from Lenoir-Rhyne University, and Melissa Loveless who just graduated from Western Carolina.

Mayor Wright commented about events in the community. The dinosaurs are back at the Science Center and the Sails Concert Series.

Alderman Seaver mentioned the Tastin', Tunes, and Tomatoes Farmers Market on the third Thursday in the month.

Mayor Wright commented about a posting on Facebook from one of his friends regarding her excitement with the new recycling plan.

Alderman Seaver commented that his wife actually had a sign that said "Welcome Big Blue" regarding the big blue recycling can that was coming.

Alderman Lail commended Public Services Director Chuck Hansen and Staff for their work in making the recycling program happen.

Alderman Seaver mentioned a Facebook friend in East Tennessee who is now a City Council member in Kingsport and President of a bank. He commented that his friend said that it is real exciting to see what is going on in Hickory. The word is spreading, people are hearing about it and knowing about it.

Mayor Wright commented that the Governor, Speaker of the House, and the President of the Senate knows about us and what we are trying to do. He commented that the stars are lining up.

June 2, 2015

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)

Mr. Berry requested Council add to Closed Session potential litigation and existing litigation, Willie Grimes versus the City of Hickory. (NCGS §143-318.11(a)(4)).

Alderman Lail moved that Council go into closed session to consult with the attorneys to discuss the items below and the addition of the potential litigation and current litigation requested by Mr. Berry, seconded by Alderman Seaver. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderman Lail seconded by Alderman Seaver and the motion carried unanimously.

- 1. Approval of Closed Session Minutes of May 19, 2015 - NCGS §143-318.11(a)(1)
- 2. Discussion of Economic Development - NCGS §143-318.11(a)(4)

No action was taken upon return to open session.

XIV. There being no further business, the meeting adjourned at 9:11 p.m.

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Mayor

---

City Clerk

2

COUNCIL AGENDA MEMO

Exhibit VIII.A.

**To: City Manager's Office**

**From: Police Department/Chief Tom Adkins**

**Contact Person: Chief Tom Adkins**

**Date: May 28, 2015**

**Re: Request to Award Service Weapon and Badge to Retiring MPO Danny Crump**

**REQUEST:** Hickory Police Department requests City Council to award retiring MPO Danny Crump his service weapon (Glock Model 17-Serial # UHF206) and badge upon his retirement July 1, 2015.

**BACKGROUND:** MPO Danny Crump will retire from the City of Hickory Police Department July 1, 2015, after completing 30 years of qualifying service to the citizens of Hickory.

**ANALYSIS:** By authority of NC General Statutes, City Council may award the service weapon and police badge to MPO Danny Crump upon his retirement from Hickory Police Department. Upon approval from City Council, the police badge and service weapon will be declared surplus and removed from the city's fixed asset inventory.

**RECOMMENDATION:** Staff would recommend approval of awarding his service weapon and police badge to MPO Danny Crump upon his retirement from Hickory Police Department.

**BUDGET ANALYSIS:**

**Budgetary Action**

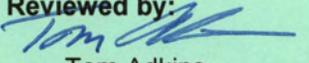
Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

**Reviewed by:**

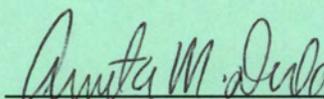


Tom Adkins

Initiating Department Head

5/28/15

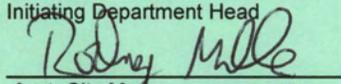
Date



Deputy City Attorney, A. Dula

6-8-15

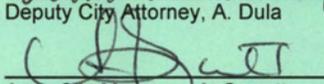
Date



Asst. City Manager, MILLER

6-8-15

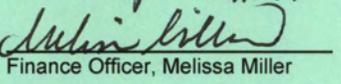
Date



Asst. City Manager, A. Surratt

6-8-15

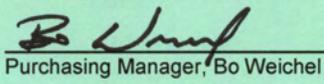
Date



Finance Officer, Melissa Miller

6-5-15

Date



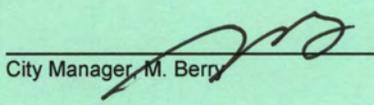
Purchasing Manager, Bo Weichel

6-5-15

Date

\_\_\_\_\_  
Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

  
City Manager, M. Bery

\_\_\_\_\_  
Date

**THE CITY OF HICKORY,**  
A North Carolina Municipal Corporation

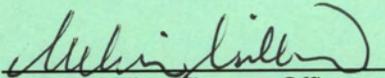
By: \_\_\_\_\_  
Mick W. Berry, City Manager

**Attest:**

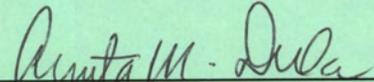
**(SEAL)**

\_\_\_\_\_  
Debbie Miller, City Clerk

This document has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

  
\_\_\_\_\_  
Melissa Miller, Finance Officer

Approved as to form on behalf of the City of Hickory only:

  
\_\_\_\_\_  
Arnita Dula, Staff Attorney

3

**COUNCIL AGENDA MEMOS**

**To: City Manager's Office**  
**From: Dave Leonetti, Community Development Manager**  
**Contact Person: Dave Leonetti, Community Development Manager**  
**Date: June 4, 2015**  
**Re: Approve CDBG Funding Agreement with Hickory Soup Kitchen, Inc.**

**REQUEST**

Approve attached agreement between the City of Hickory and Hickory Soup Kitchen, Inc. for FY 2015-2016 funding through the City's Community Development Block Grant Program.

**BACKGROUND**

In February 2015, the City of Hickory Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community Development Block Grant Program. The Citizen's Advisory Committee reviewed and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved following a public hearing on May 5, 2015.

The CDBG funding agreement describes the requirements for the City and the Hickory Soup Kitchen to ensure that all applicable federal regulations are met. Funds will be used to provide support to staff at the Soup Kitchen to ensure that they are able to provide hot meals and food pantry services to those in need.

**ANALYSIS**

The Hickory Soup Kitchen has requested and been approved for funding in the amount of \$20,000.00 through the City of Hickory's Community Development Block Grant program. Approval of the attached Agreement will allow them to continue to provide much needed nutritional services to the City of Hickory's homeless and/or low-income community. No City funding will be used for this agreement.

**RECOMMENDATION**

Staff recommends approval of the attached CDBG funding agreement between the City of Hickory, North Carolina and Hickory Soup Kitchen, Inc.

**BUDGET ANALYSIS:**

**Budgetary Action**

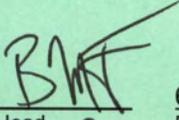
Is a Budget Amendment required?

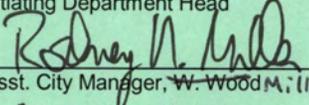
Yes

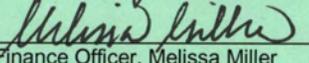
No

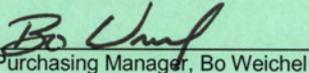
**LIST THE EXPENDITURE CODE:**

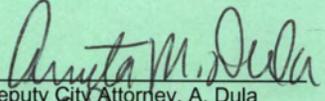
**Reviewed by:**

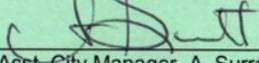
Brian M. Frazier  6-4-15  
Initiating Department Head Date

Rodney N. Miller  6-10-15  
Asst. City Manager, W. Wood Miller Date

Melissa Miller  6-5-15  
Finance Officer, Melissa Miller Date

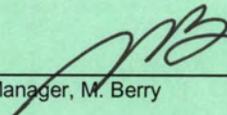
Bo Weichel  6-5-15  
Purchasing Manager, Bo Weichel Date

Arveta M. Dula  6-8-15  
Deputy City Attorney, A. Dula Date

A. Surratt  6-8-15  
Asst. City Manager, A. Surratt Date

M. Bennett \_\_\_\_\_  
Administrative Services Director Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

M. Berry   
City Manager, M. Berry

\_\_\_\_\_  
Date

# SUBRECIPIENT AGREEMENT

## AGREEMENT BETWEEN THE CITY OF HICKORY AND THE HICKORY SOUP KITCHEN FOR

### THE CITY OF HICKORY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

THIS AGREEMENT, entered this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between the City of Hickory (herein called the "Grantee") and the Hickory Soup Kitchen (herein called the "Subrecipient").

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

#### I. SCOPE OF SERVICE

##### A. Activities

The Subrecipient will be responsible for administering a CDBG Year 2015-2016 Hickory Soup Kitchen Program in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

##### **Program Delivery**

Activity #1     The Hickory Soup Kitchen will provide one hot meal to individuals in need at lunch time Monday through Friday. Meals will be provided at 131 Main Avenue NE. In addition, the Hickory Soup Kitchen will continue to offer bags of groceries to persons in need as food is available.

##### B. National Objectives

All activities funded with CDBG funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight;

or meet community development needs having a particular urgency, as defined in 24 CFR 570.208.

The Subrecipient certifies that the activity (ies) carried out under this Agreement will meet the Low and Moderate Income Limited Clientele Benefit. The program will meet this objecting through the provision of meals and food bank services to homeless and extremely low income individuals.

C. Levels of Accomplishment – Goals and Performance Measures

The Subrecipient agrees to provide the following levels of program services:

<u>Activity</u>	<u>Units per Month</u>	<u>Total Units/Year</u>
Activity #1	6,000 meals per month	72,000 meals per year

D. Staffing

Any changes in the Key Personnel assigned or their general responsibilities under this project are subject to the prior approval of the Grantee.

E. Performance Monitoring

The Grantee will monitor the performance of the Subrecipient against goals and performance standards as stated above. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

**II. TIME OF PERFORMANCE**

Services of the Subrecipient shall start on the 1<sup>st</sup> day of July 2015 and end on the 30th day of June 2016. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income.

**III. BUDGET**

<u>Line Item</u>	<u>Amount:</u>
Salaries	\$ <u>20,000</u>
Fringe	<u>0</u>
Office Space (Program only)	<u>0</u>
Utilities	<u>0</u>
Communications	<u>0</u>
Reproduction/Printing	<u>0</u>
Supplies and Materials	<u>0</u>
Mileage	<u>0</u>
Audit	<u>0</u>
Other (Specify)	<u>0</u>
Indirect Costs (Specify)	<u>0</u>
<b>TOTAL</b>	<b>\$ <u>20,000</u></b>

Any indirect costs charged must be consistent with the conditions of Paragraph VIII (C)(2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one

contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to the budget must be approved in writing by both the Grantee and the Subrecipient.

**IV. PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$20,000. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph III herein and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the Subrecipient’s financial management system in accordance with the standards specified in 2 CFR part 200.

**V. NOTICES**

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this contract shall be directed to the following contract representatives:

<u>Grantee</u>	<u>Subrecipient</u>
David Leonetti, CD Manager City of Hickory PO Box 398 Hickory, NC 28603 Phone: (828) 323-7414 Email: <a href="mailto:dleonetti@hickorync.gov">dleonetti@hickorync.gov</a>	Austin Pearce, Exec. Director Hickory Soup Kitchen PO Box 1431 Hickory, NC 28603 (828) 327-4828 Email: <a href="mailto:hickorysoup@embarqmail.com">hickorysoup@embarqmail.com</a>

**VI. SPECIAL CONDITIONS**

The Subrecipient certifies that it has received copies of 2 CFR part 200 “Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards” and *Playing by the Rule: A Handbook for CDBG Subrecipients on Administrative Systems* in either print or electronic form.

**VII. GENERAL CONDITIONS**

A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning

Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Subrecipient does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent contractor.

C. Hold Harmless

The Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance & Bonding

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee.

The Subrecipient shall comply with the bonding and insurance requirements of 2 CFR part 200, Bonding and Insurance.

F. Grantee Recognition

The Subrecipient shall insure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

#### G. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Subrecipient.

#### H. Suspension or Termination

In accordance with 2 CFR part 200, the Grantee may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Subrecipient to the Grantee reports that are incorrect or incomplete in any material respect.

In accordance with 2 CFR part 200, this Agreement may also be terminated for convenience by either the Grantee or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

### **VIII. ADMINISTRATIVE REQUIREMENTS**

#### A. Financial Management

##### 1. Accounting Standards

The Subrecipient agrees to comply with 2 CFR part 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

## 2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," and 2 CFR part 200 as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

### B. Documentation and Record Keeping

#### 1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

#### 2. Retention

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

#### 3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this contract is private to the extent permitted by state and federal law. The use or disclosure of such information, shall be according to applicable state and federal laws.

5. Close-outs

The Subrecipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including program income.

6. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Subrecipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.

2. Indirect Costs

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

4. Progress Reports

The Subrecipient shall submit regular Progress Reports to the Grantee in the form, content, and frequency as required by the Grantee.

D. Procurement

1. Compliance

The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 2 CFR part 200.

3. Travel

The Subrecipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR part 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Subrecipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement [or such longer period of time as the Grantee deems appropriate]. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantee. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period [or such longer period of time as the Grantee deems appropriate].
3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG program or (b) retained after compensating the Grantee [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

**IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT**

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. [The Grantee may preempt the optional policies.] The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Subrecipient also agrees to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

**X. PERSONNEL & PARTICIPANT CONDITIONS**

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with [fill in local and state civil rights ordinances here] and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights

Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. Women- and Minority-Owned Businesses (W/MBE)

The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Subrecipient will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. “Section 3” Clause

a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Subrecipient and any of the Subrecipient’s subrecipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any of the Subrecipient’s subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these “Section 3” requirements and to include the following language in all subcontracts executed under this Agreement:

“The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968,

CDBG Subrecipient Agreement  
City of Hickory and Hickory Soup Kitchen

as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker’s representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

#### 4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 2 CFR part 200 and 570.611, which include (but are not limited to) the following:

- a. The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Subrecipient, or any designated public agency.

#### 5. Lobbying

The Subrecipient hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly:

d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

**XI. ENVIRONMENTAL CONDITIONS**

A. Air and Water

The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under

the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**XII. SEVERABILITY**

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

**XIII. SECTION HEADINGS AND SUBHEADINGS**

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

**XIV. WAIVER**

The Grantee's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

**XV. ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the Grantee and the Subrecipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous

communications and proposals, whether electronic, oral, or written between the Grantee and the Subrecipient with respect to this Agreement.

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

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

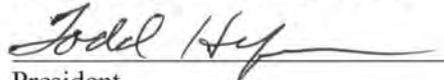
**CITY OF HICKORY, NORTH CAROLINA**

\_\_\_\_\_  
G. Rudy Wright, Jr., Mayor

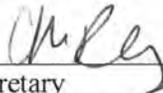
ATTEST:

\_\_\_\_\_  
Debbie D. Miller; City Clerk

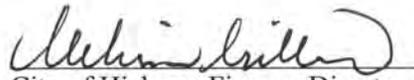
HICKORY SOUP KITCHEN, INC.

  
\_\_\_\_\_  
President

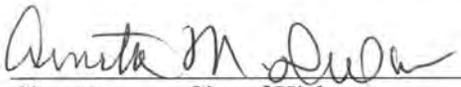
ATTEST:

  
\_\_\_\_\_  
Secretary

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

  
\_\_\_\_\_  
City of Hickory, Finance Director

This instrument has been approved as to form.

  
\_\_\_\_\_  
City Attorney, City of Hickory

4

COUNCIL AGENDA MEMOS

**To: City Manager's Office**  
**From: Dave Leonetti, Community Development Manager**  
**Contact Person: Dave Leonetti, Community Development Manager**  
**Date: June 4, 2015**  
**Re: Approve CDBG Funding Agreement with AIDS Leadership Foothills-Area Alliance, Inc.**

**REQUEST**

Approve attached agreement between the City of Hickory and AIDS Leadership Foothills-Area Alliance, Inc. for FY 2015-2016 funding through the City's Community Development Block Grant Program.

**BACKGROUND**

In February 2015, the City of Hickory Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community Development Block Grant Program. The Citizen's Advisory Committee reviewed and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved following a public hearing on May 5, 2015.

The CDBG funding agreement describes the requirements for the City and AIDS Leadership Foothills-Area Alliance to ensure that all applicable federal regulations are met. Funds will be used to provide support for a medical case manager position, which will provide support to persons living with HIV and AIDS to ensure that they remain in medical care and also receive other services as they are available.

**ANALYSIS**

AIDS Leadership Foothills-Area Alliance has requested and been approved for funding in the amount of \$15,000.00 through the City of Hickory's Community Development Block Grant program. Approval of the attached Agreement will allow them to continue to provide much needed medical case management services to persons living with HIV and AIDS. No City funding will be used for this agreement.

**RECOMMENDATION**

Staff recommends approval of the attached CDBG funding agreement between the City of Hickory, North Carolina and AIDS Leadership Foothills-Area Alliance, Inc.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

**Reviewed by:**

**Brian M. Frazier**

Initiating Department Head

6-4-15

Date

Amata M. Dula  
Deputy City Attorney, A. Dula

6-8-15

Date

Robyn Miller  
Asst. City Manager, W. Wood

6-8-15

Date

A. Surratt  
Asst. City Manager, A. Surratt

6-8-15

Date

Melissa Miller  
Finance Officer, Melissa Miller

6-5-15

Date

Administrative Services Director  
M. Bennett

Date

Bo Weichel  
Purchasing Manager, Bo Weichel

6.5.15

Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

M. Berry  
City Manager, M. Berry

\_\_\_\_\_  
Date

## SUBRECIPIENT AGREEMENT

### AGREEMENT BETWEEN THE CITY OF HICKORY AND AIDS LEADERSHIP FOOTHILLS-AREA ALLIANCE, INC. FOR

### THE CITY OF HICKORY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

THIS AGREEMENT, entered this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between the City of Hickory (herein called the "Grantee") and the AIDS Leadership Foothills-Area Alliance, Inc. (herein called the "Subrecipient").

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

#### **I. SCOPE OF SERVICE**

##### **A. Activities**

The Subrecipient will be responsible for administering a CDBG Year 2015-2016 AIDS Leadership Foothills-Area Alliance (ALFA) Program in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

##### **Program Delivery**

Activity #1 ALFA will provide medical case management services. HIV Case Management project is a client-focused, individualized strategy for coordinating social supports and medical care. ALFA's Medical Case Managers (MCMs) assist clients to get into treatment and to remain in medical care. Other project components include medical adherence support, prevention with positives, bridge counseling to keep clients in care. Medical Case Managers also provide clients with emergency financial assistance, transportation services to medical appointments, operate an emergency food pantry, and implement Renew: a behavioral health and empowerment program. These services will be provided Monday through Friday during regular business hours. Services will be provided at ALFA's offices, which are located at 120 Fairgrove Church Road SE, Suite 28, Hickory, NC 28602.

##### **B. National Objectives**

All activities funded with CDBG funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight;

or meet community development needs having a particular urgency, as defined in 24 CFR 570.208.

The Subrecipient certifies that the activity (ies) carried out under this Agreement will meet the Low and Moderate Income Limited Clientele Benefit. The program will meet this objecting through the provision of medical case management services to persons living with HIV and AIDS.

C. Levels of Accomplishment – Goals and Performance Measures

The Subrecipient agrees to provide the following levels of program services:

<u>Activity</u>	<u>Units per Month</u>	<u>Total Units/Year</u>
Activity #1	14 individuals assisted	168 individuals per year

D. Staffing

Any changes in the Key Personnel assigned or their general responsibilities under this project are subject to the prior approval of the Grantee.

E. Performance Monitoring

The Grantee will monitor the performance of the Subrecipient against goals and performance standards as stated above. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

**II. TIME OF PERFORMANCE**

Services of the Subrecipient shall start on the 1<sup>st</sup> day of July 2015 and end on the 30th day of June 2016. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income.

**III. BUDGET**

<u>Line Item</u>	<u>Amount:</u>
Salaries	\$ <u>15,000</u>
Fringe	<u>0</u>
Office Space (Program only)	<u>0</u>
Utilities	<u>0</u>
Communications	<u>0</u>
Reproduction/Printing	<u>0</u>
Supplies and Materials	<u>0</u>
Mileage	<u>0</u>

Audit	0
Other (Specify)	0
Indirect Costs (Specify)	0
 TOTAL	 \$ 15,000

Any indirect costs charged must be consistent with the conditions of Paragraph VIII (C)(2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to the budget must be approved in writing by both the Grantee and the Subrecipient.

**IV. PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$15,000. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph III herein and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the Subrecipient’s financial management system in accordance with the standards specified in 2 CFR part 200.

**V. NOTICES**

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this contract shall be directed to the following contract representatives:

<u>Grantee</u>	<u>Subrecipient</u>
David Leonetti, CD Manager City of Hickory PO Box 398 Hickory, NC 28603 Phone: (828) 323-7414 Email: <a href="mailto:dleonetti@hickorync.gov">dleonetti@hickorync.gov</a>	Martha Gantt, Chief Financial Officer AIDS Leadership Foothills Area Alliance 1220 Fairgrove Church Road SE Hickory, NC 28602 (800) 473-1447 Email: <a href="mailto:alfaoffmgr@alfainfo.org">alfaoffmgr@alfainfo.org</a>

**VI. SPECIAL CONDITIONS**

The Subrecipient certifies that it has received copies of 2 CFR part 200 “Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards” and *Playing by the*

*Rules: A Handbook for CDBG Subrecipients on Administrative Systems* in either print or electronic form.

## VII. GENERAL CONDITIONS

### A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Subrecipient does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

### B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent contractor.

### C. Hold Harmless

The Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.

### D. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

### E. Insurance & Bonding

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee.

The Subrecipient shall comply with the bonding and insurance requirements of 2 CFR part 200, Bonding and Insurance.

F. Grantee Recognition

The Subrecipient shall insure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

G. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Subrecipient.

H. Suspension or Termination

In accordance with 2 CFR part 200, the Grantee may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Subrecipient to the Grantee reports that are incorrect or incomplete in any material respect.

In accordance with 2 CFR part 200, this Agreement may also be terminated for convenience by either the Grantee or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

**VIII. ADMINISTRATIVE REQUIREMENTS**

A. Financial Management

1. Accounting Standards

The Subrecipient agrees to comply with 2 CFR part 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," and 2 CFR part 200 as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping

1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Retention

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this contract is private to the extent permitted by state and federal law. The use or disclosure of such information, shall be according to applicable state and federal laws.

5. Close-outs

The Subrecipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including program income.

6. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Subrecipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Grantee at the

end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.

2. Indirect Costs

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

4. Progress Reports

The Subrecipient shall submit regular Progress Reports to the Grantee in the form, content, and frequency as required by the Grantee.

D. Procurement

1. Compliance

The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 2 CFR part 200.

3. Travel

The Subrecipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR part 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Subrecipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement [or such longer period of time as the Grantee deems appropriate]. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantee. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period [or such longer period of time as the Grantee deems appropriate].
3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG program or (b) retained after compensating the Grantee [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

**IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT**

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. [The Grantee may preempt the optional policies.] The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Subrecipient also agrees to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

**X. PERSONNEL & PARTICIPANT CONDITIONS**

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with [fill in local and state civil rights ordinances here] and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. Women- and Minority-Owned Businesses (W/MBE)

The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Subrecipient will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. "Section 3" Clause

a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 2 CFR part 200 and 570.611, which include (but are not limited to) the following:

- a. The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Subrecipient, or any designated public agency.

5. Lobbying

The Subrecipient hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer

or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly:

d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

**XI. ENVIRONMENTAL CONDITIONS**

A. Air and Water

The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**XII. SEVERABILITY**

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

**XIII. SECTION HEADINGS AND SUBHEADINGS**

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

**XIV. WAIVER**

The Grantee's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

**XV. ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the Grantee and the Subrecipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Grantee and the Subrecipient with respect to this Agreement.

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

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

**CITY OF HICKORY, NORTH CAROLINA**

\_\_\_\_\_  
G. Rudy Wright, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Debbie D. Miller; City Clerk

AIDS LEADERSHIP FOOTHILLS-AREA ALLIANCE, INC.

\_\_\_\_\_  
President

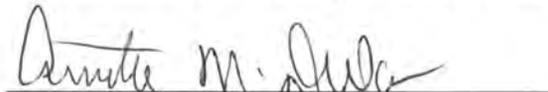
ATTEST:

\_\_\_\_\_  
Secretary

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

  
\_\_\_\_\_  
City of Hickory, Finance Director

This instrument has been approved as to form.

  
\_\_\_\_\_  
City Attorney, City of Hickory

**COUNCIL AGENDA MEMOS**

**To: City Manager's Office**  
**From: Dave Leonetti, Community Development Manager**  
**Contact Person: Dave Leonetti, Community Development Manager**  
**Date: June 4, 2015**  
**Re: Approve CDBG Funding Agreement with Exodus Outreach Foundation, Inc.**

**REQUEST**

Approve attached agreement between the City of Hickory and Exodus Outreach Foundation, Inc. for FY 2015-2016 funding through the City's Community Development Block Grant Program.

**BACKGROUND**

In February 2015, the City of Hickory Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community Development Block Grant Program. The Citizen's Advisory Committee reviewed and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved following a public hearing on May 5, 2015.

The CDBG funding agreement describes the requirements for the City and Exodus Outreach Foundation to ensure that all applicable federal regulations are met. Funds will be used to provide support to provide transportation and employment services at Exodus Homes, which provides support to homeless and previously incarcerated persons with substance abuse issues.

**ANALYSIS**

Exodus Outreach Foundation has requested and been approved for funding in the amount of \$10,000.00 through the City of Hickory's Community Development Block Grant program. Approval of the attached Agreement will allow them to continue to provide much services to homeless and previously incarcerated individuals with substance abuse issues. No City funding will be used for this agreement.

**RECOMMENDATION**

Staff recommends approval of the attached CDBG funding agreement between the City of Hickory, North Carolina and Exodus Outreach Foundation, Inc.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

**Reviewed by:**

Brian M. Frazier  
Initiating Department Head

6-4-15  
Date

Annita M. Dula  
Deputy City Attorney, A. Dula

6/8/15  
Date

Robyn Miller  
Asst. City Manager, W. Wood

6-8-15  
Date

A. Surratt  
Asst. City Manager, A. Surratt

6-8-15  
Date

Melissa Miller  
Finance Officer, Melissa Miller

6-5-15  
Date

Administrative Services Director  
M. Bennett

\_\_\_\_\_  
Date

Bo Weichel  
Purchasing Manager, Bo Weichel

6-5-15  
Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

M. Berry  
City Manager, M. Berry

\_\_\_\_\_  
Date

# SUBRECIPIENT AGREEMENT

## AGREEMENT BETWEEN THE CITY OF HICKORY AND EXODUS OUTREACH FOUNDATION, INC. FOR

### THE CITY OF HICKORY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

THIS AGREEMENT, entered this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between the City of Hickory (herein called the “Grantee”) and the Exodus Outreach Foundation, Inc. (herein called the “Subrecipient”).

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

#### **I. SCOPE OF SERVICE**

##### **A. Activities**

The Subrecipient will be responsible for administering a CDBG Year 2015-2016 Employment Services for Homeless Recovering People Project in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

#### **Program Delivery**

Activity #1      Subrecipient will provide supportive housing for people in recovery from drug and alcohol addiction. The mission of the agency is to help recovering addicts and alcoholics maintain their sobriety, learn new skills, and become productive, contributing members of society. The Sub-Recipient works to keep families together or reunite them after separation has occurred. The Sub-Recipient reaches out to individuals leaving prison and helps them reintegrate back into mainstream society. The Sub-Recipient will help residents become gainfully employed, access all necessary social/medical/legal services, provide clinically sound recovery programming, transportation, life skills training, recreation, and opportunities for spiritual growth. The Sub-Recipient will enhance the effectiveness of resident employment by using CDBG funds to fund an Employment Coordinator staff position, Transportation Coordinator, Transportation Aides and Case Managers. The Employment Coordinator will be responsible to work with new residents to help them with all tasks related to obtaining a full time job. This position will transport new residents to support agencies to help them access services they need before they are employed, research current job openings, and build relationships with employers in the community. The Employment Coordinator will organize

materials new or unemployed residents will need to be employable or to apply for jobs. This position will work with the Vocational Services Program and provide office support when available and as needed. Services will be provided at the Exodus Homes Offices at 122 8<sup>th</sup> Street Drive SW, Hickory, NC 28602 during typical business hours.

B. National Objectives

All activities funded with CDBG funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight;

or meet community development needs having a particular urgency, as defined in 24 CFR 570.208.

The Subrecipient certifies that the activity (ies) carried out under this Agreement will meet the Low and Moderate Income Limited Clientele Benefit. The program will meet this objecting through the provision of employment and transportation services to persons with substance abuse issues.

C. Levels of Accomplishment – Goals and Performance Measures

The Subrecipient agrees to provide the following levels of program services:

<u>Activity</u>	<u>Total Units/Year</u>
Activity #1	120 individuals assisted during the program year

D. Staffing

Any changes in the Key Personnel assigned or their general responsibilities under this project are subject to the prior approval of the Grantee.

E. Performance Monitoring

The Grantee will monitor the performance of the Subrecipient against goals and performance standards as stated above. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

**II. TIME OF PERFORMANCE**

Services of the Subrecipient shall start on the 1<sup>st</sup> day of July 2015 and end on the 30th day of June 2016. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income.

**III. BUDGET**

<u>Line Item</u>	<u>Amount:</u>
Salaries	\$ <u>10,000</u>
Fringe	<u>0</u>
Office Space (Program only)	<u>0</u>
Utilities	<u>0</u>
Communications	<u>0</u>
Reproduction/Printing	<u>0</u>
Supplies and Materials	<u>0</u>
Mileage	<u>0</u>
Audit	<u>0</u>
Other (Specify)	<u>0</u>
Indirect Costs (Specify)	<u>0</u>
 TOTAL	 \$ <u>10,000</u>

Any indirect costs charged must be consistent with the conditions of Paragraph VIII (C)(2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to the budget must be approved in writing by both the Grantee and the Subrecipient.

**IV. PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$10,000. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph III herein and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in 2 CFR part 200.

**V. NOTICES**

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee

Subrecipient

David Leonetti, CD Manager

Susan Walker, Assistant Executive Director

CDBG Subrecipient Agreement

City of Hickory and Exodus Outreach Foundation, Inc.

City of Hickory  
 PO Box 398  
 Hickory, NC 28603  
 Phone: (828) 323-7414  
 Email: [dleonetti@hickorync.gov](mailto:dleonetti@hickorync.gov)

Exodus Homes  
 PO Box 3311  
 Hickory, NC 28603  
 (828) 962-8196  
 Email: [revsusanwalker@gmail.com](mailto:revsusanwalker@gmail.com)

**VI. SPECIAL CONDITIONS**

The Subrecipient certifies that it has received copies of 2 CFR part 200 “Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards” and *Playing by the Rules: A Handbook for CDBG Subrecipients on Administrative Systems* in either print or electronic form.

**VII. GENERAL CONDITIONS**

A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Subrecipient does not assume the recipient’s environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the recipient’s responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. “Independent Contractor”

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an “independent contractor” with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers’ Compensation Insurance, as the Subrecipient is an independent contractor.

C. Hold Harmless

The Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient’s performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers’ Compensation

The Subrecipient shall provide Workers’ Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance & Bonding

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee.

The Subrecipient shall comply with the bonding and insurance requirements of 2 CFR part 200, Bonding and Insurance.

F. Grantee Recognition

The Subrecipient shall insure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

G. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Subrecipient.

H. Suspension or Termination

In accordance with 2 CFR part 200, the Grantee may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Subrecipient to the Grantee reports that are incorrect or incomplete in any material respect.

In accordance with 2 CFR part 200, this Agreement may also be terminated for convenience by either the Grantee or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion

of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

## **VIII. ADMINISTRATIVE REQUIREMENTS**

### **A. Financial Management**

#### **1. Accounting Standards**

The Subrecipient agrees to comply with 2 CFR part 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

#### **2. Cost Principles**

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," and 2 CFR part 200 as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

### **B. Documentation and Record Keeping**

#### **1. Records to be Maintained**

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

#### **2. Retention**

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims,

audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this contract is private to the extent permitted by state and federal law. The use or disclosure of such information, shall be according to applicable state and federal laws.

5. Close-outs

The Subrecipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including program income.

6. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Subrecipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this

contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.

2. Indirect Costs

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

4. Progress Reports

The Subrecipient shall submit regular Progress Reports to the Grantee in the form, content, and frequency as required by the Grantee.

D. Procurement

1. Compliance

The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 2 CFR part 200.

3. Travel

The Subrecipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR part 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Subrecipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement [or such longer period of time as the Grantee deems appropriate]. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantee. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period [or such longer period of time as the Grantee deems appropriate].
3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG program or (b) retained after compensating the Grantee [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

**IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT**

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. [The Grantee may preempt the optional policies.] The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Subrecipient also agrees to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

**X. PERSONNEL & PARTICIPANT CONDITIONS**

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with [fill in local and state civil rights ordinances here] and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. Women- and Minority-Owned Businesses (W/MBE)

The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Subrecipient will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. “Section 3” Clause

a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Subrecipient and any of the Subrecipient’s subrecipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any of the Subrecipient’s subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these “Section 3” requirements and to include the following language in all subcontracts executed under this Agreement:

“The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker’s representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

### 3. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

### 4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 2 CFR part 200 and 570.611, which include (but are not limited to) the following:

- a. The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Subrecipient, or any designated public agency.

### 5. Lobbying

The Subrecipient hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer

or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly:

d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

**XI. ENVIRONMENTAL CONDITIONS**

A. Air and Water

The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

**B. Flood Disaster Protection**

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

**C. Lead-Based Paint**

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

**D. Historic Preservation**

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**XII. SEVERABILITY**

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

**XIII. SECTION HEADINGS AND SUBHEADINGS**

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

**XIV. WAIVER**

The Grantee's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

**XV. ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the Grantee and the Subrecipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Grantee and the Subrecipient with respect to this Agreement.

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

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

**CITY OF HICKORY, NORTH CAROLINA**

\_\_\_\_\_  
G. Rudy Wright, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Debbie D. Miller; City Clerk

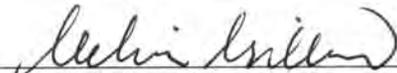
EXODUS HOMES, INC.

\_\_\_\_\_  
President

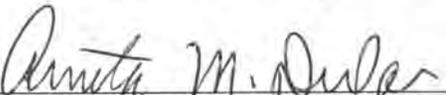
ATTEST:

\_\_\_\_\_  
Secretary

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

  
\_\_\_\_\_  
City of Hickory, Finance Director

This instrument has been approved as to form.

  
\_\_\_\_\_  
City Attorney, City of Hickory

**COUNCIL AGENDA MEMOS**

**To: City Manager's Office**  
**From: Dave Leonetti, Community Development Manager**  
**Contact Person: Dave Leonetti, Community Development Manager**  
**Date: June 4, 2015**  
**Re: Approve CDBG Funding Agreement with City of Refuge Community Development Center, Inc.**

**REQUEST**

Approve attached agreement between the City of Hickory and City of Refuge Community Development Center, Inc. for FY 2015-2016 funding through the City's Community Development Block Grant Program.

**BACKGROUND**

In February 2015, the City of Hickory Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community Development Block Grant Program. The Citizen's Advisory Committee reviewed and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved following a public hearing on May 5, 2015.

The CDBG funding agreement describes the requirements for the City and City of Refuge Community Development Center to ensure that all applicable federal regulations are met. Funds will be used to provide support for staff support to an afterschool program that primarily serves low to moderate income students.

**ANALYSIS**

City of Refuge Community Development Center has requested and been approved for funding in the amount of \$3,550.00 through the City of Hickory's Community Development Block Grant program. Approval of the attached Agreement will allow them to continue to provide much needed afterschool program services to low and moderate income youth. No City funding will be used for this agreement.

**RECOMMENDATION**

Staff recommends approval of the attached CDBG funding agreement between the City of Hickory, North Carolina and City of Refuge Community Development Center, Inc.

**BUDGET ANALYSIS:**

**Budgetary Action**

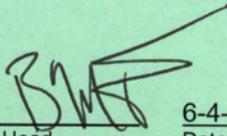
Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

**Reviewed by:**

Brian M. Frazier  6-4-15  
Initiating Department Head Date

Rodney N. Miller 6-8-15  
Asst. City Manager, W. Wood Date

Melissa Miller 6-5-15  
Finance Officer, Melissa Miller Date

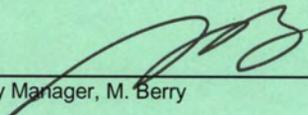
Bo Weichel 6.5.15  
Purchasing Manager, Bo Weichel Date

Auntie M. Dula 6-8-15  
Deputy City Attorney, A. Dula Date

A. Surratt 6-8-15  
Asst. City Manager, A. Surratt Date

\_\_\_\_\_  
Administrative Services Director Date  
M. Bennett

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as  
Consent, Public Hearing, Informational, Department Report, etc).

  
City Manager, M. Berry

\_\_\_\_\_  
Date

# SUBRECIPIENT AGREEMENT

## AGREEMENT BETWEEN THE CITY OF HICKORY AND CITY OF REFUGE COMMUNITY DEVELOPMENT CENTER, INC. FOR

### THE CITY OF HICKORY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

THIS AGREEMENT, entered this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between the City of Hickory (herein called the "Grantee") and the City of Refuge Community Development Center, Inc. (herein called the "Subrecipient").

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

#### I. SCOPE OF SERVICE

##### A. Activities

The Subrecipient will be responsible for administering a CDBG Year 2015-2016 City of Refuge Afterschool Program in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

##### **Program Delivery**

Activity #1      City of Refuge will provide an afterschool tutorial program three days per week in the Ridgeview community and targeted to low and moderate income students. The intention is to not only help them master their work in the classroom, but create a safe haven and teach them life lessons in problem solving, communication, teamwork, perseverance and conflict resolution. The objective will be designed to provide youth with a comprehensive academic assistance program where students are given educational material based on grade level and curriculum requirements that are needed to fulfill promotional policy. The program will be offered three days per week from approximately 3:30PM to 6:00PM. The. Services will be provided at the Brown Penn Senior Center located at 735 3<sup>rd</sup> Street SW, Hickory, NC 28602.

##### B. National Objectives

All activities funded with CDBG funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight;

or meet community development needs having a particular urgency, as defined in 24 CFR 570.208.

The Subrecipient certifies that the activity (ies) carried out under this Agreement will meet the Low and Moderate Income Limited Clientele Benefit. The program will meet this objecting through the provision of an afterschool program to low and moderate income students.

C. Levels of Accomplishment – Goals and Performance Measures

The Subrecipient agrees to provide the following levels of program services:

<u>Activity</u>	<u>Total Units/Year</u>
Activity #1	25 individuals assisted during the school year

D. Staffing

Any changes in the Key Personnel assigned or their general responsibilities under this project are subject to the prior approval of the Grantee.

E. Performance Monitoring

The Grantee will monitor the performance of the Subrecipient against goals and performance standards as stated above. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

**II. TIME OF PERFORMANCE**

Services of the Subrecipient shall start on the 1<sup>st</sup> day of July 2015 and end on the 30th day of June 2016. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income.

**III. BUDGET**

<u>Line Item</u>	<u>Amount:</u>
Salaries	\$ <u>3,550</u>
Fringe	<u>0</u>
Office Space (Program only)	<u>0</u>
Utilities	<u>0</u>
Communications	<u>0</u>
Reproduction/Printing	<u>0</u>
Supplies and Materials	<u>0</u>
Mileage	<u>0</u>
Audit	<u>0</u>
Other (Specify)	<u>0</u>

Indirect Costs (Specify)	_____ 0
TOTAL	\$ <u>3,550</u>

Any indirect costs charged must be consistent with the conditions of Paragraph VIII (C)(2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to the budget must be approved in writing by both the Grantee and the Subrecipient.

**IV. PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$3,550. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph III herein and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in 2 CFR part 200.

**V. NOTICES**

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee

David Leonetti, CD Manager  
 City of Hickory  
 PO Box 398  
 Hickory, NC 28603  
 Phone: (828) 323-7414  
 Email: [dleonetti@hickorync.gov](mailto:dleonetti@hickorync.gov)

Subrecipient

Angela Heard, Afterschool Coordinator  
 City of Refuge  
 724 South Center Street  
 Hickory, NC 28602  
 (828) 328-3264  
 Email: [heardangela39@yahoo.com](mailto:heardangela39@yahoo.com)

**VI. SPECIAL CONDITIONS**

The Subrecipient certifies that it has received copies of 2 CFR part 200 "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards" and *Playing by the Rules: A Handbook for CDBG Subrecipients on Administrative Systems* in either print or electronic form.

## VII. GENERAL CONDITIONS

### A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Subrecipient does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

### B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent contractor.

### C. Hold Harmless

The Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.

### D. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

### E. Insurance & Bonding

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee.

The Subrecipient shall comply with the bonding and insurance requirements of 2 CFR part 200, Bonding and Insurance.

### F. Grantee Recognition

The Subrecipient shall insure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to

the support provided herein in all publications made possible with funds made available under this Agreement.

G. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Subrecipient.

H. Suspension or Termination

In accordance with 2 CFR part 200, the Grantee may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Subrecipient to the Grantee reports that are incorrect or incomplete in any material respect.

In accordance with 2 CFR part 200, this Agreement may also be terminated for convenience by either the Grantee or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

**VIII. ADMINISTRATIVE REQUIREMENTS**

A. Financial Management

1. Accounting Standards

The Subrecipient agrees to comply with 2 CFR part 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

## 2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," and 2 CFR part 200 as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

### B. Documentation and Record Keeping

#### 1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

#### 2. Retention

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

#### 3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this contract is private to the extent permitted by state and federal law. The use or disclosure of such information, shall be according to applicable state and federal laws.

5. Close-outs

The Subrecipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including program income.

6. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Subrecipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.

2. Indirect Costs

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

4. Progress Reports

The Subrecipient shall submit regular Progress Reports to the Grantee in the form, content, and frequency as required by the Grantee.

D. Procurement

1. Compliance

The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 2 CFR part 200.

3. Travel

The Subrecipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR part 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Subrecipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement [or such longer period of time as the Grantee deems appropriate]. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantee. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period [or such longer period of time as the Grantee deems appropriate].
3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG program or (b) retained after compensating the Grantee [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

**IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT**

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. [The Grantee may preempt the optional policies.] The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Subrecipient also agrees to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

**X. PERSONNEL & PARTICIPANT CONDITIONS**

A. Civil Rights

I. Compliance

The Subrecipient agrees to comply with [fill in local and state civil rights ordinances here] and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights

Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. Women- and Minority-Owned Businesses (W/MBE)

The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Subrecipient will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

## 2. Labor Standards

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

## 3. “Section 3” Clause

### a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Subrecipient and any of the Subrecipient’s subrecipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any of the Subrecipient’s subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these “Section 3” requirements and to include the following language in all subcontracts executed under this Agreement:

“The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968,

CDBG Subrecipient Agreement

City of Hickory and City of Refuge Community Development Center, Inc.

as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker’s representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

#### 4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 2 CFR part 200 and 570.611, which include (but are not limited to) the following:

- a. The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Subrecipient, or any designated public agency.

#### 5. Lobbying

The Subrecipient hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly:

d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

**XI. ENVIRONMENTAL CONDITIONS**

A. Air and Water

The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under

the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**XII. SEVERABILITY**

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

**XIII. SECTION HEADINGS AND SUBHEADINGS**

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

**XIV. WAIVER**

The Grantee's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

**XV. ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the Grantee and the Subrecipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous

communications and proposals, whether electronic, oral, or written between the Grantee and the Subrecipient with respect to this Agreement.

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

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

**CITY OF HICKORY, NORTH CAROLINA**

\_\_\_\_\_  
G. Rudy Wright, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Debbie D. Miller; City Clerk

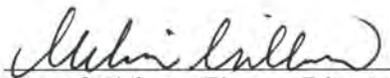
**CITY OF REFUGE COMMUNITY DEVELOPMENT CENTER, INC.**

\_\_\_\_\_  
President

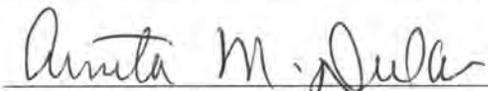
ATTEST:

\_\_\_\_\_  
Secretary

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

  
\_\_\_\_\_  
City of Hickory, Finance Director

This instrument has been approved as to form.

  
\_\_\_\_\_  
City Attorney, City of Hickory

7

COUNCIL AGENDA MEMOS

Exhibit VIII.F.

**To:** City Manager's Office  
**From:** Dave Leonetti, Community Development Manager  
**Contact Person:** Dave Leonetti, Community Development Manager  
**Date:** June 4, 2015  
**Re:** Approve CDBG Funding Agreement Habitat for Humanity of the Catawba Valley, Inc.

**REQUEST**

Approve attached agreement between the City of Hickory and Habitat for Humanity of the Catawba Valley, Inc. for FY 2015-2016 funding through the City's Community Development Block Grant Program.

**BACKGROUND**

In February 2015, the City of Hickory Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community Development Block Grant Program. The Citizen's Advisory Committee reviewed and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved following a public hearing on May 5, 2015.

The CDBG funding agreement describes the requirements for the City and Habitat for Humanity of the Catawba Valley to ensure that all applicable federal regulations are met. Funds will be used to provide support for staff support to an afterschool program that primarily serves low to moderate income students.

**ANALYSIS**

Habitat for Humanity of the Catawba Valley has requested and been approved for funding in the amount of \$20,000.00 through the City of Hickory's Community Development Block Grant program. Approval of the attached Agreement will allow them to continue to provide much needed housing rehabilitation services to benefit low to moderate income households. No City funding will be used for this agreement.

**RECOMMENDATION**

Staff recommends approval of the attached CDBG funding agreement between the City of Hickory, North Carolina and Habitat for Humanity of the Catawba Valley, Inc.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

**Reviewed by:**

**Brian M. Frazier**

Initiating Department Head

6-4-15

Date

Auntie M. Dula  
Deputy City Attorney, A. Dula

6-8-15

Date

Rodney W. Wood  
Asst. City Manager, W. Wood

6-8-15

Date

A. Surratt  
Asst. City Manager, A. Surratt

6-8-15

Date

Melissa Miller  
Finance Officer, Melissa Miller

6-5-15

Date

Administrative Services Director  
M. Bennett

Date

Bo Weichel  
Purchasing Manager, Bo Weichel

6-5-15

Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as  
Consent, Public Hearing, Informational, Department Report, etc).

M. Berry  
City Manager, M. Berry

Date

## SUBRECIPIENT AGREEMENT

**AGREEMENT BETWEEN THE CITY OF HICKORY  
AND  
HABITAT FOR HUMANITY OF THE CATAWBA VALLEY, INC.  
FOR**

**THE CITY OF HICKORY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

THIS AGREEMENT, entered this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between the City of Hickory (herein called the “Grantee”) and the Habitat for Humanity of the Catawba Valley, Inc. (herein called the “Subrecipient”).

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

**I. SCOPE OF SERVICE**

A. Activities

The Subrecipient will be responsible for administering a CDBG Year 2015-2016 Owner Occupied Housing Rehabilitation Project in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

**Program Delivery**

Activity #1      Subrecipient shall do, carry out, and perform all the necessary services provided under this Agreement in connection with and respecting the rehabilitation of owner occupied single family residences with households earning less than eighty percent (80%) of the area median income. Funds disbursed shall be in the form of a grant to the homeowner. Sub-recipient shall not require repayment of funds.

B. National Objectives

All activities funded with CDBG funds must meet one of the CDBG program’s National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight;

or meet community development needs having a particular urgency, as defined in 24 CFR 570.208.

The Subrecipient certifies that the activity (ies) carried out under this Agreement will meet the Low and Moderate Income Housing Benefit. The program will meet this objecting through the provision of housing rehabilitation services to low and moderate income households.

CDBG Subrecipient Agreement  
City of Hickory and Habitat for Humanity of the Catawba Valley, Inc.

C. Levels of Accomplishment – Goals and Performance Measures

The Subrecipient agrees to provide the following levels of program services:

<u>Activity</u>	<u>Total Units/Year</u>
Activity #1	4 households assisted during the program year

D. Staffing

Any changes in the Key Personnel assigned or their general responsibilities under this project are subject to the prior approval of the Grantee.

E. Performance Monitoring

The Grantee will monitor the performance of the Subrecipient against goals and performance standards as stated above. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

**II. TIME OF PERFORMANCE**

Services of the Subrecipient shall start on the 1<sup>st</sup> day of July 2015 and end on the 30th day of June 2016. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income.

**III. BUDGET**

<u>Line Item</u>	<u>Amount:</u>
Salaries	\$ <u>3,000</u>
Fringe	<u>0</u>
Office Space (Program only)	<u>0</u>
Utilities	<u>0</u>
Communications	<u>0</u>
Reproduction/Printing	<u>0</u>
Supplies and Materials	<u>17,000</u>
Mileage	<u>0</u>
Audit	<u>0</u>
Other (Specify)	<u>0</u>
Indirect Costs (Specify)	<u>0</u>
<b>TOTAL</b>	<b>\$ <u>20,000</u></b>

Any indirect costs charged must be consistent with the conditions of Paragraph VIII (C)(2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one

contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to the budget must be approved in writing by both the Grantee and the Subrecipient.

#### **IV. PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$20,000. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph III herein and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in 2 CFR part 200.

#### **V. NOTICES**

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this contract shall be directed to the following contract representatives:

##### Grantee

David Leonetti, CD Manager  
City of Hickory  
PO Box 398  
Hickory, NC 28603  
Phone: (828) 323-7414  
Email: [dleonetti@hickorync.gov](mailto:dleonetti@hickorync.gov)

##### Subrecipient

Mitzi Gellman, Executive Director  
Habitat for Humanity of the Catawba Valley  
PO Box 9475  
Hickory, NC 28603  
(828) 328-4663  
Email: [mitzi@hickoryhabitat.org](mailto:mitzi@hickoryhabitat.org)

#### **VI. SPECIAL CONDITIONS**

The Subrecipient certifies that it has received copies of 2 CFR part 200 "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards" and *Playing by the Rules: A Handbook for CDBG Subrecipients on Administrative Systems* in either print or electronic form.

#### **VII. GENERAL CONDITIONS**

##### **A. General Compliance**

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning

Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Subrecipient does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent contractor.

C. Hold Harmless

The Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance & Bonding

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee.

The Subrecipient shall comply with the bonding and insurance requirements of 2 CFR part 200, Bonding and Insurance.

F. Grantee Recognition

The Subrecipient shall insure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

### G. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Subrecipient.

### H. Suspension or Termination

In accordance with 2 CFR part 200, the Grantee may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Subrecipient to the Grantee reports that are incorrect or incomplete in any material respect.

In accordance with 2 CFR part 200, this Agreement may also be terminated for convenience by either the Grantee or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

## VIII. ADMINISTRATIVE REQUIREMENTS

### A. Financial Management

#### 1. Accounting Standards

The Subrecipient agrees to comply with 2 CFR part 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

## 2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," and 2 CFR part 200 as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

### B. Documentation and Record Keeping

#### 1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21–28; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

#### 2. Retention

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

#### 3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this contract is private to the extent permitted by state and federal law. The use or disclosure of such information, shall be according to applicable state and federal laws.

5. Close-outs

The Subrecipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including program income.

6. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Subrecipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.

2. Indirect Costs

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

4. Progress Reports

The Subrecipient shall submit regular Progress Reports to the Grantee in the form, content, and frequency as required by the Grantee.

D. Procurement

1. Compliance

The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 2 CFR part 200.

3. Travel

The Subrecipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR part 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Subrecipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement [or such longer period of time as the Grantee deems appropriate]. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantee. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period [or such longer period of time as the Grantee deems appropriate].
3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG program or (b) retained after compensating the Grantee [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

**IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT**

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. [The Grantee may preempt the optional policies.] The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Subrecipient also agrees to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

**X. PERSONNEL & PARTICIPANT CONDITIONS**

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with [fill in local and state civil rights ordinances here] and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights

Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. Women- and Minority-Owned Businesses (W/MBE)

The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Subrecipient will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. "Section 3" Clause

a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968,

CDBG Subrecipient Agreement

City of Hickory and Habitat for Humanity of the Catawba Valley, Inc.

as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker’s representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

#### 4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 2 CFR part 200 and 570.611, which include (but are not limited to) the following:

- a. The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Subrecipient, or any designated public agency.

#### 5. Lobbying

The Subrecipient hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

- c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly:

d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

## **XI. ENVIRONMENTAL CONDITIONS**

A. Air and Water

The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under

the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**XII. SEVERABILITY**

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

**XIII. SECTION HEADINGS AND SUBHEADINGS**

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

**XIV. WAIVER**

The Grantee's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

**XV. ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the Grantee and the Subrecipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous

communications and proposals, whether electronic, oral, or written between the Grantee and the Subrecipient with respect to this Agreement.

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

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

**CITY OF HICKORY, NORTH CAROLINA**

\_\_\_\_\_  
G. Rudy Wright, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Debbie D. Miller; City Clerk

HABITAT FOR HUMANITY OF THE CATAWBA VALLEY, INC.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Janice F. Knotts  
Secretary

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

\_\_\_\_\_  
City of Hickory, Finance Director

This instrument has been approved as to form.

\_\_\_\_\_  
City Attorney, City of Hickory

**COUNCIL AGENDA MEMOS**

**To:** City Manager's Office  
**From:** Dave Leonetti, Community Development Manager  
**Contact Person:** Dave Leonetti, Community Development Manager  
**Date:** June 4, 2015  
**Re:** Citizen's Advisory Committee Recommendations

**REQUEST** Recommendations for assistance through the City of Hickory's Housing Programs.

**BACKGROUND** The mission of the City of Hickory's Community Development Division is to preserve the existing housing base, enhance ownership opportunities for all of its citizens to obtain decent housing and provide a quality environment conducive to the safe and healthy growth of its citizenry. The seven member Citizens' Advisory Committee was formed to provide for citizen input in the facilitation of the City's CDBG program, as well as any other similar community enhancement funding the City may receive.

**ANALYSIS** The following request was considered by the Citizens' Advisory Committee at their regular meeting on June 4, 2015:

- Michael F. & Ann Fisher, 538 5<sup>th</sup> Street SW, Hickory, were awarded a City of Hickory's Housing Rehabilitation Loan. The Citizens' Advisory Committee recommends approval for assistance not to exceed \$20,000.00 for repairs to their house. Assistance would be in the form of a 3% interest loan for a 10 year period.

Funds are budgeted for these items through the City of Hickory's former Rental Rehabilitation program income and/or program income received through the City of Hickory's Community Development Block Grant Program.

The following applicant is being recommended for approval for assistance under the City of Hickory's 2014 Urgent Repair Program. This program provides qualified low income citizens with assistance for emergency-related repairs not to exceed \$7,200.

- Mattie Fuller, 826 3<sup>rd</sup> Street SE, Hickory

**RECOMMENDATION** The Citizens' Advisory Committee recommends approval of the aforementioned requests for assistance through the City of Hickory's housing assistance programs. Dave Leonetti, Community Development Manager, will be in attendance to answer any questions. Additional information that may be required can be discussed in closed session.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

Reviewed by:

**Brian M. Frazier**

Initiating Department Head

6/04/15

Date

*Robyn A. Miller*  
Asst. City Manager, W. Wood

6-8-15

Date

*Melissa Miller*  
Finance Officer, Melissa Miller

6-5-15

Date

*Bo Weichel*  
Purchasing Manager, Bo Weichel

6-5-15

Date

*Annita M. Dula*  
Deputy City Attorney, A. Dula

6-8-15

Date

*A. Surratt*  
Asst. City Manager, A. Surratt

6-8-15

Date

Administrative Services Director  
M. Bennett

Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

*M. Berry*  
City Manager, M. Berry

\_\_\_\_\_  
Date



City of Hickory  
 PO Box 398  
 Hickory, NC 28603  
 Telephone  
 828-323-7410  
 Fax 828-323-7474

**City of Hickory**  
**Special Events/Activities Application**  
 (Must be submitted to Planning & Development)

**SPECIAL EVENT APPLICATION**  
**PUBLIC PROPERTY EVENTS**

The purpose of this application is to provide information about your event or activity in order for various departments and agencies to determine if they need to be involved in the approval and/or permitting process. Depending on the specific event, a permit application and/or fee(s) from individual departments may be required.

The applicant is responsible for providing complete and accurate information on the application, including an attached detailed site plan. The applicant is also responsible for notifying the Planning Department of any changes. Incomplete applications will not be accepted. \*\*A complete application should be submitted at least 90 days prior to the planned event to allow sufficient review time. Public officials may contact you with specific questions. Any official may require a pre-planning meeting.

Applications and events are prioritized based on a first come-first served basis and the City may approve or disapprove an event's requested date based on availability of resources. Events that occur on an annual basis will receive priority the following year.

\*\*If the event is to be held on public property, approval to use the property must be obtained from City Council; therefore the application must be submitted 90 days prior to the event.

**APPLICANT INFORMATION**

Name of Event: Lumberjack Boom  
 Applicant Name & Title: Megan Meade, Director of Community Relations and Events  
 Organization: Hickory Crawdads  
 Mailing (Billing) Address: PO Box 1268  
 City / State / Zip: Hickory, North Carolina 28603  
 Daytime Phone: 8283223000 Cell: 6146381347 Email: mmeade@hickorycrawdads.com  
 Description of the Event: This is an event that will show case various lumberjack competitions, after the event is over there will be fireworks to celebrate the 4th of July  
 Does the event have a Twitter, Myspace, Facebook or other social networking page? No  
 If yes, please list URL(s): \_\_\_\_\_

Event Address: 2500 Clement Blvd. NW Hickory, NC 28601	
Date of Event: July 4, 2015	
Event Start Time: 6pm	Event End Time: 10pm
Road Closure Begins (if applicable): 9pm	Road Closure Ends (if applicable): 10pm
Set-Up Begins: 9am	Clean-Up Ends: 11pm
Preferred Date & Time of Inspection: July 4 @ 5pm	
Estimated Attendance: 4000	
The Event is: <input type="checkbox"/> Private (by invitation only) or <input checked="" type="checkbox"/> Open to General Public	
Describe the procedures to be used for selecting participants and vendors for this event: The Crawdads will handle all vendors	

APPLICANT'S SIGNATURE \_\_\_\_\_ DATE: \_\_\_\_\_

A pre-planning meeting may be required and will be scheduled to include the appropriate staff. The event applicant must attend the meeting. The city reserves the right to require others to attend.

### TENTS & MEMBRANE STRUCTURES

**\*\* Tent is a structure, enclosure, or shelter, with or without sidewalls or drops \*\***

Will tent(s) be used for the event?  Yes  No (If no, proceed to next section)

# of Tent(s) \_\_\_\_\_ (fabric structure that is ENCLOSED with sidewalls or drops exceeding 400 square feet)

# of Tent(s) \_\_\_\_\_ (fabric structure that is OPEN on all sides exceeding 700 square feet)

Are there multiple tents without sidewalls placed side by side such that the total square footage of all the tents in this group exceeds 700 square feet without 12 feet of clear space between all other permanent and temporary structures?  Yes  No

---

**\*\* Membrane structure is an air-inflated or air supported structure \*\***

Will Membrane(s) be used for the event?  Yes  No (If no, proceed to next section)

# of Membrane Structure(s) 2 exceeding 400 square feet

### POWER SOURCES

Will you use electric generators?  Yes  No

If yes, will Power Distribution boxes be used?  Yes  No

Provide contact information for contractor supplying generator power:

Name: \_\_\_\_\_ Phone: \_\_\_\_\_ Email: \_\_\_\_\_

---

Will you use electric power from an existing structure?  Yes  No

If yes, will direct wiring to breakers be required?  Yes  No

Provide contact information for person responsible for setup of power:

Name: City of Hickory Phone: \_\_\_\_\_ Email: \_\_\_\_\_

### VOICE/MUSIC AMPLIFICATION

Are there any musical entertainment features related to your event?  Yes  No  
(If no proceed to next section)

If yes, state the number of bands and type of music: Number of bands: \_\_\_\_\_  
Type(s) of music: \_\_\_\_\_

Will a portable or temporary stage be utilized?  Yes  No

If yes\*, state the number of portable or temporary stages: 1

Provide contact information for contractor providing stage:

Name: Timberworks Lumber Phone: 715-634-9757 Email: lumberjackshow@jrecoop.com

*\*A Temporary Stage Certification Form must be completed for Catawba County Building Services \**

Will your event use amplified sound?  Yes  No

If yes, please indicate times: Start time: 6pm Finish time: 11pm

July 4th

**HAZARDOUS MATERIALS**

Will the event have any hazardous materials such as propane, butane, gasoline, diesel tanks, helium cylinders or other upright tanks?  Yes  No  
**If yes, all tanks must be secured in a manner to prevent accidentally being knocked over. All helium tanks not being used shall have their caps in place.**

Will there be any portable heaters?  Yes  No

Will there be any deep fat fryers?  Yes  No

Will there be any fireworks, lasers, torches, candles or pyrotechnics?  Yes  No  
**If yes, contact the City of Hickory Fire Prevention office at 828-323-7522 for more information.**

**ALCOHOL**

Will alcoholic beverages be served?  Yes  No (If yes, NC ABC permit required)

Will alcoholic beverages be sold?  Yes  No (If yes, NC ABC permit required)

What type of alcohol will be served?  
 Draft Beer  Can/Bottle Beer  Wine  Liquor

Who will be serving the alcohol? Messina's Catering

Times for alcohol to be served: 6pm-10pm

Locations within event site where alcohol will be served:  
 The 2 concession stands, portable beer cart and cafe.

Have you applied for a North Carolina temporary ABC permit?  Yes  No

**VENDORS**

List all commercial vendors who will be present during the event (serving, selling, sampling, or displaying).  
 Vendors are required to obtain a city privilege license. (Use additional sheet of paper if necessary)

VENDOR NAME	ADDRESS	PHONE NUMBER(S)
TBD		
Timberworks Pyrotechnics	lumberjack show@recoop.com	715-634-9757

Does the event include mechanical rides, or other similar attractions?  Yes  No  
 If yes, please describe attractions:

*Applicants contracting with amusement ride companies are required to provide the City of Hickory with a certificate of insurance, naming applicant and the City of Hickory (if applicable) as additional insured on general liability.*

**VENDORS**

Does the event include food vendors?  Yes  No

If the event will have food vendors, please check the following that apply:  
 Served  Sold  Free  Catered  Prepared Outdoors  
*An applicant having any food service must contact the Catawba County Health Department at (828) 465-8270 for approval of any food preparation or service.*

Does the event include food concession and/or cooking areas?  Yes  No

If yes, please list each vendor and specify cooking method (Gas, Electric, Charcoal, Other)  
*(Use additional sheet if necessary)*

VENDOR	COOKING METHOD	FOOD ITEM
Messina's Catering	Concession stands-stove top	Normal Ballpark food

*Fire Code requires a fire extinguisher at each cooking location. Food and beverages shall not be sold at an event unless approved and licensed, if necessary, by the Catawba County Health Department. Event organizers are responsible for arranging health inspections for their events.*

**EVENT SCHEDULE**

Provide a detailed schedule of the event including dates and times for entertainment, activities, hours of event, start time, finish time, etc. If the event requires an extended time frame for set-up, include details with a timeline listing the times and locations where streets or public property will be impacted and when dismantling will be completed. (Use additional sheet of paper if necessary)

DATE	TIME	ACTION	ADDITIONAL NOTES
7/4	4pm	Lumberjacks arrive to set-up	handled by Lumberjack show
7/4	5pm	Lumberjacks are all set-up	filling a 1,000 gallon pool
7/4	6pm	Gates open to publi	all four bands will do sound check
7/4	6pm	Food will be able to be served	concession stands will be open
7/4	7pm	First Lumberjack show will begin	cutting, climbing, log rolling, etc
7/4	7:45pm	Intermission	
7/4	8pm	Second Show will begin	cutting, climbing, log rolling, etc
7/4	9pm	Fireworks will begin	
7/4	10pm	Fireworks and Lumberjacks all cleaned up	Each organizations will handle proper clean up

**CITY SERVICES**

*The City of Hickory does not provide amenities such as portable washrooms, sound systems, tables, chairs, tents, canopies or other equipment. The applicant is responsible for arranging and providing services such as solid waste, wastewater, event clean up, traffic control, etc.*

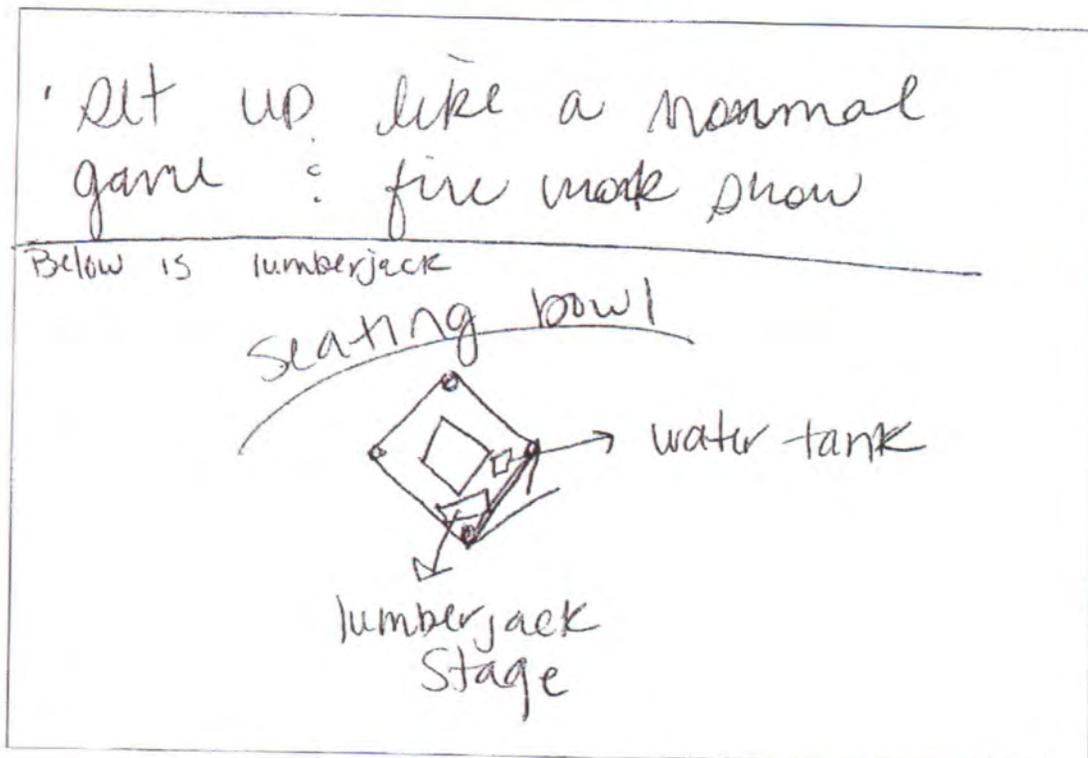
<p><b>ROLLOUT CARTS</b></p> <p>In order to determine what types of containers best suit the needs of the event, please answer the following questions:</p> <p>Will the event be serving/selling/distributing beverages? ___ Yes or <input checked="" type="checkbox"/> No.</p> <p>If yes, in what containers will they come packaged in?          ___ Aluminum cans    ___ Glass bottles/jars    ___ Plastic bottles/jugs/jars</p> <p>How many rollout carts are you requesting for trash? _____          How many recycle carts are you requesting? _____</p>
<p>Delivery Location? _____</p>
<p>Date and Time for rollout carts to be emptied/picked up? _____</p> <p><i>Applicants are responsible for cleaning and restoring the site after the event. Please pick up all trash including paper, plastic, bottles, cans and event marketing signs. The cost of any employee overtime incurred because of an applicant's failure to clean and/or restore the site following the event will be borne by the applicant. If you reasonably believe that no litter will be generated during your event, please state this in your plan.</i></p>
<p><b>PUBLIC PROPERTY CLEAN-UP</b></p> <p>Contracted personnel or volunteers may be used if indicated below. What is the clean-up plan for the event?          Crowdads will have the cleaning crew clean-up trash</p>
<p>Will the event need City personnel to assist with event site clean-up? ___ Yes <input checked="" type="checkbox"/> No</p> <p>Date &amp; Time for clean-up staff arrival: _____</p>
<p>Will any of the following services be used for the event:          ___ Water Service    ___ Wastewater Service    <input checked="" type="checkbox"/> Portable Toilet Service</p>
<p><b>SAFETY AND SECURITY (CHECK TYPES OF SECURITY USED)</b></p> <p><input type="checkbox"/> Beer/Alcohol Security    <input type="checkbox"/> Stage Security    <input type="checkbox"/> Event Area Security    <input type="checkbox"/> Gate Security  <input type="checkbox"/> Road Closure Security    <input type="checkbox"/> Money Handling Security    <input type="checkbox"/> Other _____  <input type="checkbox"/> Overnight Security    From 6:00 To 10:00</p> <p>Dates &amp; Times security will be on site: _____          Security provided by: City of Hickory PD    Number of Security Personnel: 3</p> <p><i>Applicant may be required to hire sworn off-duty City of Hickory police officers to provide security to insure public safety. The Hickory Police Department will determine the number of security personnel required on site.</i></p>

### SITE PLAN

Provide a detailed Site-Plan sketch of the event. Include maps, outline or diagram of the entire event venue including the names of all streets or areas that are part of the venue and the surrounding area. The plan should include the following information (if applicable):

- Location of the event/activity on the property with approximate distances from roads, fire hydrants, existing buildings, etc.
- Location of temporary structures that will be used during the event. Must indicate size of temporary structures, distances between temporary structures and existing buildings.
- Identify how each temporary structure will be used. Example: type of vendor, food preparation, alcohol sales, etc.
- Identify location of all cooking devices and open flames.
- Location of all fencing, barricades, or other restrictions that will impair access to and from the event or property.
- Identify all designated parking areas.
- Identify location of any generators and fuel storage.

### SITE PLAN SKETCH



## USE OF UNION SQUARE AND OTHER PUBLIC PLACES

**\*\* THIS SECTION IS ONLY TO BE COMPLETED IF REQUESTING TO HOLD AN EVENT ON UNION SQUARE COMMON, STREETS ADJOINING THERETO OR OTHER PUBLIC PLACES AND PARKS \*\***

### RULES REGULATING THE USE OF UNION SQUARE COMMON, STREETS ADJOINING THERETO AND OTHER PUBLIC PLACES AND PARKS FOR SPECIAL EVENTS

- Special events may be held in one or more of the following areas:
  - Union Square Common, north of the Southern Railway tracks, east of Third Street, NW, and west of Second Street, NW.
  - Streets adjoining Union Square, including Third Street, NW, between the Southern Railway tracks and the northern margin of First Avenue, NW; First Avenue, NW between Third Street, NW and Second Street, NW; Second Street, NW from the Southern Railway tracks to the northern margin of First Avenue, NW; and Trade Alley.
  - Any other public building, park or property owned or possessed by the City of Hickory which, by its nature, is suitable for any certain special event that may be applied for, provided that said event remains open to the public at large.
- The City Council reserves the right to reject any application as to the use of any area described above for any special event. If the City Council learns that the event or vendors participating were misrepresented to the City Council or that the event in any way fails to comply with the rules regulating the use of Union Square Common or fails to comply with any applicable local, state, or federal laws, it reserves the right to rescind any approved application up to and during the course of the event. In the case of a special event being held at a City-owned facility for which a rental fee is usually charged, the normal rental fee shall be charged to the applicant unless the City Council waives such rental.
- Application must be filed in the City Manager's Office at least ninety (90) days prior to the time that the applicant desires to first take possession of the area to make preparations for the special event. The applicant for a special event must be a non-profit organization, organized and existing for the purpose of either some charitable or public benefit or for the promotion of business in the Downtown Area of Hickory. In addition, said non-profit organization may at the request of the Council be required to produce evidence of their non-profit corporation status as defined by state and federal laws. In addition, procedures to be used for selecting participants and vendors must be included with the application.
- The applicant shall provide to the City Manager at least two (2) weeks prior to the beginning of the public participation in the special event a list of all of the vendors or others having booths or display tables during the special event. No other persons may sell merchandise or operate any booth or display tables during the special event, unless the applicant, in writing, requests the City Manager to amend such list accordingly and permission is granted.
- No motor vehicles or other large equipment or manufactured items or livestock will be permitted within the area unless they are clearly identified and described and the proposed location is stated in the application and specific approval is given.
- The size, type of construction and location of display tables and booths must be described generally in the application; all construction must be safe and self-sustaining; no spikes or other holding devices may be driven into the ground of any street, sidewalk or tied to any tree.
- When food preparation, painting and/or pottery -making activities or similar activities are held, appropriate protective materials must be placed over any paved or brick areas for protection.

- No tents may be placed in the area without being described and exhibited to the Fire Prevention Inspectors of the Hickory Fire Department and special approval by the City Council.
- Public address systems can be used only if specifically requested in the application and special permission given, including limitations as to use.
- Sufficient portable toilets shall be provided for the expected number of participants.
- A first-aid station shall be provided, staffed by competent Emergency Medical Technicians, unless a waiver is requested and granted by the City.
- The applicant shall be responsible for providing trash receptacles of the number and size as the city shall require in order to eliminate litter.
- If the applicant desires to sell alcoholic beverages, it shall specifically so state in its application and shall provide a sketch of the area where the same will be sold and consumed. The area shall be delineated by barricades, with the entrance to be clearly marked and so constructed as to allow ready control of patrons, including viewing of identification to avoid underage persons being within the barricaded area. Signs shall be posted stating that no one shall leave the barricaded area with alcoholic beverages.
- Application must be made to proper State authorities for special permit for sale of alcoholic beverages. Special permit shall be available for inspection by the City at any time.
- The applicant shall assume full liability for all accidents or claims of accidents as a result of activities taking place at the special event and during the time the area is being readied for the event and while it is being cleaned up following the event. A copy of the insurance policy must be submitted to the City Manager's office prior to the event. The policy is to be one of comprehensive general liability in the amount of not less than Three Hundred Thousand Dollars (\$300,000.00) for bodily injury per person and One Million Dollars (\$1,000,000.00) per occurrence and not less than One Hundred Thousand Dollars (100,000.00) for property damage per occurrence.
- The applicant will be responsible for the security or protection of any articles, items, merchandise, display tables, booths or other property owned by the applicant or others participating in the special event.
- Applicants must obtain any special use permits required by the Hickory Fire Inspector, must comply with all applicable provisions of the North Carolina Fire Code and must at all times insure that all fire lanes in the area to be used remain unobstructed.
- Applicants must comply with all applicable Health Department regulations pertaining to the scheduled event.
- Applicants must comply with the requirements of the Hickory Sign Ordinance.
- Applications must comply with any and all local, state, and federal laws pertaining to equal opportunity and should make every effort to make events accessible to the disabled public. In addition, applicants shall not deny access or a vendor's booth to any group based on national origin, race, religion, age, sex, or disability.

Hickory Crawdads

**NAME OF NON-PROFIT ORGANIZATION**

**BRIEFLY DESCRIBE THE PURPOSE OF THE NON-PROFIT ORGANIZATION:**

Baseball Team

**LIST ORGANIZATIONS OFFICERS:**

Mark Seaman

828-322-3000

Charlie Downs

**TELEPHONE**

828-322-3000

Megan Meace

**TELEPHONE**

828-322-3000

**TELEPHONE**

**CHAIRPERSON OF THE SPECIAL EVENT:**

Megan Meace

828-322-3000

**NAME**

**TELEPHONE**

2500 Clement Blvd. NW Hickory, NC 28601

**ADDRESS**

*The undersigned Applicant is aware of the rules regulating the use of Union Square Common, streets adjoining thereto and other public places and parks for special events, and will abide with the same; and further understands that the City of Hickory will not be responsible for the security or protection of any articles, items, merchandise, display tables, booths or other property owned by the applicant or others participating in the special event. The undersigned Applicant agrees to reimburse the City of Hickory for the additional cost of providing police department and/or fire department personnel to supervise the event, including services rendered both before, during and after the event itself, to ensure the compliance with all laws and ordinance, to direct traffic and to promote the safety and welfare of participants and other citizens.*

5/18/2015

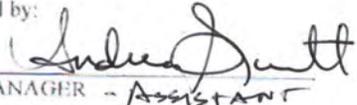
Date



President

Non-Profit Organization

Approved by:



CITY MANAGER - ASSISTANT

6/8/15

DATE

DATE APPROVED BY HICKORY CITY COUNCIL:

NORTH CAROLINA

RELEASE AND INDEMNITY AGREEMENT

CATAWBA COUNTY

THIS RELEASE AND INDEMNITY AGREEMENT, entered into by THE CITY OF HICKORY, a North Carolina Municipal Corporation, party of the first part, and the Hickory Crawdads a non-profit organization with its principal place of operation being Catawba County, North Carolina, party of the second part:

WITNESSETH:

WHEREAS, the party of the first part is desirous of allowing the party of the second part to conduct a special event within the City Limits of Hickory, North Carolina, pursuant to the Hickory City Code; and

WHEREAS, the party of the second part is desirous of conducting a special event within the City Limits of Hickory, North Carolina; and

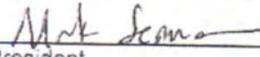
WHEREAS, to this end, said party of the second part has heretofore filed with the City of Hickory an application for approval of said event, and wishes to enter into this Release and Indemnity Agreement pursuant to the Hickory City Code and the administrative rules of the City of Hickory;

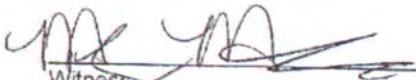
NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, and for other good and sufficient consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. That the party of the second part hereby completely and unequivocally releases the party of the first part, the officials of the party of the first part, and all employees of said party of the first part, and their families, from any and all claims, damages, injuries or rights of action which the party of the second part may incur by reason of the special event being conducted by the party of the second part.

2. That the party of the second part hereby agrees to indemnify and hold harmless the party of the first part for any liability, injury or claim which may arise to the benefit of the party of the second part as a result of the special event being conducted by the party of the second part.
3. That the parties to this Release and Indemnity Agreement stipulate and acknowledge that their exists sufficient consideration for the execution of this instrument.

This the 18 day of May, 2015.

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Witness

DLW Timberworks Lumberjack Show  
P.O. Box 13044, Hayward, Wisconsin 54843  
715-634-9757

Performance Contract  
March 17, 2015

This agreement below is entered into by:  
Timberworks Lumberjack Show  
and  
Megan Meade  
Director of Community Relations & Events  
Hickory Crawdads  
P.O. Box 1268  
Hickory, NC 28603

Timberworks Lumberjack Shows, for the consideration set forth below, agrees to furnish the Organizer with the following specified Lumberjack Show: Olympics of the Forest.

July 4, 2015 Three (3) performances daily.  
Events to be included: Crosscut sawing, axe throwing, chainsaw carving, log rolling, hot sawing, chopping & speed pole climbing.

Special equipment (furnished by Timberworks Lumberjack Shows): Log rolling tank, trailer stage, sound and climbing trees.

Timberworks agrees to provide all props, wood and equipment necessary for each performance. Timberworks reserves the right to secondary sponsorships. In addition Timberworks reserves the right to include within their footprint a 10x10 display booth. Timberworks is not responsible for special permits or union wages when in conflict with regulations set forth by local government or unions. Any local, city or state taxes levied upon this contract will be added to the contract fee. If organizer requires the Timberworks to arrive earlier than 4:00 p.m. the evening before the performance date there is an additional service charge of \$500.00. The show fee is due to Timberworks Lumberjack Shows, regardless of cancellation by organizer, for any reason, including but not limited to bad weather. No alterations may be made to this contract without the express written consent of DLW Timberworks Lumberjack Show.

Organizer is responsible for filling, with potable water, our 5000 gallon log rolling tank at the show site. Removal of the trees and water, upon completion of the last show and the disposal of all wood scraps, (2 fifty-five gallon garbage cans per day). Organizer is also responsible for show site security between shows and at night. Organizer is also responsible for parking adjacent to show area, and adequate access for the truck and trailer unit to the show site.

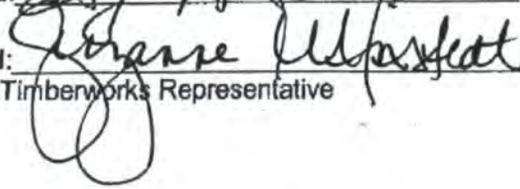
Contract to be paid per the following terms:

Deposit due within 10 days	\$1,500.00
Balance due July 3, 2015	\$5,400.00
Total	\$6,900.00

\*plus two rooms for duration of event July 3-4, 2015

Organizer is responsible for money due regardless of unavoidable cancellation by said Organizer. Or-

Accepted:  Date: 3/23/2015

Accepted:  Date: 4.15.15  
 Timberworks Representative Date sent: March 17, 2015

DLW TIMBERWORKS LUMBERJACK SHOW  
[www.timberworkslumberjackshow.com](http://www.timberworkslumberjackshow.com)  
[lumberjackshow@jrecoop.com](mailto:lumberjackshow@jrecoop.com)

**HICKORY CITY COUNCIL'S FY2015-2016  
PRIORITIES AND ACTION PLAN**

**Strategic Priority:      Attract and Retain Jobs and People**

1. Begin Implementation of the Bond Projects
  - A. Engage the community through the Bond Commission and other outreach efforts to gain insights and feedback on project design, phasing and scope.
  - B. Use pre engineering data and Bond Commission input to determine phasing and scope.
  - C. Use best practices to select design professionals and begin design of bond projects.
  - D. Establish financing plan to address both pre issuance costs and timing of bond issuance.
  - E. Maintain best practices for financial transparency and communication.

**Strategic Priority:      Economic Growth & Transportation**

2. Promote Economic Development and Jobs
  - A. Pursue development partnerships and opportunities for hi-tech manufacturing at Business Park 1764.
  - B. Establish development opportunities and parameters along the City Walk.
  - C. Continue marketing the remaining industrial sites at Fairgrove Business Park and other City owned industrial properties.
  - D. Promote the redevelopment of obsolete manufacturing facilities.
  - E. Continue an aggressive Code Enforcement program for owner-abated commercial demolitions.
  - F. Continue an aggressive program of utilizing Vacant Building Revitalization and Brownfield Grants to improve blighted properties.
  - G. Consider policies and recommendations by the Business Development Committee that would stimulate economic development activity in Hickory.
3. Improve Transportation
  - A. Through the transportation Bond Project, scope and phase roadway improvements in strategic corridors and gateways.
  - B. Pursue grant opportunities to leverage bond funds.
  - C. Update the City's resurfacing analysis and street segment rating.
  - D. Work with NCDOT and the MPO to develop projects benefiting Hickory.
4. Leverage the City's Regional Utilities
  - A. Pursue new utility extensions and regional agreements to enhance the utility system's economy of scale.

- B. Use the City's strength in water and sewer services as an economic development tool.
- C. Market Hickory within and outside the region to increase economic development activity and increase water and sewer sales.

**Strategic Priority:            Quality of Life and Natural Environment**

1. Provide a Safe Community for Residents and Visitors
  - A. Identify meaningful ways to engage and partner with our community and community leaders.
  - B. Fire department will strive to provide exceptional service and communicate effectively through community involvement with our customers and workforce management.
  - C. Complete a comprehensive fire department strategic plan to meet the needs of our community and department.
  - D. Pursue single-family home ownership opportunities in strategic locations to help stabilize distressed neighborhoods.
  - E. Promote proactive public safety partnerships with citizens and neighborhood groups.
  - F. Continue to partner with other Catawba County jurisdictions and the community with the Catawba County Safe Initiative program to reduce violent behavior.
  
2. Support Downtown Development and Activities
  - A. Continue to support downtown festivals and activities with in-kind services.
  - B. Maintain public assets downtown to promote growth and create a unique downtown experience.
  - C. Consider highest and best use for vacant parcels in the downtown and support redevelopment of underutilized buildings.
  
3. Support and Protect Neighborhoods
  - A. Provide staff liaisons to recognized neighborhood associations.
  - B. Respond in a timely manner to neighborhood requests for City services including traffic calming, trash collection, policing, etc.
  - C. Respond in a timely manner to neighborhood requests concerning Code Enforcement issues.
  - D. Continue to market City-owned properties for housing development.
  - E. Pursue partnerships with non-profit housing groups to promote single-family home ownership, such as the partnership with Habitat for Humanity.
  
4. Offer High Quality Recreation and Library Opportunities

- A. Pursue implementation of updated Cloninger Mill park plan with Outward Bound donation.
- B. Conduct customer surveys for recreation programs and strive for positive feedback and ratings.
- C. Implement the updated library strategic plan as possible within budget restraints.
- D. Conduct customer surveys for library programs and strive for positive feedback and ratings.

#### 5. Improve and Protect the Natural Environment

- A. Implement single-stream recycling in FY2015-2016, increasing overall recycling participation by 5% and total tonnage of recycled material by 20% to 25%.
- B. Monitor the compliance of Concord/Kannapolis in regards to the interbasin transfer agreement.
- C. In meeting the EPA NPDES Phase II federal storm water regulations, continue implementing stormwater best practices and complying with stormwater regulations.
- D. Partner with other organizations (Reese Institute, Covekeepers, WaterWatch, Duke Energy, Catawba River Study Committee) to promote policies and practices which protect the river, improve water quality and protect our water supply.
- E. Continue to promote "Your Catawba Use it Wisely" conservation program.

#### 6. Improve Air Quality

- A. Monitor air quality attainment issues and support efforts to address those causes.
- B. Promote awareness of ozone action days.

### **Strategic Priority:      Operational Excellence**

#### 1. Provide Exceptional Customer Service and Communication

- A. Each coworker's performance evaluation will reflect a focus on customer service.
- B. Utilize regular City Manager/Coworker meetings to enhance communication within the organization.

#### 2. Invest in City Coworkers

- A. Provide internal training opportunities for supervisors as well as front line staff.
- B. Promote and fund higher education opportunities which will benefit the coworker and the City.
- C. Recognize, formally and informally, coworkers' achievements.
- D. Continue to support the coworker Wellness Program.

#### 3. Constant Innovation in Delivery of Services

- A. Maintain the City's excellent standing for all services included in the NC Performance Measurement Project.

**Strategic Priority:            Vision and Leadership**

1. Support and Promote Higher Education Opportunities
  - A. Work collaboratively with Lenoir-Rhyne University, Catawba Valley Community College on initiatives and opportunities which would positively impact our community.
2. Lead Regional Initiatives
  - A. Participate at the executive committee and team level of Innovate Catawba.
  - B. Continue to lead the region in protecting and promoting the Catawba River Basin.
  - C. Be the lead agency on regional economic development issues to adequately represent the hub of the population and workforce in the Metro area.
3. Promote City Priorities in the 2015-2016 Legislative Agenda to Federal and State Governments
  - A. Continue to educate citizens on State legislative issues effecting the City.
  - B. Develop and promote state and national legislative priorities that are in the specific interest of the City of Hickory.

**Strategic Priority:            Communication and Marketing**

1. Provide best practice quality communication on bond projects to our residents.
2. Continue to market the City of Hickory "Life Well Crafted" Brand.
3. Continue to offer and support interactive and innovative programs offered by the City, such as the Neighborhood College, and the Citizen's Police Academy.
4. Communicate Effectively with Customers about Delivery of Services
  - A. Respond in a timely manner and inform citizens of results of "Action Requests."
  - B. Inform citizens about Hickory services, projects and awards.
  - C. Keep the city's website vibrant and informative.
  - D. Use print, radio, internet and social media to communicate with our citizens.
  - E. Communicate effectively with organized neighborhood groups, boards and commissions and other partners.

12  
**COUNCIL AGENDA MEMOS**

Exhibit VIII.J.

**To: City Manager's Office**

**From: Arnita Dula, Legal**

**Contact Person: Arnita Dula**

**Date: 6-8-15**

**Re: Termination of Residential Rental Contract for Property Located at 1123 15<sup>th</sup> St. NE**

**REQUEST**

Staff requests Council approve the Termination of Rental Agreement between the City of Hickory and Adam Walker for property located at 1123 15<sup>th</sup> St. NE.

**BACKGROUND**

On January 22, 2015, the City entered into a residential rental contract with Adam Walker. The term of the lease was for one year with a monthly rental fee of \$350.00.

**ANALYSIS**

Mr. Walker was an employee with the City of Hickory. His employment ended June 9, 2015 because he has taken another position which requires him to relocate. He wants to terminate the rental agreement with the city. The termination date is June 19, 2015. He will pay pro-rated rent for the month. In addition, he will pay \$175.00 as a lease buy-out fee for early termination of the rental agreement.

**RECOMMENDATION**

Staff requests Council approve the Termination of Rental Agreement between the City of Hickory and Adam Walker for property located at 1123 15<sup>th</sup> St. NE.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

**Reviewed by:**

           Arnita M. Dula            6-8-15             
Initiating Department Head      Date

                                 6-8-15             
Asst. City Manager, W. Wood      Date

                                 6-8-15             
Finance Officer, Melissa Miller      Date

                       
Date

           Arnita M. Dula            6-8-15             
Deputy City Attorney, A. Dula      Date

                                 6-8-15             
Asst. City Manager, A. Surratt      Date

                                 6-8-15             
Purchasing Manager, Bo Weichel      Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as  
Consent, Public Hearing, Informational, Department Report, etc).

                       
City Manager, M. Berry

            
Date

Prepared by: Arnita M. Dula, Deputy City Attorney  
Post Office Box 398, Hickory, NC 28603

North Carolina )  
 )  
Catawba County )

**TERMINATION OF RESIDENTIAL RENTAL  
CONTRACT**

This Termination of Residential Rental Agreement ("Agreement") made this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between The **City of Hickory**, North Carolina, A North Carolina Municipal Corporation, ("Landlord"), and **Adam Walker**, ("Tenant"), both of Catawba County, North Carolina;

**WITNESSETH:**

Whereas, said Landlord has heretofore rented to said Tenant certain premises therein described by a Residential Rental Contract ("Rental Contract" or "Contract") dated January 22, 2015 and terminating on January 21, 2016; and

Whereas, by mutual consent the Landlord and Tenant desire to terminate the Rental Contract prior to its termination date.

Now, therefore, the parties hereby mutually agree:

That said Contract and each and every part and clause thereof, except as provided otherwise herein, be canceled and terminated as of June 19, 2015.

That the Tenant perform all obligations outlined in paragraph 13 of the Contract prior to vacating the premises.

That all other fixtures, structures, appurtenances and improvements erected or placed upon the leased premises shall become the property of the Landlord and the leased premises shall revert to the possession and ownership of the Landlord including, but not limited to, any parking facilities.

That Landlord will pro rate the rental fees for the month of June. Tenant shall pay all amounts due through June 19, 2015. Landlord will reimburse Tenant for any overages paid by Tenant. In addition to the pro-rated rent, Tenant shall pay a \$175.00 lease buy-out fee for early termination of the rental agreement.

Should Tenant hold over past June 19, 2015, this Agreement shall be null and void and all terms of the Rental Contract shall remain in full force and effect.

In Testimony Whereof, said parties have executed this contract in duplicate originals, one of which is retained by each of the parties, the day and year first above written.

This the \_\_\_ day of \_\_\_\_\_, 2015.

**LANDLORD:**

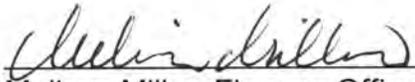
**THE CITY OF HICKORY,**  
A North Carolina Municipal Corporation

By: \_\_\_\_\_  
Rudy Wright, Mayor

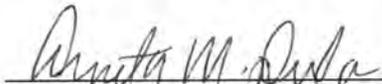
**Attest:** (SEAL)

\_\_\_\_\_  
Debbie D. Miller, City Clerk

This document has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

  
\_\_\_\_\_  
Melissa Miller, Finance Officer

Approved as to form on behalf of the City of Hickory only:

  
\_\_\_\_\_  
Arnita Dula, Deputy City Attorney

**TENANT:**

**ADAM WALKER,**

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

13

**COUNCIL AGENDA MEMOS**

**To:** City Manager's Office  
**From:** Chuck Hansen, Director of Public Services  
**Contact Person:** Caroline Kone, Traffic Division Manager  
**Date:** June 9, 2015  
**Re:** STP-DA/TA funding application and resolution

**REQUEST**

Provide a resolution supporting the application for monies from the Greater Hickory Metropolitan Planning Organization's (GHMPO) Surface Transportation Program-Direct Appointment/Transportation Alternatives (STP-DA/TA) available monies.

**BACKGROUND**

The GHMPO has issued a call for STP-DA/TA funding to agencies within its jurisdiction. This money can be used for transportation projects as part of discretionary projects such as greenways, intersection improvements, and traffic signal upgrades.

**ANALYSIS**

City Manager's Office, Engineering, and Public Works have reduced the number of projects to apply for to three, which is the maximum allowed to be submitted by the MPO program. The three projects are the *Citywalk*, *Sandy Ridge Road Intersection Improvements*, and *Pedestrian Signalization Upgrades*. The money can be used for design, right-of-way acquisition, utility relocation, engineering, and construction. Both the *Citywalk* and *Sandy Ridge Road Intersection Improvements* will be requesting \$1,000,000 with a City of Hickory match of 20% or \$200,000. The *Pedestrian Signalization Upgrades* project is estimated to cost \$350,000 with a City of Hickory match of 20%, or \$70,000. The *Citywalk* project will use Bond funds for match money and the *Sandy Ridge Road Intersection Improvements* and *Pedestrian Signalization Upgrades* will utilize General Fund monies for match monies. The award of these funds are expected in Federal Fiscal Year 2015, which begins October 1, 2015.

**RECOMMENDATION**

It is recommended that Council approve the attached resolution for support for the three projects as well as providing the matching funding in the amount of 20% for each project.

**Informational**

(Some info items will not have to appear on the Council agenda, but will be communicated to Council in weekly Communication format. These items will still require a Council Agenda Memo)

**Requires Council Approval**

(All new or revisions in Ordinances or Council enacted policies, as well as contracts/agreements over \$100,000 will be placed on Agenda)

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

Source of City/State/Federal funds?

**Revenues**

State/Federal Funds: (Codes)

- - . -  
- - . -

\$  
\$

City Funds: (Codes)

- - . -  
- - . -

\$  
\$

Other Financial Resources: (Codes)

- - . -  
- - . -

\$  
\$

In-kind Services: (Describe)

\$  
\$

**TOTAL**

\$

**Expenditures: (Codes)**

- - . -  
- - . -  
- - . -  
- - . -

\$  
\$  
\$  
\$  
\$

**TOTAL:**

\$

**Reviewed by:**

Chuck Hansen  
Initiating/Department Head

6-9-15  
Date

Amata M. DeLa 6-9-15  
Staff Attorney Date

Ralph H. Miller  
Asst. City Manager - Administration

6-9-15  
Date

W. J. Smith 6/9/15  
Asst. City Manager - Development Date

Melvin K. Green  
Finance Officer

6-9-15  
Date

Bo Schum 6-9-15  
Acting Finance Director  
Purchasing manager Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

NB

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Date

## RESOLUTION NO. 15-16

RESOLUTION AUTHORIZING THE CITY OF HICKORY TO SUBMIT AN APPLICATION TO THE GREATER HICKORY METROPOLITAN PLANNING ORGANIZATION IN THE AMOUNT OF \$2.35 MILLION DOLLARS FOR SURFACE TRANSPORTATION PROGRAM – DIRECT APPOINTMENT FUNDS FOR “*Citywalk*,” “*Sandy Ridge Road Intersection Improvements*,” and “*Pedestrian Signalization Upgrades*.”

WHEREAS, On March 25, 2015 the Greater Hickory Metropolitan Planning Organization (GHMPO) issued a call for projects to agencies in its jurisdiction for Surface Transportation Program-Direct Appointment Funding (STP-DA). A total \$8 million dollars is available to award among four different transportation modals: bicycle and pedestrian, intersections, roadway, and transit. STP-DA is comprised of a collection of discretionary programs including greenways, intersection improvements, and signalization improvements. Each agency may submit no more than three (3) projects of not less than \$200,000 each for possible reward. The funding requires a minimum 20 percent local cash match.

The City of Hickory is applying for funding for three (3) different projects.

The first project, *Citywalk*, is part of the Inspiring Spaces bond project. The *Citywalk* connects Lenoir-Rhyne University to Downtown via a greenway constructed along Main Ave NE/NW and the Norfolk-Southern Railroad line. The monies being applied for on this project is \$1,000,000 with the City of Hickory matching 20%, \$200,000. This matching money can come from the bonds, as already approved by City Council.

The second project, *Sandy Ridge Road Intersection Improvements*, is already a federally funded Congestion Mitigation Air Quality (CMAQ) project with a city match. The cost of this project continues to grow as the realities of relocating infrastructure and purchasing right-of-way keep rising as detail construction plans are completed. This additional funding will help to offset the costs. The monies being applied for on this project is \$1,000,000 with the City of Hickory matching 20%, \$200,000 from General Find Monies.

The third project, *Pedestrian Signalization Upgrades*, aims to upgrade the pedestrian signals throughout the City of Hickory. This would replace existing outdated signal heads to the newer federal standards of countdown pedestrian signal heads. Also, at select intersections where pedestrian volume is high (for example at the local elementary schools), audible pedestrian push buttons would be installed. The monies being applied for on this project is \$350,000 with the City of Hickory matching 20%, \$70,000 from General Fund Monies.

NOW, THEREFORE BE IT RESOLVED, that the City of Hickory is hereby authorized to submit STP-DA applications in the amount of \$2.35 million and will commit \$470,000 as a cash match for the "Citywalk," "Sandy Ridge Road Intersection Improvements," and "Pedestrian Signalization Upgrades" projects.

Adopted this the \_\_\_\_\_ day of \_\_\_\_\_, 2015

THE CITY OF HICKORY a  
North Carolina Municipal Corporation

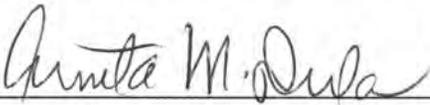
(SEAL)

ATTEST:

By: \_\_\_\_\_  
Rudy Wright, Mayor

\_\_\_\_\_  
Debbie D. Miller, City Clerk

Approved as to form this 9<sup>th</sup> day of June, 2015

  
Attorney for the City of Hickory

## GRANT PROJECT ORDINANCE AMENDMENT # 5C

**BE IT ORDAINED** by the Governing Board of the City of Hickory that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following amendment be made to the grant project ordinance for the duration of the project.

**SECTION 1.** To amend the Grant Project Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Transportation	-	39,618
<b>TOTAL</b>	-	39,618

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Restricted Government Revenue	-	264,841
Other Financing Sources	225,223	-
<b>TOTAL</b>	225,223	264,841

**SECTION 2.** To amend the Grant Project Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Project - Transportation Fund	-	291,498
<b>TOTAL</b>	-	291,498

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Restricted Gov. Revenue	-	638,226
Other Financing Sources	346,728	-
<b>TOTAL</b>	346,728	638,226

**SECTION 3.** Copies of the grant project ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_ Mayor

\_\_\_\_\_  
Clerk

Ordinance 15-23

**GRANT PROJECT ORDINANCE AMENDMENT # 5**

**BE IT ORDAINED** by the Governing Board of the City of Hickory that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following amendment be made to the grant project ordinance for the duration of the project.

**SECTION 1.** To amend the Grant Project Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Transportation	-	39,618
<b>TOTAL</b>	-	39,618

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Restricted Government Revenue	-	264,841
Other Financing Sources	225,223	-
<b>TOTAL</b>	225,223	264,841

**SECTION 2.** To amend the Grant Project Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Project - Transportation Fund		1,441
<b>TOTAL</b>	-	1,441

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
	-	-
<b>TOTAL</b>	0	0

**SECTION 3.** Copies of the grant project ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

Adopted this 2nd day of June, 2015

*[Signature]*  
Mayor

*Robbie D. Miller*  
Clerk



**BUDGET ORDINANCE AMENDMENT # 19C**

**BE IT ORDAINED** by the Governing Board of the City of Hickory, that pursuant to Section 15 of Chapter 159 of the General Statutes of North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2015.

**SECTION 1.** To amend the General Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture and Recreation	8,891	-
Other Financing Uses	20,000	-
<b>TOTAL</b>	<b>28,891</b>	<b>0</b>

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	1,550	-
Other Financing Sources	20,000	-
Sales and Services	7,341	-
<b>TOTAL</b>	<b>28,891</b>	<b>0</b>

**SECTION 2.** To amend the Water and Sewer Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Contingency	-	27,000
Other Financing Uses	19,100	-
Environmental Protection	132,000	19,100
<b>TOTAL</b>	<b>151,100</b>	<b>46,100</b>

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	105,000	-
<b>TOTAL</b>	<b>105,000</b>	<b>0</b>

**SECTION 3.** To amend the Capital Reserve Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Uses	758,401	-
<b>TOTAL</b>	<b>758,401</b>	<b>0</b>

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	767,807	9,406
<b>TOTAL</b>	<b>767,807</b>	<b>9,406</b>

**SECTION 4.** Copies of the budget ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Clerk

Ordinance 15-25

**BUDGET ORDINANCE AMENDMENT # 19**

**BE IT ORDAINED** by the Governing Board of the City of Hickory, that pursuant to Section 15 of Chapter 159 of the General Statutes of North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2015.

**SECTION 1.** To amend the General Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture and Recreation	8,891	-
<b>TOTAL</b>	<b>8,891</b>	<b>0</b>

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	7,341	-
Miscellaneous	1,550	-
<b>TOTAL</b>	<b>8,891</b>	<b>0</b>

**SECTION 2.** To amend the Transportation Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Transportation	20,000	-
<b>TOTAL</b>	<b>20,000</b>	<b>0</b>

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	20,000	-
<b>TOTAL</b>	<b>20,000</b>	<b>0</b>

**SECTION 3.** To amend the Water and Sewer Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Uses	61,450	19,100
Contingency	-	27,000
Environmental Protection	151,100	-
<b>TOTAL</b>	<b>212,550</b>	<b>46,100</b>

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	166,450	-
<b>TOTAL</b>	<b>166,450</b>	<b>0</b>

**SECTION 4.** To amend the Capital Reserve Fund the expenditures are to be changed as follows:

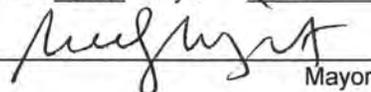
FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Uses	696,951	-
<b>TOTAL</b>	<b>696,951</b>	<b>-</b>

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	706,357	9,406
<b>TOTAL</b>	<b>706,357</b>	<b>9,406</b>

**SECTION 5.** Copies of the budget ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

Adopted this 2nd day of June, 2015

  
Mayor

Debbie W. Miller  
Clerk



**COUNCIL AGENDA MEMOS****To: City Manager's Office****From:** Planning & Development Services Department – Cal Overby, Principal Planner**Contact Person:** Cal Overby, Principal Planner**Date:** June 4, 2015**Re:** Consideration of Rezoning Petition 15-01**REQUEST**

Consideration of Rezoning Petition 15-01.

**BACKGROUND**

Wendell Cramer has petitioned for the rezoning of approximately 2.36 acres of property located at the southwest corner of the intersection of Startown Road and Catawba Valley Boulevard SE. The petition is to rezone the property from Low Density Residential (R-1) to Regional Commercial (C-3).

**ANALYSIS**

The Hickory by Choice 2030 Comprehensive Plan classifies the vicinity as Regional Commercial. The rezoning of the subject property to Regional Commercial (C-3) is consistent with the goals and policies contained within the Hickory by Choice 2030 Comprehensive Plan. Please refer to the accompanying staff report for a more in-depth analysis of the petition.

**RECOMMENDATION**

The Hickory Regional Planning Commission conducted a public hearing on May 27, 2015 to consider the petition. During the public hearing the petitioner and their real estate agent spoke in favor of the petition, while no one spoke in opposition. Upon closing the public hearing, the Hickory Regional Planning Commission voted unanimously (8-0) to affirm the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan, and recommended City Council approval of the petition. Staff concurs with the Commission's findings and recommendations.

**BUDGET ANALYSIS:**

**Budgetary Action**

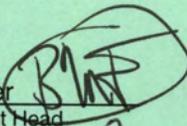
Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

**Reviewed by:**

Brian M. Frazier  6/4/2015  
Initiating Department Head Date

Rodney N. Tulle 6-8-15  
Asst. City Manager, W. Wood Date

Melissa Miller 6-5-15  
Finance Officer, Melissa Miller Date

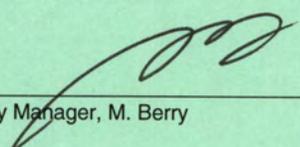
Bo Weichel 6.5.15  
Purchasing Manager, Bo Weichel Date

Amata M. Dula 6-8-15  
Deputy City Attorney, A. Dula Date

A. Surratt 6-8-15  
Asst. City Manager, A. Surratt Date

M. Bennett \_\_\_\_\_  
Administrative Services Director Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as  
Consent, Public Hearing, Informational, Department Report, etc).

  
\_\_\_\_\_  
City Manager, M. Berry

\_\_\_\_\_  
Date

## REZONING ANALYSIS

**PETITION:** Rezoning 15-01

**APPLICANT:** Wendell Cramer

**OWNER:** Wendell and Judith Cramer

**PROPERTY LOCATION:** Southwest corner of the intersection of Startown Road and Catawba Valley Boulevard SE.

**PIN:** 3711-12-96-4398

**WARD:** The subject property is located in the City's Extraterritorial Jurisdictional Area (ETJ).

**ACREAGE:** 2.36 acres (102,801 ft<sup>2</sup>) (Note: This information was taken from the most recent Catawba County tax map data.)

**REQUESTED ACTION:** The applicant has submitted a petition requesting the subject property be rezoned from Low Density Residential (R-1) to Regional Commercial (C-3).

**DEVELOPMENT POTENTIAL:** The Low Density Residential (R-1) district predominately permits larger-lot single-family residential development. In the R-1 district this type of development is allowed at a maximum density of two (2) dwelling units per acre. The R-1 district also permits for properties to be used for religious institutions and public facilities.

Should the property be rezoned to Regional Commercial (C-3), the property could be used for a full range of retail and service businesses that serve both local and regional markets. Properties zoned C-3 are permitted to develop at a maximum floor area ratio of 0.85, which means 0.85 square feet of floor area could be provided for every one (1) square foot of land area contained within the parcel. In this particular instance the property could yield a maximum of 87,380 ft<sup>2</sup> of floor area  $[(2.36 * 0.85) * 43,560]$ . It should be understood this number is a theoretical maximum, and other regulatory requirements for building setbacks, parking, buffering, and similar items could substantially decrease this maximum intensity.

**BACKGROUND:** The applicant has submitted a petition requesting the property be rezoned to Regional Commercial (C-3). The applicant has not indicated a potential use for the subject property.

**REVIEW CRITERIA:** In reviewing and making recommendations on proposed zoning map amendments, review bodies shall consider the following factors:

1. Consistency of the proposed zoning with the *Hickory Comprehensive Land Use and Transportation Plan* and the stated Purpose and Intent of this Land Development Code **(Please refer to Map 1 for more detail);**

*The Hickory by Choice 2030 Comprehensive Plan classifies the area as Regional Commercial. The Regional Commercial future land use classification is explained to consist of commercial areas located along the I-40 / US 70 corridor, which provide goods and services to city residents as well as residents living in surrounding communities. (HBC 2030, Page 3.10). Hickory by Choice 2030 goes on to list the C-3 district as being the implementing zone for this specific future land use classification (HBC 2030, Page 3.13).*

**Section 1.7 of the Hickory Land Development Code contains its Stated Purpose and Intent. This section contains five (5) specific items which the Land Development Code is intended to uphold. These are as follows:**

- Implement the Hickory by Choice 2030 Comprehensive Plan;

*The owner / applicant has not indicated an end use. It should be properly noted that the disclosure or non-disclosure of a specific use cannot be used as grounds for denial of a non-conditional zoning map amendment. The subject property is shown by Hickory by Choice 2030 to be within an area that is intended to provide retail and services to city residents as well as a residents from surrounding communities. The future use of the property as the location of a commercial or services type land use implements the HBC 2030 plan.*

- Preserve and protect land, air, water and environmental resources and property values;

*Any and all improvements that are to take place on the property will be required to follow all applicable development regulations.*

- Promote land use patterns that ensure efficiency in service provision as well as wise use of fiscal resource and governmental expenditures;

*The subject property is located on Catawba Valley Boulevard SE, which is a regional commercial corridor. Catawba Valley Boulevard SE is currently operating within its design capacities. Public utilities (water and sewer) are also located within close proximity to the subject property. Any future development that occurs on the property will be evaluated as to what impacts, if any, will be placed upon nearby public infrastructure. The owner / developer of the property will be required to cover any financial costs needed for any required infrastructure improvements identified through the evaluation process.*

- Regulate the type and intensity of development; and

*This Hickory Land Development Code regulates the type and intensity of development that is located on the subject properties. Development plans for the property, once received, will be reviewed in light of the regulations contained within the Hickory Land Development Code*

- Ensure protection from fire, flood and other dangers.

*Any future development occurring on the subject property will be required to adhere to all state and local building, fire, and flood zone related development regulations. Such regulations will ensure proper protections are provided for the patrons of the subject properties, as well as the residents of the surrounding area.*

2. Existing land uses within the general vicinity of the subject property (**Please refer to Map 2 for more detail**):

North: The property to the north across Catawba Valley Boulevard SE is currently vacant;

South: The properties to the south are occupied by a single family residence, and a medical office (Fairbrook Medical Clinic);

East: The property to the east is occupied by Catawba Valley Community College; and

West: The property to the west is currently vacant.

3. The zoning classification of property within the general vicinity of the subject property (**Please refer to Map 3 for more detail**):

North: The property to the north across Catawba Valley Boulevard SE is zoned Regional Commercial (C-3);

South: The properties to the south are zoned Low Density Residential (R-1) and Office & Institutional (OI);

East: The property to the east is zoned Office & Institutional (OI); and

West: The property to the west is zoned Low Density Residential (R-1).

4. The suitability of the subject property for the uses permitted under the existing and proposed zoning classification:

*The subject property is currently zoned Low Density Residential (R-1). The request is to rezone the property to Regional Commercial (C-3). With regards to suitability of uses permitted under the existing zoning classification, the subject property shares a property line with the right-of-way of Catawba Valley Boulevard SE, which is a five lane, predominately commercial, thoroughfare constructed in the 1990's to facilitate additional commercial development. Considering this, it is fairly certain the highest and best use of the subject property is no longer low density residential development.*

*Under the proposed Regional Commercial (C-3) district the property could be developed for a wide range of retail and service businesses, which would make good use of the public transportation infrastructure improvement adjacent to the property. The future development of the property for uses of this nature are suitable for the subject property due to its proximity to a major commercial corridor, and other regional shopping destinations that are within ½ a mile to the north and west.*

5. The extent to which zoning will detrimentally affect properties within the general vicinity of the subject property:

*The rezoning certainly has the potential to detrimentally impact properties in the general vicinity. However; through proper site planning, buffering, and screening as required by the City's Land Development Code, any real or perceived detrimental impacts will be mitigated to maximum extent practical.*

6. The extent to which the proposed amendment (zoning map) will cause public services including roadways, storm water management, water and sewer, fire and police protection to fall below acceptable levels.

*If rezoned, the subject property is not expected to diminish public services provided in the area. Additionally, during the development review process any identified developments impacts upon the items listed above will be evaluated, and the owner / developer will be required to mitigate any deficiencies to the maximum extent practical, or required by law.*

7. The proposed amendment (zoning map) will protect the public health, safety, and general welfare.

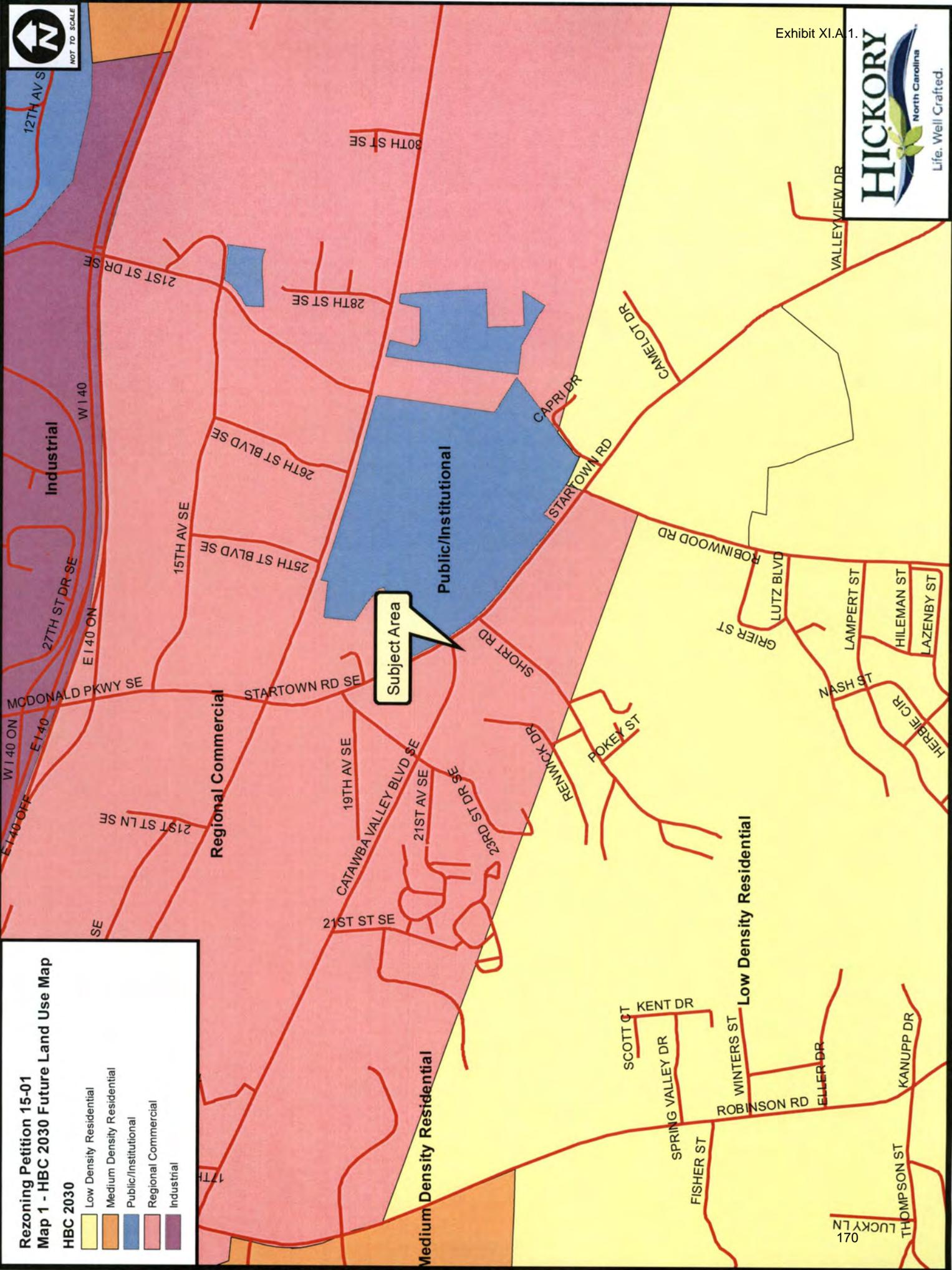
*The property in question is located within an area where the City's comprehensive plan, Hickory by Choice 2030, anticipated providing additional properties for commercial development. Any future development that occurs of the subject property as the result of the zoning map amendment, will be required to be adhere to regulations related to zoning, building and fire code, traffic, stormwater, etc.; which will work in conjunction with one another to ensure the health and safety of residents and visitors are properly protected.*

**RECOMMENDED ACTION:**

The Hickory Regional Planning Commission conducted a public hearing on May 27, 2015 to consider the petition. During the public hearing the petitioner and their real estate agent spoke in favor of the petition, while no one spoke in opposition. Upon closing the public hearing, the Hickory Regional Planning Commission voted unanimously (8-0) to affirm the petitions consistency with the Hickory by Choice 2030 Comprehensive Plan, and recommended City Council approval of the petition. Staff concurs with the Commission's findings and recommendations.

**PROTEST PETITION/CITIZEN INPUT:**

Staff has one phone call regarding the petition.



Subject Area

**Rezoning Petition 15-01**  
**Map 1 - HBC 2030 Future Land Use Map**

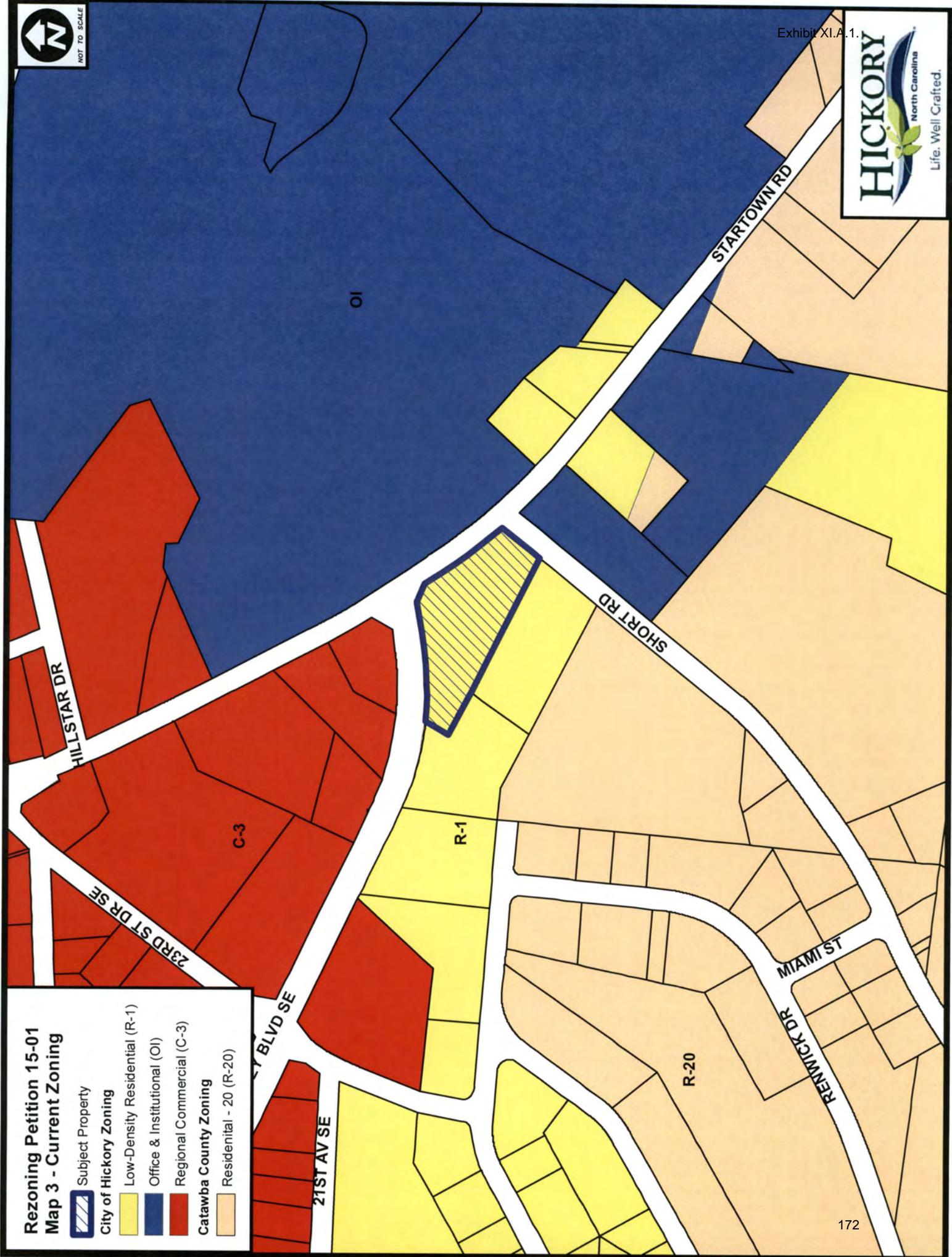
**HBC 2030**

- Low Density Residential
- Medium Density Residential
- Public/Institutional
- Regional Commercial
- Industrial



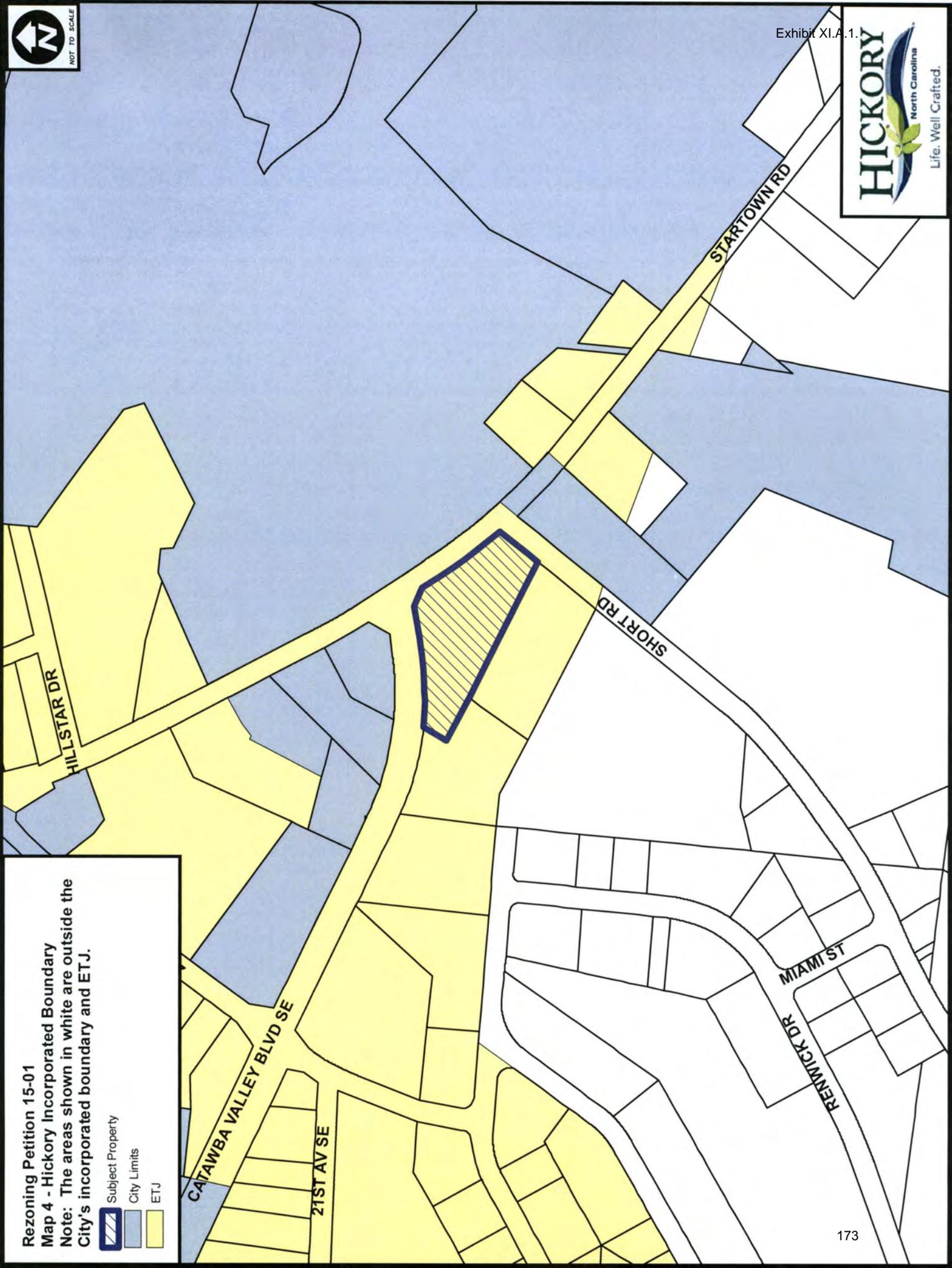
CVCC

Rezoning Petition 15-01  
Map 2 - 2014 Aerial Photography  
Subject Property



**Rezoning Petition 15-01  
Map 3 - Current Zoning**

-  Subject Property
- City of Hickory Zoning**
-  Low-Density Residential (R-1)
-  Office & Institutional (OI)
-  Regional Commercial (C-3)
- Catawba County Zoning**
-  Residential - 20 (R-20)



**Rezoning Petition 15-01**  
**Map 4 - Hickory Incorporated Boundary**  
**Note: The areas shown in white are outside the City's incorporated boundary and ETJ.**

-  Subject Property
-  City Limits
-  ETJ



Life. Well Crafted.

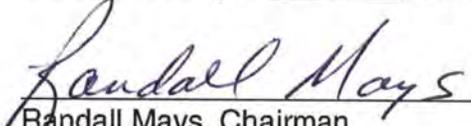
## HICKORY REGIONAL PLANNING COMMISSION

### ZONING MAP AMENDMENT CONSISTENCY STATEMENT

On May 27, 2015 the Hickory Regional Planning Commission conducted a Public Hearing for the purpose of considering Rezoning Petition 15-01. Upon considering the matter, the Hickory Regional Planning Commission found:

1. The Hickory by Choice 2030 Comprehensive Plan classifies the area as Regional Commercial. The Regional Commercial future land use classification is explained to consist of commercial areas located along the I-40 / US 70 corridor, which provide goods and services to city residents as well as residents living in surrounding communities. (HBC 2030, Page 3.10). Hickory by Choice 2030 goes on to list the C-3 district as being the implementing zone for this specific future land use classification (HBC 2030, Page 3.13).
2. The subject property is shown by Hickory by Choice 2030 to be within an area that is intended to provide retail and services to city residents as well as a residents from surrounding communities. The future use of the property as the location of a commercial or services type land use implements the HBC 2030 plan.

Based upon these findings, the Hickory Regional Planning Commission has found Rezoning Petition 15-01 to be consistent with the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan, and recommends Hickory City Council approval of the petition. This recommendation was affirmed by a 8-0 vote of the Hickory Regional Planning Commission.

  
 \_\_\_\_\_  
 Randall Mays, Chairman

5-27-15  
 Date

## ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE HICKORY CITY COUNCIL AMENDING THE HICKORY OFFICIAL ZONING ATLAS TO REZONE APPROXIMATELY 2.36 ACRES OF PROPERTY LOCATED AT THE SOUTHWEST CORNER OF CATAWBA VALEY BLVD SE AND STARTOWN RD FROM LOW DENSITY RESIDENTIAL (R-1) TO REGIONAL COMMERCIAL (C-3).**

WHEREAS, Article 2, Section 2.2 of the Hickory Land Development Code provides for amendments to the Official Zoning Atlas; and

WHEREAS, the City has been petitioned to rezone approximately 2.36 acres located at the southwest corner of Catawba Valley Blvd SE and Startown Rd, more particularly described on **Exhibit A** attached hereto, to allow a **Regional Commercial District**; and

WHEREAS, the Hickory Regional Planning Commission considered the proposed rezoning during a public hearing on May 27, 2015 and forwarded a recommendation of approval to the City Council; and

WHEREAS, Article 2 of the Hickory Land Development Code requires a finding that proposed rezoning is in response to changing conditions and is reasonably necessary to promote the public health, safety and general welfare; and

WHEREAS, the City Council has found Petition 15-01 to be in conformance with the City's Land Development Plan and Zoning Ordinance,

NOW, THEREFORE, BE IT ORDAINED by the City Council of Hickory, North Carolina, THAT THE REZONING OF THE PROPERTY DESCRIBED IN EXHIBIT A is approved.

**SECTION 1.** Findings of fact.

1. The subject property is located at the southwest corner of Catawba Valley Blvd SE and Startown Road, and further identified as PIN 3711-12-96-4398
2. The rezoning request is intended to further implement the findings and recommendations of the *Hickory by Choice 2030 Comprehensive Plan*.
3. The rezoning of the property is consistent with the *Hickory by Choice 2030 Comprehensive Plan*.

**SECTION 2.** All ordinances or provisions of the Hickory City Code which are not in conformance with the provisions of the Amendment occurring herein are repealed as of the effective date of this Ordinance.

**SECTION 3. Consistency Statement**

Upon considering the matter, the Hickory City Council found:

1. The Hickory by Choice 2030 Comprehensive Plan classifies the area as Regional Commercial. The Regional Commercial future land use classification is explained to consist of commercial areas located along the I-40 / US 70 corridor, which provide goods and services to city residents as well as residents living in surrounding communities. (HBC 2030, Page 3.10). Hickory by Choice 2030 goes on to list the C-3 district as being the implementing zone for this specific future land use classification (HBC 2030, Page 3.13).
2. The subject property is shown by Hickory by Choice 2030 to be within an area that is intended to provide retail and services to city residents as well as a residents from surrounding communities. The future use of the property as the location of a commercial or services type land use implements the HBC 2030 plan.

Based upon these findings, the Hickory City Council has found Rezoning Petition 15-01 to be consistent with the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan.

**SECTION 4. This Ordinance shall become effective upon adoption.**

ORDAINED by the City Council of Hickory, North Carolina, this, the \_\_\_\_ day of \_\_\_\_\_, 2015.

(SEAL)

**THE CITY OF HICKORY**, a  
North Carolina Municipal Corporation

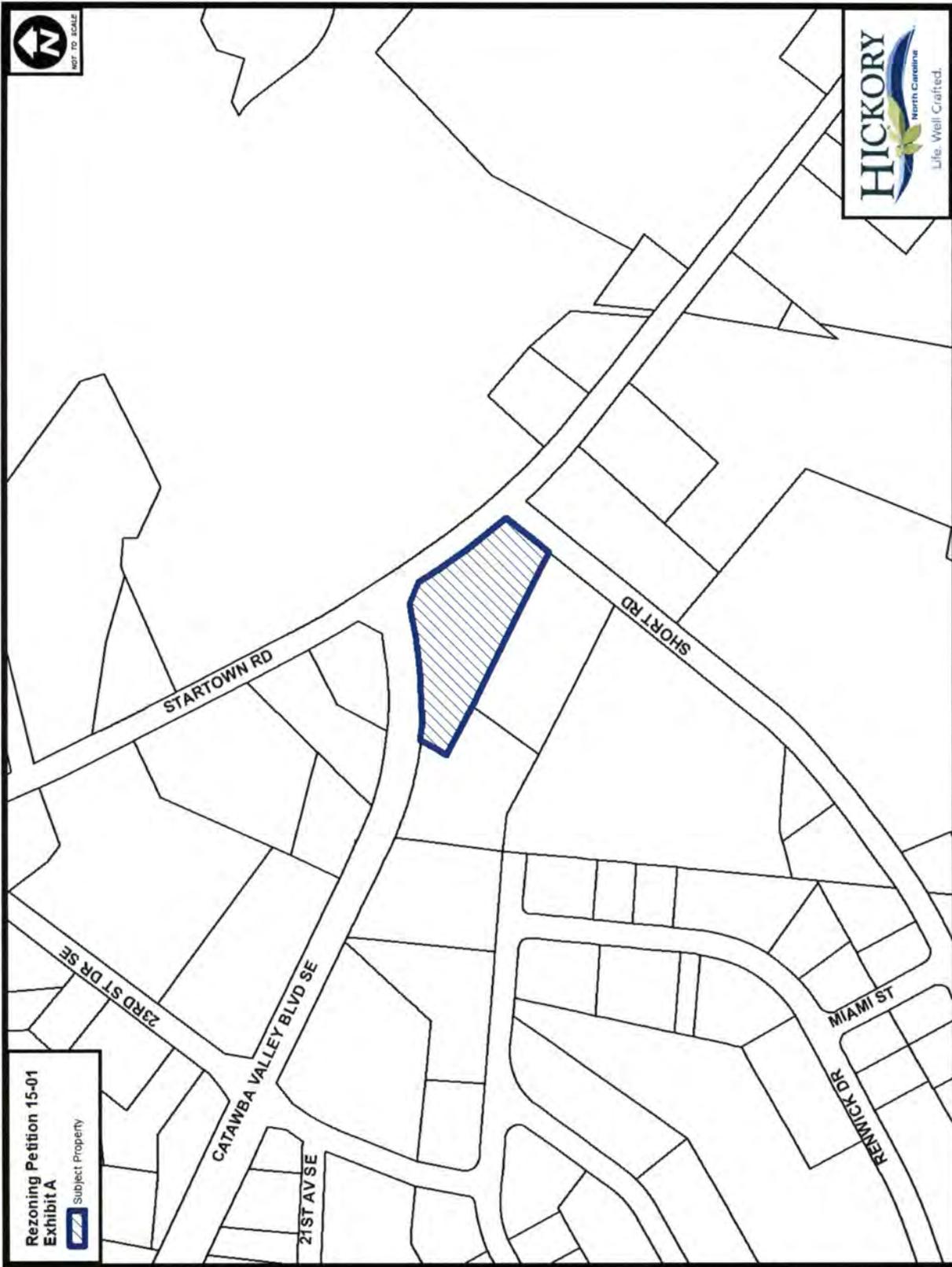
**Attest:**

By: \_\_\_\_\_  
Rudy Wright, Mayor

\_\_\_\_\_  
Debbie D. Miller, City Clerk

Approved as to form this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Attorney for the City of Hickory



ORDINANCE NO. \_\_\_\_\_  
HICKORY CITY COUNCIL  
Page 3 of 3

9

**COUNCIL AGENDA MEMOS**

**To: City Manager's Office**  
**From: Mack McLeod, Parks and Recreation Director**  
**Contact Person: Miles Champion 302-3757**  
**Date: June 22, 2015**  
**Re: Award of Contract for Glenn C. Hilton, Jr. Recreation Park Additional Parking**

**REQUEST**

Award of contract to Huffman Grading Co., Inc. for construction of Glenn C. Hilton, Jr. Recreation Park Additional Parking Lot in the amount of \$121,287.

**BACKGROUND**

The paved parking lot will be constructed directly across 6<sup>th</sup> Street Drive NW from the existing Glenn C. Hilton, Jr. Recreation Park to provide overflow parking spaces for the facility. Work under the contact will include clearing, grading, paving, curb/gutter and fencing. Traffic Division will provide the crosswalk on 6<sup>th</sup> St. Dr. NW and parking lot striping, Landscape Services will provide landscaping and Building Services will provide area lighting for the parking lot.

**ANALYSIS**

Informal bids were received on 5/22/15. Four (4) bids were received. See attached bid tabulation. The low bidder was Midstate Contractors, Inc. However, due to poor performance by Midstate Contractors, Inc. on multiple current contracts with the City, staff recommends that their bid be rejected and the contract be awarded to the next lowest responsible responsive bidder, Huffman Grading Co., Inc.

**RECOMMENDATION**

Staff recommends awarding the contract to the low responsive, responsible bidder, Huffman Grading Co., Inc. in the amount of \$121,287 for the construction of Glenn C. Hilton, Jr. Recreation Park Additional Parking Lot.





## CITY of HICKORY Bid Tabulation

*Project Title:*

*Bid Number:*

**Glenn C. Hilton Recreational Park Additional Parking**

**15-031**

Bids will be reviewed for conformance to specifications. A recommendation will be made and submitted to the City Manager and/or Council. After award of contract is made, the responsible bidder will be notified.

<b>VENDOR</b>	<b>BID AMOUNT</b>
Midstate Contractors, Inc	\$113,712.00
Huffman Grading Co., Inc	\$121,287.00
Carolina Paving of Hickory, Inc	\$121,900.00
Precision Paving, Inc	\$154,638.00

Bo Weichel, Purchasing Manager



**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

**Glenn C. Hilton, Jr. Recreational Park Additional Parking**

**15-031**

<b>SUBMIT SEALED or ELECTRONIC BIDS TO:</b> Bo D. Weichel, Purchasing Manager PO Box 398 Hickory NC 28603 <a href="mailto:bweichel@hickorync.gov">bweichel@hickorync.gov</a> 828.323.7472		<b>DIRECT INQUIRIES TO:</b> Miles Champion <a href="mailto:mchampion@hickorync.gov">mchampion@hickorync.gov</a> 828-302-3757
Date bid advertised: <b>May 18, 2015</b>	No Bids Received After: <b>10:00 am May 22, 2015</b>	

Vendor Name: <b>Huffman Grading Co Inc</b>	Point of Contact: <b>Douglas B Huffman</b>	
Mailing Address: <b>2608 Springs Rd NE</b>		
City: <b>Hickory</b>	State: <b>NC</b>	Zip: <b>28601</b>
Area Code and Phone Number: <b>828-256-5488</b>	Email Address: <b>doug@huffmangrading.com</b>	
Federal Employer Identification Number or Social Security Number: <b>56-0749450</b>		

**THIS BID INVALID IF NOT SIGNED AND NOTARIZED**

**AFFIDAVIT:** STATE OF North Carolina COUNTY OF Catawba, of lawful age, being first duly sworn, on oath says that:

- Affiant is the duly authorized agent of the bidder/vendor and/or contractor submitting the competitive bid and executing the contract which is attached to this statement, and that as such agent, Affiant has the authority to bind the bidder/vendor, whether an individual, partnership, or corporation, for the purpose of negotiating and entering into said agreement, and for certifying the facts pertaining to the existence of collusion among bidders and between bidders and City officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting of any contract pursuant to the bid to which this statement is attached;
- Affiant is fully aware of the facts and circumstances surrounding the making of the bid and/or the procurement of the contract to which this statement is attached and has been personally and directly involved in the proceedings leading to the submission of such bids;
- Neither the bidder/vendor nor anyone subject to the bidder/vendor's direction or control has been a party:
  - to any collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding;
  - to any collusion with any municipal official or employee as to quantity, quality or price in the prospective contract, or as to any other terms of such prospective contract;
  - in any discussions between bidders and any municipal official concerning exchange of money or other thing of value for special consideration in the letting of a contract, nor
  - to paying, giving or donating or agreeing to pay, give or donate to any officer or employee of the City of Hickory any money or other thing of value, either directly or indirectly, in procuring the contract to which his statement is attached.
- Affiant further agrees to be held personally liable in the event that Affiant has misrepresented the scope or extent of Affiant's authority to bind the bidder herein, and to indemnify and hold harmless the City of Hickory, its departments, boards, commissions, agencies, institutions, and all employees of the aforementioned from all damages based upon such misrepresentation, including, but not limited to, all costs and attorney fees incurred, in addition to any other remedies available by law.

FIRM: Huffman Grading Co Inc

Douglas B Huffman  
 SIGNATURE OF AUTHORIZED AGENT  
Douglas B Huffman, President  
 PRINT/TYPED NAME/TITLE

ADDRESS: Hickory NC 28601  
 (City, State, Zip)

Subscribed & sworn before me this 22nd day of May, 2015

PHONE: 828-256-5488

Penny K Huffman  
 Notary Public  
 My Commission Expires: May 17, 2019





**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

<b>Glenn C. Hilton, Jr. Recreational Park Additional Parking</b>	<b>15-031</b>
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***IMPORTANT INFORMATION AND INSTRUCTIONS***

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**DOCUMENTS WITHIN THIS AGREEMENT:** The pages of this agreement consist of:

- a. Invitation and Bidder Information
- b. Important Information and Instructions
- c. General Conditions
- d. Special Conditions
- e. Release and Waiver of Claims
- f. Specifications/Description of Work to be Performed
- g. Bid Form, Bonding, & General Contract

1. **SUBMIT ALL PAGES:** All pages of this document will be used as the contract. Bidders shall submit ALL pages of this document with completed information.
2. **SUBMITTAL:**
  - a. MAIL: On the outside envelope write:
    1. The name of the General Contractor
    2. The Project Title and Project Number
  - b. ELECTRONIC:
 

Upload the completed bid package on the City's Purchasing webpage  
<http://www.hickorync.gov/department/division.php?structureid=70>
3. **BIDS SHALL NOT BE QUALIFIED WITH ANY STATEMENTS ON THE BID FORMS OR BY SEPARATE ATTACHMENT.**
4. **LIQUIDATED DAMAGES:** As discussed in further detail under General Conditions Item 40, in the event the Contractor fails to substantially complete construction required under this agreement in the time allotted, Contractor shall reimburse the City for liquidated damages.

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**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

<b>Glenn C. Hilton, Jr. Recreational Park Additional Parking</b>	<b>15-031</b>
------------------------------------------------------------------	---------------

**GENERAL CONDITIONS**

**BIDDER – TO INSURE ACCEPTANCE OF THE BID, CAREFULLY FOLLOW THESE INSTRUCTIONS. FAILURE TO DO SO MAY RESULT IN THE REJECTION OF YOUR BID WITHOUT FURTHER CONSIDERATION OR NOTICE TO YOU.**

1. **BIDS:** All bid sheets and this form must be executed and submitted in a sealed envelope or by email (See instructions above). **DO NOT INCLUDE MORE THAN ONE BID PER ENVELOPE.** Bids not submitted on this bid form shall be rejected. All bids are subject to the conditions specified herein. **Those that do not comply with these conditions are subject to rejection.** Bids will be considered only on first quality products. Bid files which include copies of specifications, drawings, schedules or special instructions are on file with the Purchasing Agent for the City of Hickory and may be examined during normal business hours, or may be found on the City's website (See Exhibit 'A' for further instruction).
2. **EXECUTION OF BID AND CONTRACT:** Bid and contract documents must contain an original signature of authorized representative in the space provided. Bid must be typed or printed in ink. Use of erasable ink is not permitted. **ALL CORRECTIONS MADE BY BIDDER/VENDOR TO BID PRICE MUST BE INITIALED.** Do not use white out, correction tape or some other method of masking a correction.
3. **NO BID:** If not submitting a bid, respond by returning page one (1), marking it "NO BID," and explain the reason in the space provided thereon. Failure to respond three (3) times in succession may be cause for removal of the supplier's name from the bid mailing list, without further notice. **NOTE:** To qualify as having responded, bidder/vendor must submit either a bid or a written "NO BID," and it must be received no later than the stated bid opening date and hour.
4. **OBJECTIONS/CHALLENGE:** Should a bidder/vendor have an objection to or challenge the specifications, the bidder/vendor is responsible for making this known in writing so as to reach the Purchasing Agent no later than seven (7) calendar days prior to the bid opening date. The envelope shall be marked in such a way so as to alert the Purchasing Agent of the urgency of the communication. The envelope must be marked indicating that the content is a challenge to a specified Invitation to Bid. For all challenges considered valid by the Purchasing Agent, all vendors on the original mailing list will be provided an addendum which addresses the challenge. Challenges/objections not considered valid will be so stated to the objecting party.
5. **BID OPENING:** Bid opening, if applicable, occurs at the time specified on the bid form. It is the Bidder/Vendor's responsibility to assure that the bid is delivered at the proper time and place of the bid opening. Bids, which for any reason are not delivered, will not be considered. Offers by telegram, facsimile, or telephone are not acceptable. **NOTE:** Bid files may be examined during normal working hours by appointment, after the date and time of bid opening. Bid tabulations **WILL NOT** be provided by telephone or facsimile. Bid tabulations will be provided by email at the written request of the bidder/vendor. Bid and contract documents are the property of the City and are subject to the provisions of the North Carolina Open Records Act.
6. **WITHDRAWAL OF BID:** Bids may be withdrawn at any time prior to the bid opening date and time. After bids are opened, all bids will be considered firm and valid until award of contract is made.
7. **AWARDS:**
  - a. As the best interest of the City may require, the right is reserved to:
    1. Award by individual item or project, group of items or projects, all or none, or a combination thereof.
    2. Award based upon a geographical district basis with one or more vendors.



## CITY of HICKORY Invitation to Bid and Contract

Project Title:

Bid Number:

<b>Glenn C. Hilton, Jr. Recreational Park Additional Parking</b>	<b>15-031</b>
------------------------------------------------------------------	---------------

3. To reject any and all bids or waive any minor irregularity or technicality in bids received.
  - b. Bidders/Vendors are cautioned to make no assumptions regarding their success on the awarding of any contract unless their bid has been evaluated as being responsive, the contract awarded by the City and appropriate documents executed. The City of Hickory reserves the right to add or delete any item from this contract when deemed to be in the best interests of the City.
  
8. **ACCEPTANCE OF CONTRACT:** This document constitutes only the Bidder/Vendor's offer until it is accepted on behalf of the City of Hickory and is fully executed by both parties.
  
9. **WAIVER:** The City of Hickory reserves the right to waive any general provisions, special provision or minor specification deviation when considered to be in the best interest of the City.
  
10. **CHANGES TO SPECIFICATIONS:** Bids are to be submitted in accordance with the specifications provided. Any exceptions to the specifications must be indicated in the place provided on the specification page(s) or by separate letter from the Bidder/Vendor, if a place is not provided in the specifications. Changes in specification reducing the quality, versatility or applicability of the product or service shall cause the rejection of the bid. The City shall make the final determination. Failure to notify the City in writing of any deviation from the specifications within 7 calendar days may cause the agreement to be rejected and/or terminated without further compensation at the discretion of the City.
  
11. **MISTAKES:** Bidders/Vendors are expected to examine the specifications, delivery schedule, bid prices and all instructions pertaining to supplies and services. Failure to do so will be at Bidder/Vendor's risk.
  
12. **INFORMATION:** The Bidder/Vendor must provide information pertinent to items you are bidding. Complete catalogues are not necessary. If furnished, however, the Bidder/Vendor must identify the exact location in the catalogue and circle or identify clearly the item being bid.
  
13. **MANUFACTURERS' NAMES AND APPROVED EQUIVALENTS:** Any manufacturers' names, trade names, brand names, information and/or catalog numbers listed in a specification are for information and not intended to limit competition. The Bidder/Vendor may offer any brand for which he is an authorized representative, which meets or exceeds the specification for any item(s). If bids are based on equivalent products, indicate on the bid form the manufacturer's name and model number. Bidder/Vendor shall submit with his proposal sketches, descriptive literature and/or complete specifications. References to literature submitted with a previous bid will not satisfy this provision. The Bidder/Vendor shall also explain in detail the reason(s) why the proposed equivalent will meet the specifications and not be considered an exception thereto. Bids which do not comply with these requirements are subject to rejection. Bids lacking any written indication of intent to quote an alternate brand will be received and considered to be in complete compliance with the specifications as listed on the bid form.
  
14. **SAMPLES:** Samples of items, when called for, must be furnished free of charge and at no expense to the City. Each individual sample must be labeled with Bidder/Vendor's name, manufacturer's brand name and number, contract number and item reference, or as specified in the attached special conditions. **Samples will not be returned.**
  
15. **TESTING:** When testing is required to determine if a sample or an awarded product meets specifications and it is determined that the product fails to meet specifications, the cost of testing shall be borne by the Vendor, both on samples and delivered products.
  
16. **NONCONFORMANCE TO CONTRACT CONDITIONS:** Items may be tested for compliance with specifications by appropriate testing laboratories or by the City. The data derived from any tests for compliance with specifications are public records and open to examination thereto in accordance with North Carolina Statutes. Items delivered not conforming to specifications will be rejected and returned to



## CITY of HICKORY Invitation to Bid and Contract

Project Title:

Bid Number:

<b>Glenn C. Hilton, Jr. Recreational Park Additional Parking</b>	<b>15-031</b>
------------------------------------------------------------------	---------------

the Bidder/Vendor at the Bidder/Vendor's expense. Any violation of these stipulations may result in supplier's name being removed from the City of Hickory Purchasing Bidder/Vendor mailing list, and the City may pursue any and all other remedies available either in equity or by law.

17. **CONDITION AND PACKAGING:** It is understood and agreed that any item offered or shipped as a result of this bid shall be new (current model at the time of the bid). All containers shall be suitable for storage or shipment, and all prices shall include standard commercial packaging.
  
18. **INSPECTION, ACCEPTANCE, AND TITLE:** Inspection and acceptance will be at destination unless otherwise provided. "Destination" shall mean delivered to the receiving dock, department stockroom, or other point specified. The City accepts no responsibility for goods until accepted at the receiving point in good condition. Title and risk of loss or damage to all items shall be the responsibility of the Bidder/Vendor until accepted by the ordering agency. The Bidder/Vendor shall be responsible for filing, processing and collecting all damage claims. However, to assist him in the expeditious handling of damage claims, the ordering department will:
  - a. Record any evidence of visible damage on all copies of the delivering carrier's bill of lading.
  - b. Report damage (whether visible or concealed) to the carrier and Bidder/Vendor, confirming such reports, in writing, within fifteen (15) days of delivery, requesting that the carrier inspects the damaged merchandise.
  - c. Retain the item and its shipping container, including inner packaging material, until inspection is performed by the carrier, and disposition given by the Bidder/Vendor, or for a reasonable time after notification to the Bidder/Vendor.
  - d. Provide the Bidder/Vendor with a copy of the carrier's bill of lading and damage inspection report.
  
19. **SAFETY STANDARDS:** Unless otherwise stipulated in the bid, all work performed pursuant to this Agreement shall comply with applicable requirements of Occupational Safety and Health Act and any standards thereunder.
  
20. **SERVICE AND WARRANTY:** Unless otherwise specified, the Bidder/Vendor shall define any warranty service and replacements that will be provided during and subsequent to this contract. Bidder/Vendors must explain on an attached sheet to what extent warranty and service facilities are provided. Unless otherwise indicated in this agreement, upon acceptance of this contract by the City, Bidder/Vendor expressly warrants that all articles, materials, supplies, equipment, and/or services covered in this contract will conform to the specification attached hereto and made a part hereof; and further warrants that same shall be of good material and workmanship and free from defects.
  
21. **REMEDIES:** Failure to make delivery or to meet specifications authorizes the City to seek replacement goods or services elsewhere and to seek legal remedies against the defaulting Bidder/Vendor. If any of the goods and/or work performed fails to meet the warranties contained herein, Bidder/Vendor upon notice thereof from the City shall promptly correct or replace the same at Bidder/Vendor's expense. If Bidder/Vendor shall fail to do so, the City may cancel this order as to all such goods and in addition, may cancel the remaining balance of this order and pursue all other remedies available. After notice to the Bidder/Vendor, all such goods will be held at Bidder/Vendor's risk. The City may, and at the Bidder/Vendor's direction shall, return such goods to Bidder/Vendor at Bidder/Vendor's risk, and all transportation charges, both to and from original destination, shall be paid by Bidder/Vendor. Any payment for such goods shall be refunded by Bidder/Vendor unless Bidder/Vendor promptly corrects or replaces the same at its expense.
  
22. **AUTHORIZED USERS:** Bids shall cover requirements during the specified period for all municipal departments, boards, commissions, agencies and institutions.



## CITY of HICKORY Invitation to Bid and Contract

Project Title:

Bid Number:

<b>Glenn C. Hilton, Jr. Recreational Park Additional Parking</b>	<b>15-031</b>
------------------------------------------------------------------	---------------

23. **LIABILITY:** The Bidder/Vendor shall hold and save the City of Hickory, its departments, boards, commissions, agencies, institutions and all employees of the aforementioned harmless against the claims by third parties resulting from the Bidder/Vendor's breach of this contract or the Bidder/Vendor's negligence.
24. **INDEPENDENT CONTRACTOR:** The parties agree that Bidder/Vendor and each subcontractor is acting in the capacity of an independent contractor with respect to the City of Hickory, and shall not at any time be or represent itself as an agent or employee of the City of Hickory.
25. **PRICES AND TERMS:** Unless otherwise provided in the bid specifications, firm fixed prices shall be F.O.B. Hickory, North Carolina at the indicated department's address and include packing, handling and shipping charges fully prepaid by the Vendor. Bid prices shall be valid for a minimum of sixty (60) days from the date of bid opening.
26. **ACCEPTANCE OF PURCHASE ORDERS:** Bidder/Vendors are to accept only those purchase orders issued by the City of Hickory, its departments, boards, commissions, agencies, institutions and all employees of the aforementioned, prepared on City forms, unless instructed otherwise in the Invitation to Bid or executed Contract Agreement.
27. **PRICE ADJUSTMENTS:** Manufacturer's price increases, or other increases in the cost of doing business MAY NOT be passed on to the City of Hickory, its departments, boards, commissions, agencies, institutions, and all employees, nor may the Bidder/Vendor withdraw or cancel the contract, or any part of the contract for these reasons. Bidders/Vendors may only cancel the contract pursuant to the cancellation clause, if one is included as a part of the Invitation to Bid, and then only if the contractual obligation has been fulfilled by the Bidder/Vendor in accordance with the terms stated. Bids which reflect that the price of an item is based upon the "market price" or is "subject to increase" based upon some event, or otherwise indicates that prices reflected are infirm or subject to change will be deemed non-conforming unless the bid specifications specifically provide for price escalation.
28. **SUMMARY OF TOTAL SALES:** The Bidder/Vendor agrees to furnish the City of Hickory Purchasing Division a summary of sales, including total dollar amount made under the contract at the end of each quarter; or as stipulated in the special conditions.
29. **PAYMENT:**
- a. **INVOICING:** The Bidder/Vendor shall be paid within a reasonable time, not to exceed 45 calendar days, after submission of proper certified invoices to the City at the prices stipulated on the contract. Invoices shall contain the contract number and purchase order number. Failure to follow these instructions may result in delay or processing invoices for payment. The company or corporation bidding shall be the only office authorized to receive orders, do the billing and invoicing, and receive payment. If the Bidder/Vendor wishes to ship or service from a point other than the home office, he will furnish a list of these locations. **HOWEVER, NO ORDERS WILL BE PRESENTED TO, BILLING WILL NOT BE DONE FROM, NOR WILL PAYMENT BE MADE TO THESE LOCATIONS.**
  - b. **REQUIREMENTS ONLY PURCHASES:** The proposed contract shall be for the quantities actually ordered during the life of the contract only. **UNLESS OTHERWISE SPECIFIED, ALL CONTRACTS ARE REQUIREMENTS-TYPE CONTRACTS**, meaning that quantities indicated are only estimates of those actually needed, and actual quantities may be greater or less than those indicated. Billing shall be made in accordance with instructions by department or division issuing the purchase order, and only for quantities actually ordered and delivered. The City does not promise to purchase the quantity shown. The City reserves the right to purchase none of the product or more than shown at the unit price stated in the bid.
  - c. **DISCOUNTS:** Bidders/Vendors may offer a cash discount for prompt payment; however, such discounts shall not be considered in determining the lowest net cost for bid evaluation



## CITY of HICKORY Invitation to Bid and Contract

Project Title:

Bid Number:

<b>Glenn C. Hilton, Jr. Recreational Park Additional Parking</b>	<b>15-031</b>
------------------------------------------------------------------	---------------

- purposes. Bidders/Vendors are encouraged to reflect cash discounts in the unit prices quoted. Discount time will be computed from the date of satisfactory delivery at place of acceptance or from receipt of correct invoice at the office specified, whichever is later.
- d. **UNIFORM COMMERCIAL CODE:** All provisions of the Uniform Commercial Code shall be adhered to.
30. **EXTENSION:** At the end of the contract period, or upon the conclusion of a maximum of one (1) extension thereof, the contract may be extended for a period not to exceed twelve (12) months at the same price and conditions as in the original contract, by mutual agreement between the City and the Bidder/Vendor. The extended contract shall, upon the signing by both parties, become a binding agreement and shall remain in force and effect until terminated by either party, provided that either party to the contract shall have the option to terminate said extended contract upon thirty days' prior written notice of termination by one party to the other.
31. **CONFLICT OF INTEREST:** The Invitation to Bid hereunder is subject to the provisions of City of Hickory's Ethics and Conflict of Interest Policy. All Bidders/Vendors must disclose with the bid, the name of any officer, director or agent who is also an employee of the City of Hickory or any of its agencies or subdivisions. Further, all Bidders/Vendors must disclose the name of any City employee who owns, directly or indirectly, an interest of five percent (5%) or more in the Bidder/Vendor's firm or any of its branches.
32. **PATENTS AND ROYALTIES:** The Bidder/Vendor, without exception, shall indemnify and save harmless the City of Hickory, its departments, boards, commissions, agencies, institutions and all employees of the aforementioned from liability of any nature or kind, including cost and expenses for or on account of any copyrighted, patented, or unpatented invention, process, or article manufactured or used in the performance of the contract including its use by the City of Hickory. If the Bidder/Vendor uses any design, device or materials covered by letters, patent copyright, it is mutually agreed and understood without exception that the bid prices shall include all royalties or cost rising from the use of such design, device or materials in any way involved in the work.
33. **RELEASE OF PATENTS AND COPYRIGHTS:** The Contractor will relinquish ownership and exclusive rights to the Department of Housing and Urban Development and the City of Hickory for any patents and/or copyrights for any process, discovery, or invention which arise or is developed in the course of this contract.
34. **FACILITIES AND EQUIPMENT:** The City reserves the right to inspect the Bidder/Vendor's facilities or equipment at any time with reasonable prior notice.
35. **BANKRUPTCY:** If the Bidder/Vendor becomes bankrupt or insolvent, or if a petition in bankruptcy is filed against the Bidder/Vendor, or if a receiver is appointed for the Bidder/Vendor, the City shall have the right to terminate this contract upon written notice to the Bidder/Vendor without prejudice to any claim for damages or any other right of the City under this contract to the time of such termination.
36. **ASSIGNMENT:** This contract shall not be assigned by the Bidder/Vendor without written consent of the City.
37. **ACCESS TO RECORDS:** The Bidder/vendor agrees to provide upon request audit materials to an auditor designated by the City. In addition, the Bidder/Vendor will retain all records pertaining to this contract for a period of three (3) years after final payment and all other pending matters are closed.
38. **INSURANCE:** If insurance is required in the specifications to this Agreement, unless otherwise specifically stated, proof of the following types and amounts shall be furnished to the City showing the City as an additional insured thereunder without cost to the City of Hickory prior to the awarding of the contract. This shall be accomplished by including a Certificate of Insurance with the bid package with the Certificate Holder being: *City of Hickory, PO Box 398, Hickory NC 28603.*



## CITY of HICKORY Invitation to Bid and Contract

Project Title:

Bid Number:

<b>Glenn C. Hilton, Jr. Recreational Park Additional Parking</b>	<b>15-031</b>
------------------------------------------------------------------	---------------

- a. **General Liability:** The Bidder/Vendor shall procure and maintain in full force and effect, for the term of the Contract, a policy or policies under a comprehensive form as required by state law. In addition, the Bidder/Vendor shall have, during the term of the contract, insurance in the minimum amount of one hundred thousand dollars (\$100,000.00) property damages, arising from a single occurrence, one million dollars (\$1,000,000.00) for personal injuries arising from a single occurrence, and one million dollars (\$1,000,000.00) for any number of claims arising out of a single occurrence or accident. This policy or policies shall hold harmless and indemnify the City of Hickory, its departments, boards, commissions, agencies, institutions and all employees of the aforementioned. A current certificate showing that the Bidder/Vendor has in force and effect such insurance shall be maintained on file with the City Clerk of the City.
  - b. **Automobile Liability:** The Bidder/Vendor shall procure and maintain in full force and effect, for the term of the Contract, vehicle liability coverage in the amounts specified in Subparagraph a. of this section. In addition, the Bidder/Vendor shall have, during the term of the Contract, vehicle liability coverage as outlined in the attached specifications. If higher coverage is required by any regulatory entity with oversight of the Bidder/Vendor's business, the City Code, or other authority, then proof of the higher coverage must be provided. This policy or policies shall hold harmless and indemnify the City of Hickory, its departments, boards, commissions, agencies, institutions and all employees of the aforementioned. A current certificate showing that the Bidder/Vendor has in force and effect such insurance shall be maintained on file with the City Clerk of the City.
  - c. **Worker's Compensation:** The Bidder/Vendor shall procure and maintain in full force and effect for the period of the Contract, full workers' compensation insurance in accordance with the laws of the State of North Carolina to protect it and the City against liability under the workers' compensation and occupational disease statutes of the State of North Carolina. A current certificate showing that the Bidder/Vendor has in force and effect the aforesaid insurance of a current certificate showing exemption from the requirement shall be maintained on file with the City Clerk of the City.
39. **TIME OF ESSENCE:** Unless otherwise stated, time shall be considered of the essence to this contract. Bidder/Vendor specifically agrees that it shall be liable for failure to deliver or delay in delivery. This includes without limitations: strikes, lockouts, inability to obtaining material, lack of shipping space, breakdowns, delays of carriers or suppliers, and pre-existing governmental regulations of the federal and state government or any subdivisions thereof; unless governmental acts and regulations affecting delivery could not be found, recognized, or discovered by due diligence on the part of the Bidder/Vendor prior to submission of the bid and the City Council's acceptance.
40. **LIQUIDATED DAMAGES:** If the Contractor shall neglect, fail, or refuse to complete the work within the time herein specified, then the Contractor does hereby agree, as a part of the consideration for the awarding of this contract to pay to the City the sum of **\$0.00** per day, not as a penalty, but as compensation to the City for delays, damages, and additional expenses for such breach of contract as hereinafter set forth, for each and every calendar day that the Contractor shall be in default after the time stipulated in the contract for completing the work. The said amount is fixed and agreed upon by and between the Contractor and the City because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages the City would in such event sustain.  
It is further agreed that time is of the essence to each and every portion of this contract and to the specifications wherein a definite portion and certain length of time is fixed for the performance of any act whatsoever; and where, under the contract, any additional time is allowed for the completion of any work, the new time limit fixed by such extension shall be the essence of this contract.
41. **BONDS:** Bidder's bonds and Performance bonds, if required, are set forth in the specifications attached hereto. If bonds are required, the same shall be held under the following requirements and specifications unless otherwise indicated:
- a. **Bidder's bonds:** If required as a part of the specifications of this contract, bids filed with the Purchasing Agent must be accompanied by a Bidder's Bond, certified check or cashier's check in the



## CITY of HICKORY

### Invitation to Bid and Contract

Project Title:

Bid Number:

<b>Glenn C. Hilton, Jr. Recreational Park Additional Parking</b>	<b>15-031</b>
------------------------------------------------------------------	---------------

- amount stated made payable to the City of Hickory. This amount will be retained by the City as damages in the event the successful Bidder/Vendor fails to comply with the terms of this Agreement, but shall in no way act as a remedy or limitation on damages available to the City, which may pursue any and all other remedies available either in equity or at law. All deposits and bonds will be returned to the unsuccessful Bidders/Vendors within a reasonable time after the contract has been awarded, and to the successful Bidder/Vendor upon full performance of the contract. Bonds or funds deposited do not accrue interest while held.
- b. **Performance Bonds:** If a Performance Bond is required under the specifications of this agreement, the successful Bidder/Vendor must, prior to the award of the Contract, post the bond, certified check or cashier's check in the amount stated made payable to the City of Hickory. The Bidder's Bond posted will be returned to the successful Bidder/Vendor upon posting of the Performance Bond and completion of any additional requirements for execution of the contract by the Bidder/Vendor. The Performance Bond will be released or returned to the Bidder/Vendor, as appropriate, after satisfactory completion of the contract and the performance period as stated in the specifications attached or any amendments thereto.
42. **DISCRIMINATION:** Bidder/Vendor agrees, in connection with the performance of work under this contract, as follows:
- a. Bidder/Vendor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, sexual orientation or affectation, national origin, ancestry, or physical or mental impairment. The Bidder/Vendor shall take affirmative action to insure that employees are treated without regard to their race, creed, color, sex, sexual orientation or affectation, national origin, ancestry or physical or mental impairment. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruiting or recruitment, advertising, lay-off, termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The Bidder/Vendor agrees to post in a conspicuous place available to employees and applicants for employment, notices setting forth provisions of this section.
  - b. The Bidder/Vendor agrees to include this non-discrimination clause in any subcontract connected with the performance under this contract.
  - c. In the event of the Bidder/Vendor's non-compliance with the above non-discrimination clause, this contract may be terminated by the City. The Bidder/Vendor may be declared by the City ineligible for further contracts with the City until satisfactory proof of intent to comply is made by the Bidder/Vendor.
43. **DISTRIBUTION OF CONTRACT:** One (1) copy of the contract or award letter shall be furnished to each successful Bidder/Vendor as a result of this bid. It shall be the Bidder/Vendor's responsibility to reproduce and distribute copies of the contract to all distribution points listed in this bid that will accept orders and complete deliveries. No additions, deletions or changes of any kind shall be made to this contract by the Bidder/Vendor.
44. **ANTI-KICKBACK PROVISIONS:** Contractor shall comply with the applicable regulations (herein incorporated by reference) of the Secretary of Labor, United States Department of Labor, made pursuant to the so called "Anti-Kickback Act" of June 13, 1934) 48 Stat. 948; 62 Stat. 862; Title 18 U.S.C., Section 874 and Title 40 U.S.C., Section 276c), and any amendments or modifications thereof, shall cause appropriate provisions to be inserted in subcontracts to insure compliance therewith by all subcontractors subject thereto, and shall be responsible for the submission of affidavits required by subcontractors thereunder, except for the submission of affidavits required by subcontractors thereunder, except as said Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions from the requirement thereof.
45. **CONTRACT WORK HOURS AND SAFETY STANDARDS:** Overtime Compensation Required by Contract Work Hours and Safety Standards Act (76 Stat. 357-360; Title 40 U.S.C., Sections 327-332).



**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

**Glenn C. Hilton, Jr. Recreational Park Additional Parking**

**15-031**

- a. **Overtime Requirements:** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics, including watchmen and guards, which he has employed on such work to work in excess of 40 hours in such work week unless such laborer or mechanic receives compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in excess of 40 hours in such work week.
  - b. **Violation/Liability for Unpaid Wages Liquidated Damages:** In the event of any violation of the clause set forth in Paragraph (1) of this section, the contractor and any subcontractor responsible therefore shall be liable to any affected employee for his unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States or other appropriate governing or regulatory body for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violations of the clause set forth in Paragraph (1), in the sum of \$10 for each calendar day on which such employee was required or permitted to work in excess of the standard work week of 40 hours without payment of the overtime wages required by the clause set forth in Paragraph (1).
  - c. **Withholding for Liquidated Damages:** The Owner shall withhold or cause to be withheld, from any monies payment on account of work performed by the contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for liquidated damages as provided in the clause set forth in Paragraph (2) of this Section.
  - d. **Subcontracts:** The contractor shall insert in any subcontracts the clauses set forth in Paragraphs (1), (2) and (3) of this Section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts, which may be entered into, together with a clause requiring this insertion in any further subcontracts that may in turn be made.
  - e. **Questions Concerning Certain Federal Statutes and Regulations:** All questions arising under this contract which related to the application or interpretation of (a) the aforesaid Anti-Kickback Act, (b) the Contract Work Hours and Safety Standards Act, (c) the regulations issued by the Secretary of Labor, United States Department of Labor, pursuant to said acts, or (d) the labor standards provisions of any other pertinent federal statute shall be referred through the Owner and the Secretary of Housing and Urban Development, to the Secretary of Labor, United States Department of Labor, for said Secretary's appropriate ruling or interpretation which shall be authoritative and may be relied upon for the purposes of this contract.
46. **APPLICABILITY OF FEDERAL REGULATIONS TO FEDERALLY FUNDED PROJECTS:** If it is indicated in the specifications to this Agreement that federal funding is used in the completion of this project, the following provisions shall apply in compliance with the regulations of the United States Department of Housing and Urban Development.
- a. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
  - b. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 Regulations.
  - c. The contractor agrees to send each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the



## CITY of HICKORY Invitation to Bid and Contract

Project Title:

Bid Number:

<b>Glenn C. Hilton, Jr. Recreational Park Additional Parking</b>	<b>15-031</b>
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labor organization of workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

- d. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
  - e. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
  - f. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default and debarment or suspension from future HUD-assisted contracts.
47. **REPORTING REQUIREMENTS:** The Contractor will provide such reports as required for submission to the Department of Housing and Urban Development pertaining to racial, gender, age and ethnic status of its employees for carrying out the work under this contract.
48. **ADVERTISING:** In submitting a proposal, Bidder/Vendor agrees not to use the results therefrom as a part of any commercial advertising.
49. **TERMINATION FOR CONVENIENCE OF THE CITY:**
- a. The performance of work and/or delivery of ordered materials, supplies, equipment and/or services under this contract may be terminated by the City, in whole or in part, whenever it is determined to be in the best interest of the City.
  - b. Any such termination shall be effected by the delivery to the Bidder/Vendor of a notice of termination specifying the extent to which performance of work and/or delivery of ordered materials, supplies, equipment and/or services are terminated, and the date upon which such termination becomes effective.
  - c. After receipt of a notice of termination, the Bidder/Vendor shall stop work and/or place no further orders under the contract on the date and to the extent specified in the Notice of Termination.
50. **VENUE:** This contract shall be governed by the laws of the State of North Carolina.
51. **INTEGRATED AGREEMENT:** This writing, with the attachments hereto, and any associated purchase orders constitute the entire agreement of the parties. No separate promises or agreements have been made other than those contained herein. This Agreement may not be modified except in writing signed by both parties.
52. **DELIVERY OF NOTICES:** Any notices required or permitted by this Agreement will be considered sufficient if hand delivered or sent by certified mail to the party entitled to receive the notice at the address of that party set forth above. If a notice is sent by certified mail, it shall be deemed to have been given on the second business day after it is deposited in the United States mail, whether actually received by the addressee on that date or not.



**CITY of HICKORY**  
**Invitation to Bid and Contract**

*Project Title:*

*Bid Number:*

**Glenn C. Hilton, Jr. Recreational Park Additional Parking**

**15-031**

53. **SEVERABILITY:** If any provision under this Agreement or its application to any person or circumstance is held invalid by any court of competent jurisdiction, such invalidity does not affect any other provision of this Agreement or its application that can be given effect without the invalid provision or application.
54. **PARTIAL PAYMENTS:** Partial payments will be made once each month as the work progresses. Said payments will be based upon estimates prepared by the Contractor and approved by the Engineer for the value of the work performed and materials complete in place in accordance with the Contract, plans, and specifications. Such partial payments may also include the delivered actual cost of those materials stockpiled and stored in accordance with this contract.

From the total of the amount determined to be payable on a partial payment, 5% of such total will be deducted and retained by the OWNER until the final payment is made. The balance 95% of the amount payable, less all previous payments, shall be certified for payment.

The Contractor shall not receive partial payment based on quantities of work in excess of those provided in the proposal or covered by approved change orders, except when such excess quantities have been determined by the ENGINEER to be a part of the final quantity for the item of work in question.

No partial payment shall bind the OWNER to the acceptance of any materials or work in place as to quality or quantity. CONTRACTOR shall submit partial payment request for work completed by the 25<sup>th</sup> of the month. OWNER will make payment to the Contractor on or about the 25<sup>th</sup> of the following month.

55. **PAYMENT FOR MATERIALS ON HAND (IF APPLICABLE UNDER THE CONTRACT):** Partial payments may be made to the extent of the delivered cost of materials to be incorporated in the work, provided that such materials meet the requirements of the Contract, plans, specifications, and are delivered to sites acceptable to the ENGINEER. Such delivered costs of stored or stockpiled materials may be included in the next partial payment after the following conditions are met:
- a. The material has been stored or stockpiled in a manner acceptable to the ENGINEER at or on an approved site.
  - b. The Contractor has furnished the ENGINEER with acceptable evidence of the quantity and quality of such stored or stockpiled materials.
  - c. The Contractor has furnished the ENGINEER with satisfactory evidence that the material and transportation costs have been paid.
  - d. The Contractor has furnished the OWNER legal title (free of liens or encumbrances of any kind) to the material so stored or stockpiled.
  - e. The Contractor has furnished the OWNER evidence that the material so stored or stockpiled is insured against loss by damage to or disappearance of such materials at any time prior to use in the work.

The transfer of title and the OWNER's payment for such stored or stockpiled materials shall in no way relieve the Contractor of the responsibility for furnishing and placing such materials in accordance with the requirements of the Contract, plans, and specifications.

In no case will the amount of partial payments for materials on hand exceed the Contract price for such materials or the Contract price for the Contract item in which the material is intended to be used.

No partial payment will be made for stored or stockpiled living or perishable plant materials.

The Contractor shall bear all costs associated with the partial payment of stored or stockpiled materials in accordance with the provisions of this contract.



**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

<b>Glenn C. Hilton, Jr. Recreational Park Additional Parking</b>
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<b>15-031</b>
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***SPECIAL CONDITIONS***

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1. **COMPLIANCE WITH LAWS:** The bidder, at his own expense, shall obtain and maintain all licenses, permits, liability insurance, worker's compensation insurance and shall comply with any and all other standards or regulations required by federal, state and local statute, ordinance, executive order and rules during the performance of any contract between the bidder and the City. Any such requirement specifically set forth in any contract document between the bidder and the City shall be supplementary to this section and not in substitution thereof.
2. **SPECIFICATIONS:** Any obvious error or omission in specifications shall not inure to the benefit of the bidder but shall put the bidder on notice to inquire of or identify the same from the City. All construction and materials shall conform to the City of Hickory's Manual of Practice which includes the standard specifications and details.
3. **GUARANTEE:** Unless otherwise specified by the City the bidder shall unconditionally guarantee the materials and workmanship on all material, construction, and/or services to be free from defect at the time of delivery and acceptance (to be determined by usage) by the City. If any defects are present which are due to faulty material, workmanship and/or services, the bidder at his expense, shall repair or adjust the condition, or replace the material and/or services to the complete satisfaction of the City. These repairs or replacements or adjustments shall be made only at such time as will be designated by the City as least detrimental to the operation of the City. Standard Manufacturer's warranties and other warranties normally offered by the bidder shall be in effect for all deliveries and shall be in addition to specific warranties or guarantees contained in this Bid. Statement of terms of standard warranty should be included with the bid.
4. **LICENSE and INSURANCE:** All bidders must have proper license governing services provided as well as the minimum insurance coverage required under General Conditions.

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**CITY of HICKORY  
Invitation to Bid and Contract**

Project Title:

Bid Number:

**Glenn C. Hilton, Jr. Recreational Park Additional Parking 15-031**

*RELEASE AND WAIVER OF CLAIMS AND CONSENT OF SURETY  
PRIME CONTRACTOR*

On \_\_\_\_\_, 20\_\_ there personally appeared before me the undersigned authority in and for said County \_\_\_\_\_ (County) and State of \_\_\_\_\_ (State) by the name of \_\_\_\_\_ (Name), who is the \_\_\_\_\_ (Title), for \_\_\_\_\_ (Company).

Who being duly sworn by me, states that all payrolls, material bills, sales tax, privilege tax or license, old age benefits tax, state and federal unemployment insurance and other liabilities have been paid in full, incurred for use in the performance the above mentioned Project and waives any claims and releases the City of Hickory from any rights or claims for debts due and owing by virtue of the furnishing of any material or supplies of any lien thereon.

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

SEAL:

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Date



**CITY of HICKORY  
Invitation to Bid and Contract**

*Project Title:*

*Bid Number:*

**Glenn C. Hilton, Jr. Recreational Park Additional Parking**

**15-031**

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*SPECIFICATIONS/DESCRIPTION OF WORK TO BE PERFORMED*

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**NOTICE TO PROCEED**

Bidder agrees to complete work on this project within **(30)** days of Notice to Proceed and to complete this project as specified.

**Bids shall be valid for (60) calendar days from submission deadline date.**

**SCOPE**

Construction of a new 47-space paved parking lot for the Glenn C. Hilton, Jr. Recreation Park located in northwest Hickory including but not limited to grading, paving, curb/gutter, fencing, gate and seeding.

See project plans for detailed specifications.



**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

<b>Glenn C. Hilton, Jr. Recreational Park Additional Parking</b>	<b>15-031</b>
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***BID FORM & GENERAL CONTRACT***

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The undersigned, as bidder, hereby declares that the only person(s) interested in the proposal as principal(s) is, are, named herein, and that no other person has any interest in this proposal, or in the contract to be entered into; that this proposal is made without connection with any other person, company, or parties making a bid proposal, and that it is in all respects, fair and in good faith, without collusion or fraud.

The bidder further declares that he has informed himself fully about all conditions regarding this bid, that the **BIDDER HAS EXAMINED DESCRIPTION OF WORK, SPECIFICATIONS AND ALL RELATED DOCUMENTS** for the above mentioned Project and that he has satisfied himself about performance required by this bid.

The bidder agrees that if this bid is accepted, to contract with the City of Hickory in the form of contract specified, to furnish all necessary management, supervision, equipment, tools, materials, apparatus, means of transportation, and labor necessary to complete the contract in full and in complete accordance with the specifications and contract documents, to the full and entire satisfaction of the City, at the prices and amounts shown.

The Bidder warrants that bid prices, terms and conditions quoted in the bid will be firm for a period of sixty (60) days from opening date or other time as specified in this request.

By submitting this bid, Contractor agrees to coordinate his schedule with the City of Hickory forces working on this project to the fullest extent possible.

The City of Hickory reserves the right to deduct items above as deemed in the best interest of the City. The Bidder further proposed and agrees hereby to commence work under his contract on a date to be specified in a written order of the Designer.

**BONDING**

- A. **BID BOND:** Not required.
- B. **PERFORMANCE BOND:** Required in the full amount of the stated Bid amount.
- C. **PAYMENT BOND:** Required in the full amount of the stated Bid amount.

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# CITY of HICKORY Invitation to Bid and Contract

Project Title:

Bid Number:

**Glenn C. Hilton, Jr. Recreational Park Additional Parking**

**15-031**

The City reserves the right to reject any and all bids; and reject any bid items that fail to meet the needs of the City.

Do not include Federal tax or NC State and local sales or use taxes in your bid. The City of Hickory is exempt from federal tax. Contractor(s) shall submit a certified Sales Tax Report (attached) for reimbursement of sales taxes by Owner.

Bidders should have no contact with elected or appointed officials regarding this bid during the bid process. Any such contact will subject the bidder to immediate disqualification.

**The below bid amount includes all specifications and addendums.**

Acknowledge of Addendum # \_\_\_\_\_ Date \_\_\_\_\_

Acknowledge of Addendum # \_\_\_\_\_ Date \_\_\_\_\_

**LUMP SUM PRICE to provide a turn-key project per project specifications.**

\$ 121,287.00 .00 (numeric)

\$ One hundred twenty one thousand, two hundred eighty seven & 10/100 dollars (written)

If a separate spreadsheet or other list showing unit price was used, please attach as an independent document.

Bid shall not be qualified with any statements on the bid forms or by separate attachment.



**CITY of HICKORY  
Invitation to Bid and Contract**

*Project Title:*

*Bid Number:*

**Glenn C. Hilton, Jr. Recreational Park Additional Parking**

**15-031**

Acceptance and entry into this Agreement by and on behalf of the City of Hickory is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**CITY OF HICKORY,  
A North Carolina Municipal Corporation**

(SEAL)

\_\_\_\_\_  
Mick W. Berry, City Manager

**Attest:**

\_\_\_\_\_  
Debbie D. Miller, City Clerk

This document has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Melissa Miller, Finance Officer

Approved as to form on behalf of the City of Hickory only:

\_\_\_\_\_  
Arnita M. Dula, Staff Attorney







**AREA MAP OF  
GLENN HILTON, JR.  
RECREATION PARK**

**City of Hickory  
(Undisturbed)**

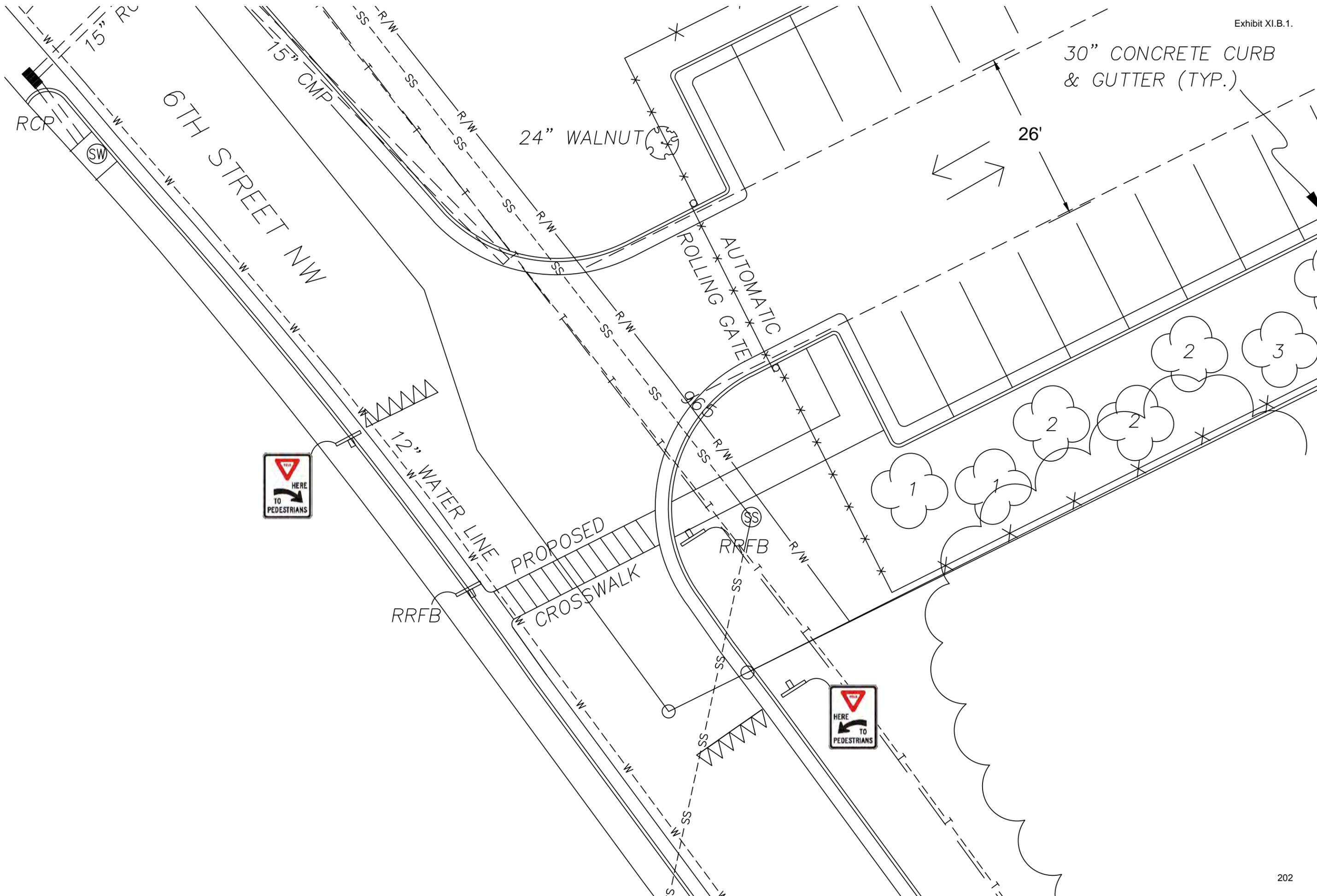
**Proposed 47- space  
Paved Parking Lot**

**Proposed  
Crosswalk**

**Glenn C. Hilton, Jr  
Recreation Park**

**1 inch = 100 feet**





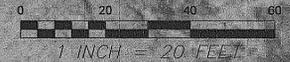




CITY OF HICKORY  
ENGINEERING DEPARTMENT  
76 NORTH CENTER STREET  
PO BOX 398  
HICKORY, NORTH CAROLINA 28603  
(828) 323-7416



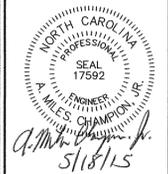
Glenn C. Hilton, Jr.  
Recreation Park  
Additional Parking Lot  
City of Hickory



PROJECT NORTH

REVISIONS

SCALE:  
PLAN : 1" = 20'

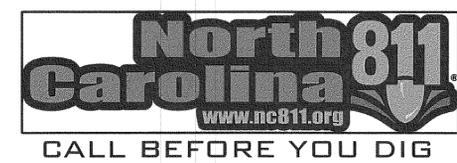


DATE: 5/18/15  
DRAWN BY: WTG

GHPark-Parking.DWG

PROJECT NUMBER  
15-031

SHEET  
2 OF 5





Glenn C. Hilton, Jr.  
Recreation Park  
Additional Parking Lot  
City of Hickory

REVISIONS

SCALE:  
PLAN : 1" = 20'



DATE: 5/18/15  
DRAWN BY:  
WTG/KPG

GHPark-Parking.DWG

PROJECT NUMBER  
15-031

SHEET  
3 OF 5



CB2 - 2x3 Pre-Cast  
Curb Inlet, Hood, Frame & Grate  
Top = 965.80'  
Inv. = 962.80'

48' 15" HDPE  
CB2 - 2x3 Pre-Cast  
Curb Inlet, Hood, Frame & Grate  
Top = 965.80'  
Inv. = 965.50'

15' 15" HDPE  
Precast Headwall

30" CONCRETE CURB  
& GUTTER (TYP.)

5' Sidewalk

End Curb & Gutter

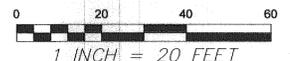
EXISTING WELL SHALL BE ABANDONED IN  
ACCORDANCE WITH NC RULES & REGULATIONS  
BY CONTRACTOR.  
CONTRACTOR SHALL OBTAIN AND PAY FOR ALL PERMITS.

PROPOSED 6' BLACK VINYL  
CHAIN LINK FENCE

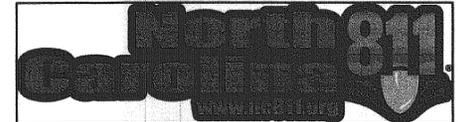
End Notched C/G

PROPOSED 20' PLANTED  
BUFFER ON BERM

1' SETBACK FROM  
PROPERTY LINE



PROJECT NORTH



CALL BEFORE YOU DIG



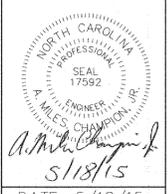
CITY OF HICKORY  
ENGINEERING DEPARTMENT  
76 NORTH CENTER STREET  
PO BOX 398  
HICKORY, NORTH CAROLINA 28603  
(828) 323-7416



Glenn C. Hilton, Jr.  
Recreation Park  
Additional Parking Lot  
City of Hickory

REVISIONS

SCALE:  
Not To Scale



DATE: 5/18/15  
DRAWN BY: KPG

GHPark-Parking.DWG

PROJECT NUMBER  
15-031

SHEET  
4 OF 5

NOTE:  
1. TEMPORARY GRAVEL CONSTRUCTION ENTRANCE SHALL BE PERIODICALLY MAINTAINED TO REMOVE MUD & SOIL BUILDUP.  
2. CRUSHER-RUN STONE IS NOT ACCEPTABLE.

CITY OF HICKORY  
DATE: 2-1-07  
SHEET 1 OF 1  
STD. NO. 114

NOTES:  
1. CONCRETE SHALL BE CLASS B, 3000 PSI COMPRESSIVE STRENGTH IN 28 DAYS.  
2. CONTRACTION JOINTS SHALL BE SPACED AT 10 FOOT INTERVALS. A 10' SPACING MAY BE USED WHEN A MACHINE IS USED. JOINT SPACING MAY BE ALTERED BY THE ENGINEER TO PREVENT UNCONTROLLED CRACKING.  
3. CONTRACTION JOINTS MAY BE INSTALLED BY THE USE OF TEMPLATES OR FORMED BY OTHER APPROVED METHODS. WHERE SUCH JOINTS ARE NOT FORMED BY TEMPLATES, A MINIMUM DEPTH OF 1 1/2" SHALL BE OBTAINED.  
4. ALL EXPANSION JOINTS SHALL BE SPACED AT 90 FOOT INTERVALS, AND ADJACENT TO ALL RIGID OBJECTS.  
5. CURB SHALL BE DERESSED AT INTERSECTIONS TO PROVIDE FOR FUTURE ACCESSIBLE RAMPS.  
6. TOP OF 6" SUBGRADE BENEATH THE CURB AND GUTTER SHALL BE COMPACTED TO 100% STANDARD PROCTOR DENSITY.  
7. ALL GUTTERS SHALL BE SLOPED AS NECESSARY TO PREVENT PONDING.

CITY OF HICKORY  
DATE: 2-1-07  
SHEET 1 OF 1  
STD. NO. 406

GENERAL NOTES:  
1. SEDIMENT SHALL BE REMOVED AND TRAP RESTORED TO ITS ORIGINAL DIMENSIONS WHEN THE SEDIMENT HAS ACCUMULATED TO 1/2 THE DESIGN DEPTH OF THE TRAP. REMOVED SEDIMENT SHALL BE DEPOSITED IN A SUITABLE AREA AND IN SUCH A MANNER THAT IT WILL NOT ERODE.  
2. THE STRUCTURE SHALL BE INSPECTED AFTER EACH RAIN AND REPAIRS MADE AS NEEDED.  
3. CONSTRUCTION OPERATIONS SHALL BE CARRIED OUT IN SUCH A MANNER THAT EROSION AND WATER POLLUTION SHALL BE MINIMIZED.  
4. THE SEDIMENT TRAP SHALL BE REMOVED AND THE AREA STABILIZED WHEN THE REMAINING DRAINAGE AREA HAS BEEN PROPERLY STABILIZED.

CITY OF HICKORY  
DATE: 2-1-07  
SHEET 1 OF 1  
STD. NO. 104

CITY OF HICKORY  
DATE: 2-1-07  
SHEET 1 OF 1  
STD. NO. 103

CITY OF HICKORY  
DATE: 2-1-07  
SHEET 1 OF 7  
STD. NO. 410.1

Typical Planted Berm Section  
(Southern Boundary Only)  
Not To Scale

CITY OF HICKORY  
DATE: 2-1-07  
SHEET 1 OF 1  
STD. NO. 409



CITY OF HICKORY  
ENGINEERING DEPARTMENT  
76 NORTH CENTER STREET  
HICKORY, NORTH CAROLINA 28603  
(828) 323-7416



Glenn C. Hilton, Jr.  
Recreation Park  
Additional Parking Lot  
City of Hickory

### DIVISION 200 DRAINAGE

#### A. GENERAL NOTES

- All work and materials shall conform to the latest edition of the NCDOT Standard Specifications unless otherwise specified in this manual.
- Only the following drainage pipe materials are allowed within the street right of way without prior approval by the City Engineer excluding driveway pipes:
  - Class III reinforced concrete pipe.
  - Fully bituminous coated corrugated steel or aluminum pipe with paved invert, minimum 14 gage.
  - High density polyethylene (HDPE) pipe with corrugated exterior/smooth interior conforming to the requirements of AASHTO specification M234 for corrugated polyethylene pipe and shall require coupling bands and fittings and installed per manufacturers recommendations.
- All driveway pipes within right of way must be approved by City Engineer.
- All pipe shall be laid with the bell or groove upgrade and the joint entirely interlocking.
- Pipe used within the street right-of-way shall be a minimum diameter of fifteen (15) inches (eighteen (18) inches minimum on cross drain culverts).
- The minimum cover for all pipe is per the manufacturers recommendations but should not be less than two (2) feet. Special applications for less than two (2) feet of cover will be reviewed individually.
- Concrete mortar joints shall be used for joining all concrete pipes. The pipe shall be clean and moist when mortar is applied. The lower portions of the bell or groove shall be filled with mortar sufficient to bring the inner surface flush and even when the next joint is fitted into place. The remainder of the joint shall then be filled with mortar and a bead or ring of mortar formed around the outside of the joint. The application of mortar may be delayed until fill is completed when the pipe is larger than thirty (30) inch.
- Preformed joint sealer, which conforms to AASHTO specification M-198 for Type B flexible plastic gaskets, may be used in lieu of the mortar jointing method.
- Coupling bands and fittings shall be used for joining all HDPE pipe. Coupling bands shall cover at least one full corrugation on each section of pipe. Gasket coupling bands are required between all pipe joints. The gasket shall be made of closed-cell synthetic expanded rubber meeting the requirements of ASTM D1056, Type 2. Gaskets shall be installed on the coupling band by the pipe manufacturer. All coupling bands shall meet or exceed the soil-tightness requirement of AASHTO Standard Specification for Highway Bridges, section 23, paragraph 23.1.5.4(e). Pipe fittings shall conform to AASHTO M252 or AASHTO M294.

- The interior surfaces of all storm drainage structures shall be pointed up and smoothed to an acceptable standard using mortar mixed to manufacturer's specifications.
- All pipes in storm drain structures shall be flush with the inside wall. All storm drain structures shall have hand-formed fillets to prevent standing water.
- All concrete shall be 3000 PSI. Prior approval shall be obtained in order to use pre-cast storm drainage structures in any street rights-of-way by City Engineer. All precast structures shall meet NCDOT standards.
- Any storm drain structures over three (3) feet and six (6) inches in height must have steps in accordance with standard details set forth in this manual.
- All frames, grates, rings, covers etc., must conform to the standards set forth in this manual.
- All graded creek banks and slopes shall be at a maximum of two (2) feet horizontal to one (1) foot vertical (2:1).
- All backfill shall be non-plastic in nature, free from roots, vegetative matter, waste, construction material or other objectionable material. Said material shall be capable of being compacted by mechanical means and shall have no tendency to flow or behave in a plastic manner under the tamping blows or proof rolling.
- Materials deemed by the Engineering Division as unsuitable for backfill purposes shall be removed and replaced with select backfill material.
- Backfilling of trenches shall be accomplished immediately after the pipe is laid. The fill around the pipe shall be placed in layers not to exceed six (6) inches, each layer shall be thoroughly compacted to 95% of the maximum density obtainable with the Standard Proctor Test (a density of 100% Standard Proctor is required for the top eight (8) inches). All test shall be provided by Contractor at no cost to the City.
- Compaction requirements shall be attained by the use of mechanical compaction methods. Each layer of backfill shall be placed loose and thoroughly compacted in place.
- Under no circumstances shall water be permitted to rise in unbackfilled trenches after the pipe has been placed.

#### B. STANDARDS FOR DESIGN

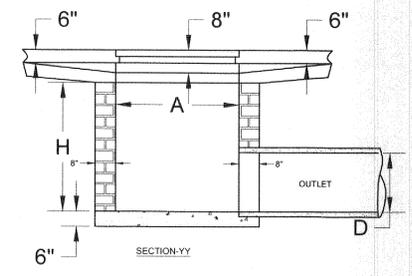
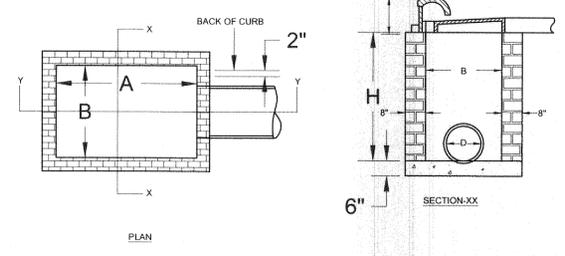
- All storm drainage design shall conform with the standards and specifications as provided in the Land Development Code, or the more restrictive of any standards that conflict.
- Adequate storm drainage shall be provided throughout the development by means of storm drainage pipes or property graded channels. All pipe shall be of adequate size and capacity, as approved by the City Engineer, to carry all storm water in its drainage area.

- The City Engineer shall review the drainage plan for compliance with the standards contained in the current edition of the Land Development Code and Manual of Practice and all other relevant and appropriate standards established by the City Engineering Department.
- Sub-surface drainage shall be provided where the ground water level is likely to be near the surface. In capillary soils, the water level should be four (4) to six (6) feet below the surface to prevent the rise of moisture into the subgrade. Four (4) inch PVC or corrugated metal pipe with perforations shall be used to lower ground water in low areas in the street.

#### REFERENCES

- North Carolina Department of Transportation, Standard Specifications for Roads and Structures, Latest Edition
- American Association of State Highway and Transportation Officials, 1990, A Policy on Geometric Design of Highways and Streets
- North Carolina Department of Transportation, Roadway Design Manual, Latest Edition
- North Carolina Department of Environment, Health, and Natural Resources, Erosion and Sediment Control Planning and Design Manual, Latest Edition

- GENERAL NOTES:
- MORTAR JOINTS 1/2" +/- 1/8" THICK.
  - ALL CONCRETE TO BE 3000 P.S.I.
  - THE POURING OF FLOOR SLAB TO BE ACCOMPLISHED BY FORMING.
  - ALL CATCH BASINS OVER 3'-0" IN DEPTH SHALL BE PROVIDED WITH STEP 1'-3" ON CENTERS. STEPS SHALL BE IN ACCORDANCE WITH STD. #600 CONCRETE BRICK MAY BE USED IN LIEU OF CLAY BRICK. JUMBO BRICK WILL BE PERMITTED.
  - FOR 9'-0" IN HEIGHT OR LESS USE 6" WALL OVER 8'-0" IN HEIGHT USE 12" WALL TO 6'-0" FROM TOP OF WALL AND 8" FOR THE REMAINING 6'-0".
  - FOR FRAME AND GRATE DETAIL SEE STANDARD #205.
  - ALL PIPE IN STORM DRAIN STRUCTURE SHALL BE STRUCK EVEN WITH THE INSIDE WALL, GROUTED AND BRUSHED SMOOTH.
  - ADJUST HOOD WITH TOP OF CURB LINE.



NOT TO SCALE

REVISIONS		DESCRIPTION	DATE
NO.	DATE		

CITY OF HICKORY

GENERAL NOTES FOR DRAINAGE

DATE: 2-1-07  
SHEET 1 OF 3  
STD. NO. 201

REVISIONS		DESCRIPTION	DATE
NO.	DATE		

CITY OF HICKORY

GENERAL NOTES FOR DRAINAGE

DATE: 2-1-07  
SHEET 2 OF 3  
STD. NO. 201

REVISIONS		DESCRIPTION	DATE
NO.	DATE		

CITY OF HICKORY

GENERAL NOTES FOR DRAINAGE

DATE: 2-1-07  
SHEET 3 OF 3  
STD. NO. 201

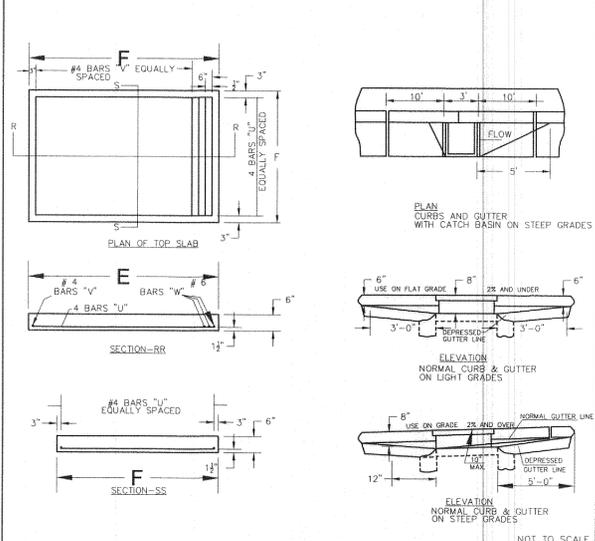
REVISIONS		DESCRIPTION	DATE
NO.	DATE		

CITY OF HICKORY

BRICK CATCH BASIN  
15" THRU 54" PIPE

DATE: 2-1-07  
SHEET 1 OF 3  
STD. NO. 204.1

DIMENSIONS AND QUANTITIES FOR BRICK CATCH BASIN															
DIMENSIONS OF BOX AND PIPE				COVER				REINFORCING				CUBIC YARDS OF CONCRETE IN BOX			
PIPE	SPAN	WIDTH	RIGHT	SPAN	HEIGHT	MIN. H <sup>1</sup>	H <sup>2</sup>	NO. BARS-U	LENGTH	NO. BARS-W	LENGTH	TOTAL	PERCENT	PERCENT	POW/HT
D	A	B	C	G	E	F									
15"	3'-0"	2'-2"			2'-6"							0.281	0.281	0.802	
18"					2'-10"							0.281	0.281	0.909	0.321
24"					3'-4"							0.281	0.281	1.070	ABOVE MIN. H <sup>1</sup>
30"					3'-8"			3'-10"	4'-4"	4'-6"	3'-4"	0.147	0.374	0.821	1.306
36"					3'-10"			2'-4"	4'-4"	4'-6"	3'-4"	0.187	0.415	0.802	1.586
42"					4'-0"			2'-1"	3'-8"	4'-0"	3'-3"	0.135	0.373	0.908	1.811
48"					4'-2"			2'-0"	3'-6"	4'-0"	3'-3"	0.175	0.410	0.983	2.146
54"	3'-0"	2'-2"		5'-0"	3'-4"			2'-3"	3'-8"	4'-0"	3'-3"	0.211	0.448	0.859	2.510



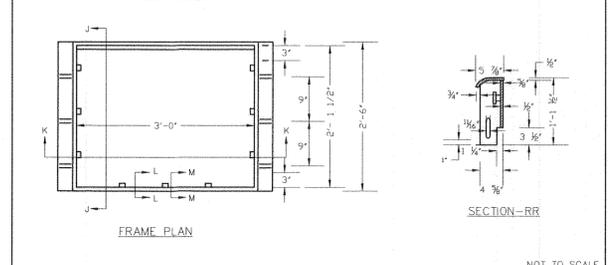
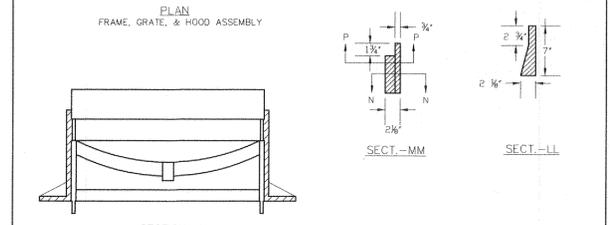
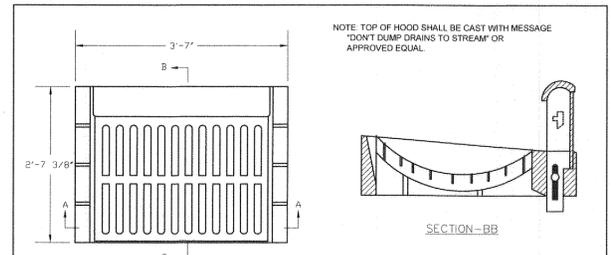
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REVISIONS		DESCRIPTION	DATE
NO.	DATE		

CITY OF HICKORY

BRICK CATCH BASIN  
15" THRU 54" PIPE

DATE: 2-1-07  
SHEET 1 OF 3  
STD. NO. 204.3



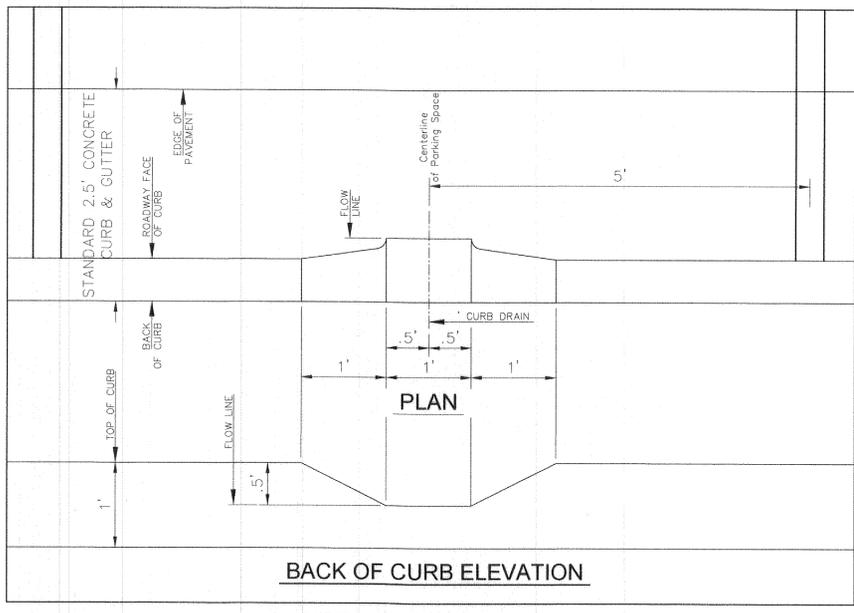
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REVISIONS		DESCRIPTION	DATE
NO.	DATE		

CITY OF HICKORY

FRAME, GRATE AND HOOD  
FOR USE ON STANDARD CATCH BASIN

DATE: 2-1-07  
SHEET 1 OF 2  
STD. NO. 205.1

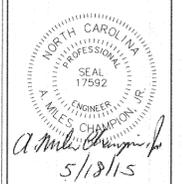


BACK OF CURB ELEVATION

NOTCHED CURB DETAIL

REVISIONS

SCALE:  
Not To Scale



DATE: 5/18/15  
DRAWN BY: KPG

GHPark-Parking.DWG

PROJECT NUMBER  
15-031

SHEET  
5 OF 5

10

**COUNCIL AGENDA MEMOS**

**To: City Manager's Office**

**From: Louise Humphrey, Director – Hickory Public Library**

**Contact Person: Louise Humphrey**

**Date: 6-3-15**

**Re: Approval of 2015-2018 Strategic Plan for Hickory Public Library**

**REQUEST**

Staff requests Council approval of a new strategic plan to guide services of the Hickory Public Library for the period 2015-2018.

**BACKGROUND**

The library received a \$20,160 Library Services and Technology Act planning grant in 2014 for the development of a new strategic plan to guide library services at Patrick Beaver Memorial Library and Ridgeview Branch Library for the next three years. The library's previous long-range plan covered the years 2011-2013. Dr. Anthony Chow was retained to facilitate the planning process that was undertaken by a steering committee representing the business, education and non-profit communities, media, Library Advisory Board, Friends of the Library Board, City government, and library staff. Approximately 1000 residents were involved in the 10-month study from July 2014 to May 2015 by participating in interviews, focus groups, community forums, and surveys (random, general, and staff) that were available in print and online. Using input from the Steering Committee, staff, and survey results, a final document was created.

**ANALYSIS**

In order for the library to meet the current and future needs of residents and library customers in the most efficient and effective ways, it is essential that there be a systematic review and assessment of current services, collections, and programming, based on new input from library users, community partners, and business and community leaders. This was accomplished during the past 10 months and a new strategic plan developed that sets forth the library's vision and mission and establishes five goals, each with corresponding objectives and activities that staff will strive to accomplish over the next three years.

**RECOMMENDATION**

Staff recommends acceptance of the Hickory Public Library Strategic Plan for 2015-2018.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

Source of City/State/Federal funds?

**Revenues**

State/Federal Funds: (Codes)

- - . -  
- - . -

\$  
\$

City Funds: (Codes)

- - . -  
- - . -

\$  
\$

Other Financial Resources: (Codes)

- - . -  
- - . -

\$  
\$

In-kind Services: (Describe)

\$  
\$

**TOTAL**

**Expenditures: (Codes)**

- - . -  
- - . -  
- - . -  
- - . -

\$  
\$  
\$  
\$  
\$

**TOTAL:**

**Reviewed by:**

Louise Humphrey  
Initiating Department Head

6-3-15  
Date

Armita M. Dula  
Deputy City Attorney, A. Dula

6-8-15  
Date

Rodney H. Miller  
Asst. City Manager, Miller

6-8-15  
Date

A. Surratt  
Asst. City Manager, A. Surratt

6-8-15  
Date

Melissa Miller  
Finance Officer, Melissa Miller

6-5-15  
Date

\_\_\_\_\_  
Administrative Services Director

\_\_\_\_\_  
Date

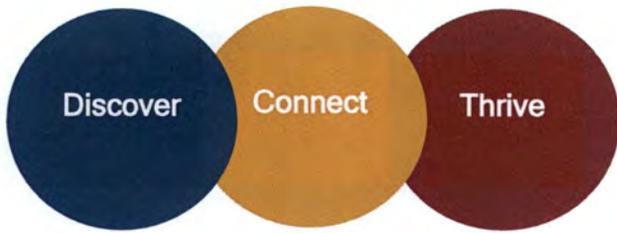
Bo Weichel  
Purchasing Manager, Bo Weichel

6-5-15  
Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

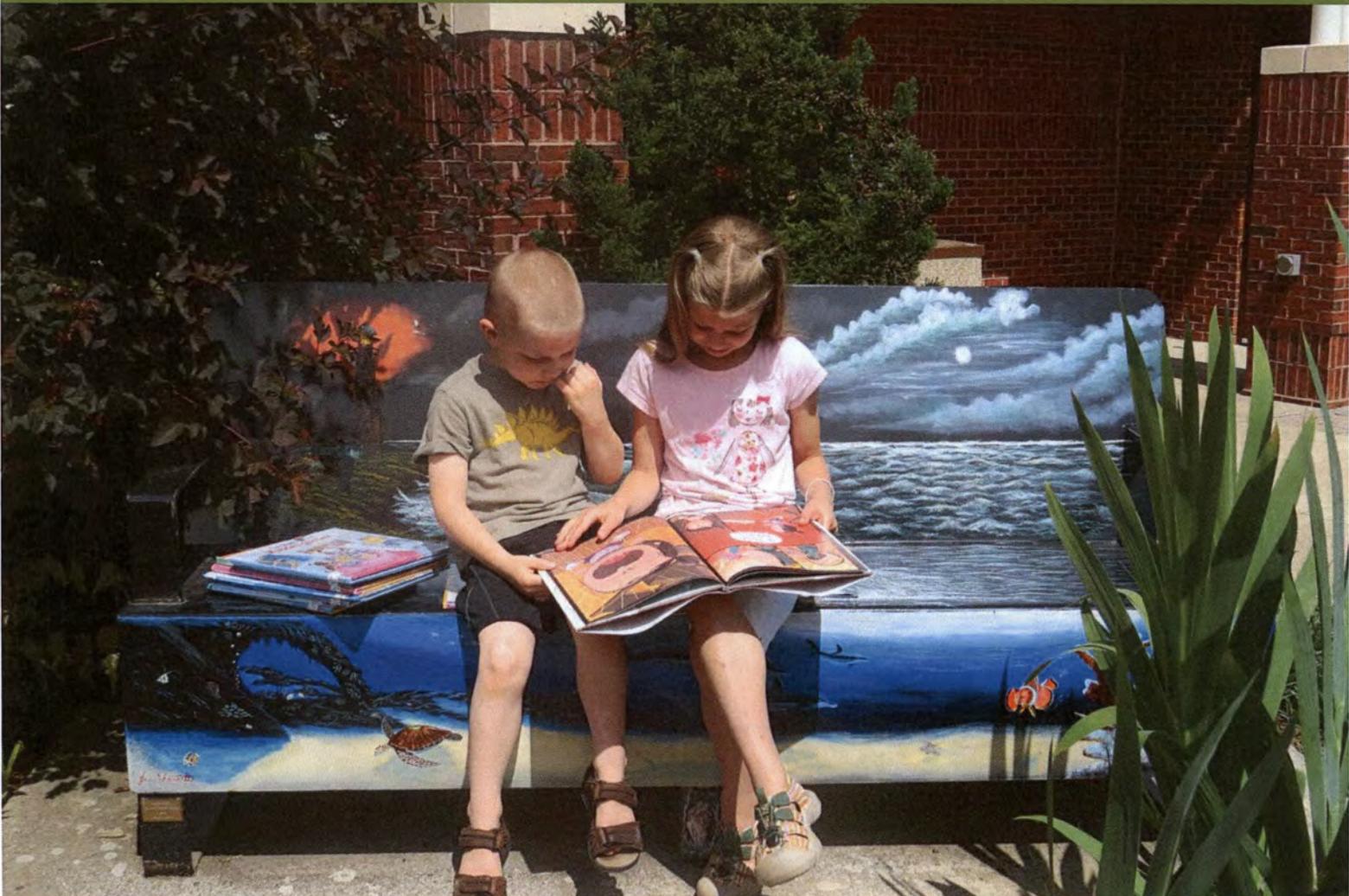
[Signature]  
City Manager, M. Berry

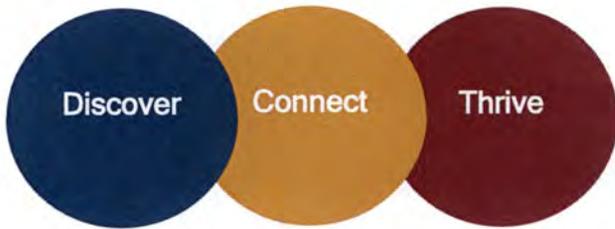
\_\_\_\_\_  
Date



# Hickory Public Library Strategic Plan (2015-2018)

“I am grateful to be able to pass down to my 8 year old daughter my love of the library.  
It is one of our favorite places to spend time together.”  
(Hickory resident, November 2014)





# Thank You

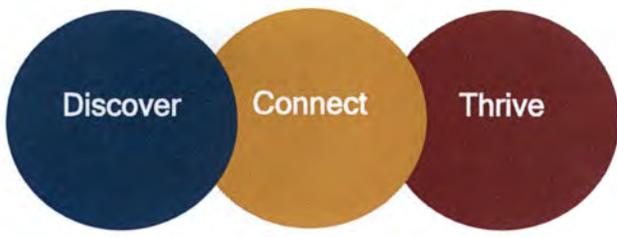
- Hickory Public Library Strategic Planning Steering Committee:

Alice Spuller, Amy Horn, Andrea Surratt, Austin Pearce, Beth Bradshaw, Billy Sudderth, Charles Jeffers, Jane Everson, Ph.D., Councilman Hank Guess, John Kenny, Lisa Neal, Mike Woods, Muriel Gabriel, Patricia Lee, Rita Johnson, Sanford Teague, Terressa Jefferson, Walter C. Smith (Chair), Anthony Chow, Ph.D. (State Library Consultant), Louise Humphrey (Library Director)

- The City of Hickory and City Leadership for your continued innovative vision and support of our libraries in commitment to a high quality of life for all Hickory residents.
- Catawba County Library System for collaborating in the strategic planning process.
- Don Norwood for photo of Patrick Beaver Memorial Library.



This project was made possible through funding from the federal Institute of Museum and Library Services (IMLS) under the provisions of the Library Services and Technology Act as administered by the State Library of North Carolina, a division of the Department of Cultural Resources.



## Designing Our Library of the Future, Together

### The Process

Approximately 1000 Hickory residents were involved in our 10-month study from July 2014 to May 2015 by participating in interviews, focus groups, community forums, a survey of 1,000 randomly sampled city residents, and general surveys in both online and hard copy format gathered in the library and in the community.

### Major Findings

The top five most important information sources for Hickory residents in their day-to-day lives are **local news, email, weather, national and world news**. The top five entertainment sources are **leisure reading, email, local and national news, and watching movies on TV**.

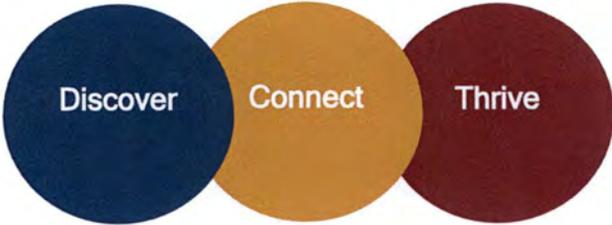
The top five most important library services are **checking out printed books, customer service from library staff, access to the website, the Library as a place to read, work, and/or study**.

Patrons are highly satisfied with the Library's customer service, locations, books and resources, and parking, but less satisfied with hours and its role in **technology training, supporting economic development, help with job searching/workforce development, and technology/Internet functionality and access**.

### Our Plan

Aligned with the findings of our study, we developed and refined the following plan based on feedback from Hickory residents and City leadership. This is OUR collective vision for YOUR library services over the next three years (2015-2018).





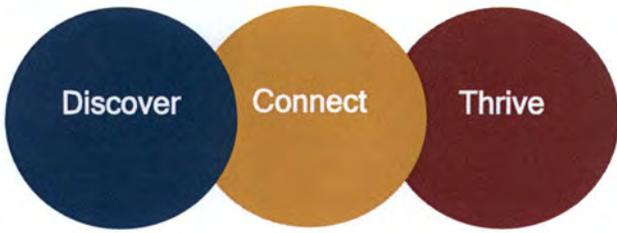
# Vision

*Our vision articulates what success will look like in the future.*

A welcoming place to discover,  
connect, and thrive.



“The library is more than its physical location. All libraries support people from all over a region and beyond. I still look at your calendar of events and I have enjoyed concerts, lectures, and looking at materials at the library.”  
(Hickory resident, November 2014)



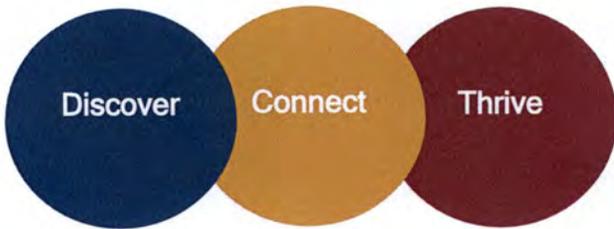
# Mission

*Our mission statement reflects the commitment we are making to Hickory.*

Hickory Public Library  
connects people with excellent service,  
resources, and empowering opportunities.



“(The) Library is always open to the need of the public. Thank you for being there for us.”  
(Hickory resident, November 2014)



# Values

*To realize our vision and fulfill our mission, the following ideals direct us in our service to Hickory and interactions with one another.*

## 1. Engaging, Accepting, and Welcoming

*Engage visitors, encourage positive and open attitudes, ensure a welcoming, supportive, respectful and compassionate environment.*

## 2. Resourceful and Inspiring

*Employ creative thinking and resources that encourage personal and community growth representing superior library services to all.*

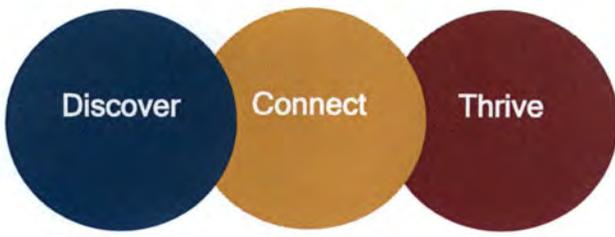
## 3. Environment of Teamwork

*Honoring individual strengths and weaknesses, being helpful and supportive, responsive, flexible, and open to new ideas and communicate across departments to better support community and staff needs.*



*“The people here are among the most helpful I’ve encountered in many years. They have been by my side as I go through the passing of my companion of 20+ years. I am truly blessed to be able to call them friends.”*

*(Hickory resident, December 2014)*



# Core Competencies

*The value-added, core services and functions we offer the people of Hickory.*

## 1. Exemplary Customer Service

*Offer service provided by a friendly, knowledgeable, trained, and helpful staff that are innovative, relevant, and responsive.*

## 2. Engaging and Quality Programming

*Offer programs that support lifelong learning and encourage community interaction and continue to build and sustain community partnerships to increase quantity and quality of programs for all ages.*

## 3. High Quality Facilities

*Provide a clean, safe, attractive, welcoming, and user-friendly environment and continue to create and enhance multi-use areas that are comfortable, inviting, and flexible.*

## 4. Engaging and Quality Collection

*Develop a diverse, balanced and up-to-date collection in a variety of formats*

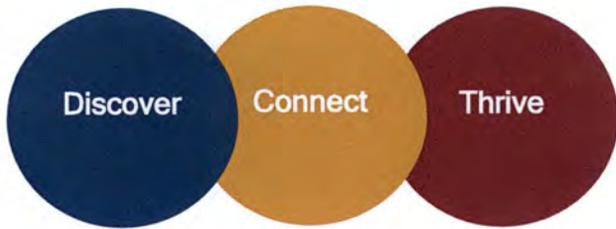
## 5. Technology Resource Center

*Provide innovative, relevant, high performing, and leading-edge technology; training to ensure that all staff are comfortable and competent in using, and demonstrating the use of, the library's technology; and provide robust and user-friendly online and digital resources and services.*



*“We want to say thank you for the wonderful library. Education is very important for me and my family. I have the need to help my children be better or have a better chance to succeed in their education.”*

*(Hickory resident, December 2014)*



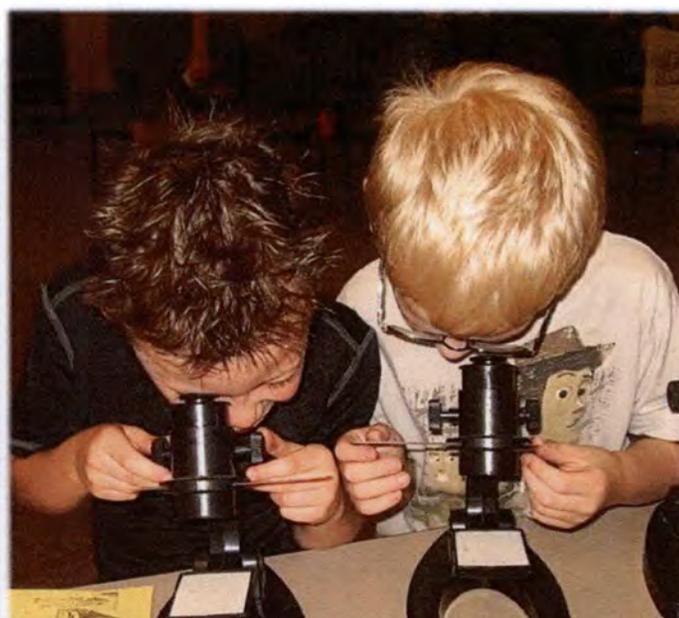
# Goals & Objectives

## Goal 1: State-of-the-Art Technology

*Providing the highest available standard of technology.*

### Objectives

1. Full-time library technology position to meet increasing technological demands.
2. Technological upgrades and advancements to provide superior customer service.
3. Staff trained in using technology.
4. Technology training for public on a variety of devices and programs.
5. Provide electronic devices for in-house use.



“I have been coming to the library since I was little. I have seen it grow and improve and it has been a really helpful community service!” (Hickory resident, December 2014)

## Goal 2: Superior Customer Service, Services, and Programs

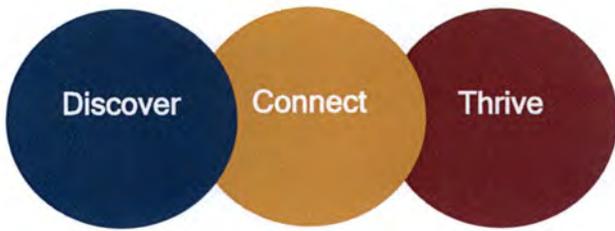
*Continuing to provide dynamic programs to meet the community's needs*

### Objectives

1. Exemplary customer service.
2. Community leader in providing a wide diversity of readily available materials to a varied population.
3. Relevant, cultural, and multigenerational programs.
4. Increase economic and workforce development services and programming.
5. Increase teen involvement through volunteering and programming.



“Throughout different times in my life I have used the library religiously: When I didn't have a job; small children to promise the love of reading, when I was teaching and now with my grandchildren.”  
(Hickory resident, November 2014)



## Goal 3: Strong Organizational Communication and Collaboration among City Leadership, Branches, and Area Libraries

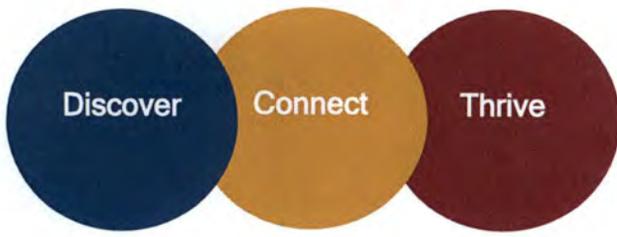
*Meeting the needs of our community together.*

### Objectives

1. Collaborate with area libraries.
2. Support City's short-term and long-term priorities.
3. Create online staff training guides and resources specific to each department.
4. Conduct regular staff meetings.
5. Cross-train among departments.
6. Develop a staff intranet for communication between departments and branches.



“... the library is a HUGE resource for us for educational materials such as books, DVDS, etc. I consistently use the website to make lists of the books I need for homeschool. The library is also one of my children's favorite places to attend for play, reading, and meeting new friends.” (Hickory resident, November 2014)

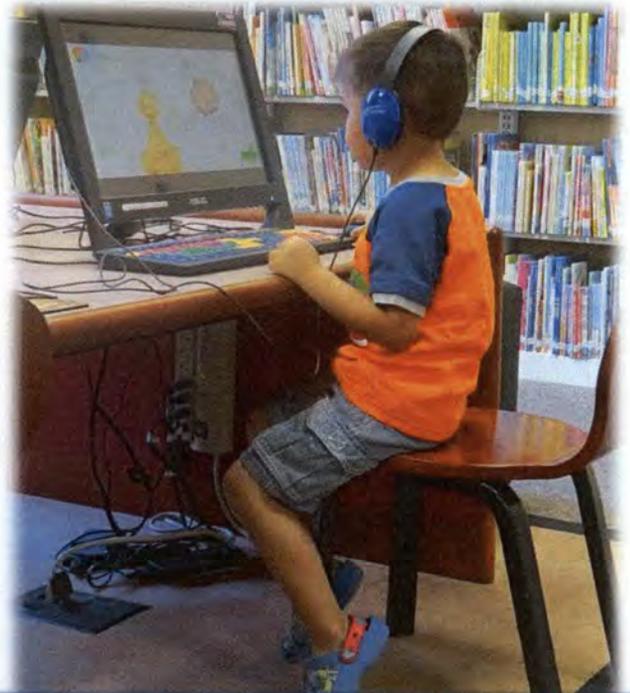


## Goal 4: Innovative Community Relationships, Partnerships, and Marketing

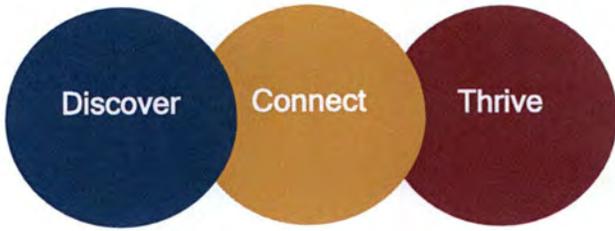
*The Community is aware of all that the Library has to offer.*

### Objectives

1. Connect patrons with online guides to help patrons use electronic resources.
2. Establish a viable and effective volunteer program.
3. Expand partnership opportunities with SALT Block agencies.
4. Designate a staff liaison between library and community groups.
5. Restore PR position.
6. Develop a marketing program.
7. Install an outdoor marquee to promote events.



“The personnel are all friendly and very helpful. I appreciate the programs offered and the fact that the library is constantly changing---improving in the services offered.” (Hickory resident, November 2014)

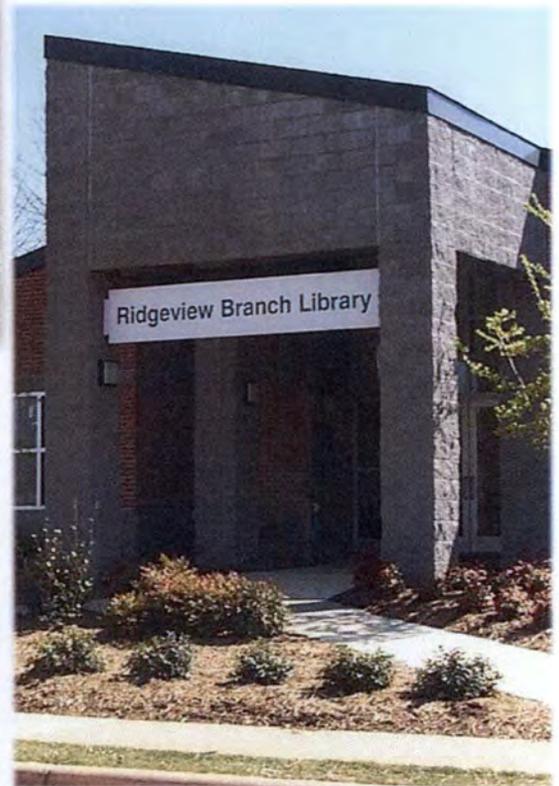


## Goal 5: Modern and Welcoming Library Spaces

*A welcoming space for all ages and backgrounds.*

### Objectives

1. Improve/upgrade both facilities.
2. Expand Ridgeview Branch.
3. Improve lighting internally and externally.

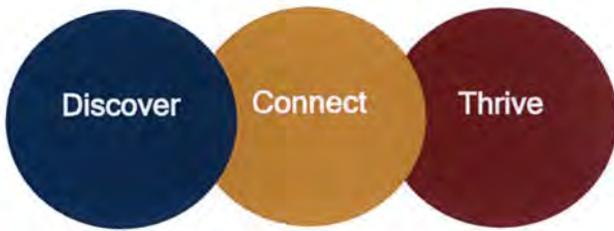


“Children's programs are excellent! Thank you for all of the work to create wonderful opportunities for kids!”  
(Hickory resident, November 2014)

## Year-by-Year View

What we plan to accomplish each year.





## Ongoing: 2015-2018

### Goal 1: State-of-the-Art Technology (Ongoing)

1. Take advantage of local, online, State Library, and vendor training opportunities and resources (ongoing) (Tactic 1.3.2.2)
2. Set aside time for staff to utilize training resources (ongoing) (Tactic 1.3.2.3.)
3. Increase number of training programs available to public in using library's online resources, specific software, and electronic devices (ongoing) (Tactic 1.4.1)

### Goal 2: Superior Customer Service, Services, and Programs (Ongoing)

1. Provide up-to-date and appealing print, e-book, audios and other multi-media resources (ongoing) (Tactic 2.2.1)
2. Conduct market research and utilize circulation statistics to learn of collection gaps (ongoing) (Tactic 2.2.3)
  - a. Conduct an annual evaluation of usage and align budget accordingly (Tactic 2.2.3.1)
  - b. Collaborate with schools regarding students' needs (ongoing) (Tactic 2.2.4.1)
3. Encourage staff to work together to develop multigenerational programs (ongoing) (Tactic 2.3.1)
4. Promote use of library's print and online resources for job seekers (ongoing)

### Goal 3: Strong Organizational Communication and Collaboration between City Leadership, Branches, and Area Libraries (Ongoing)

1. Promote Economic Development and Jobs (Tactic 3.2.1)
2. Promote Natural Environment and Quality of Life (Tactic 3.2.2)
  - a. Support Downtown Development and Activities (ongoing) (Tactic 3.2.2.3)
  - b. Offer High Quality Recreation and Library Opportunities (ongoing) (Tactic 3.2.2.4)
3. Operational Excellence (ongoing) (Tactic 3.2.3)
  - a. Provide Exceptional Customer Service and Communication (Tactic 3.2.3.1)
  - b. Invest in City Coworkers (Tactic 3.2.3.2)
  - c. Constant Innovation in Delivery of Services (Tactic 3.2.3.3)
4. Vision and Leadership
  - a. Support and Promote Higher Education Opportunities (Tactic 3.2.4.1)



5. Communication and Marketing
  - a. Continue to offer and support interactive and innovative programs offered by the City (Tactic 3.2.5.2)
  - b. Communicate Effectively with Customers about Delivery of Services (Tactic 3.2.5.3)
6. Arrange for cross training of designated staff to better serve needs of the library and community (mid 2016) (Tactic 3.5.1)

## **Goal 4: Innovative Community Relationships, Partnerships, and Marketing (Ongoing)**

1. Connect patrons with online guides to help patrons use electronic resources (Objective 4.1)
2. Expand partnership opportunities with SALT Block agencies (ongoing) (Objective 4.3)
  - a. Continue to attend quarterly meetings of SALT Block agencies (Tactic 4.3.1)
  - b. Communicate regularly with agencies to share event/program information (Tactic 4.3.2)
  - c. Seek additional opportunities to collaborate with each SALT Block agency (Tactic 4.3.3)

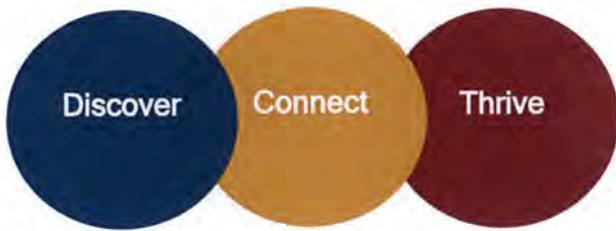
## **Goal 5: Modern and Welcoming Library Spaces (Ongoing)**

1. Improve/upgrade both facilities (Objective 5.1)
  - a. Investigate new ways to use physical space (ongoing) (Tactic 5.1.2)

# **Short-term Year 1: 2015-2016**

## **Goal 1: State-of-the-Art Technology (2015-2016)**

1. Request a full time IT position assigned to library (2016) (Tactic 1.1.1)
  - a. Create a presentation showing need for position and how it would benefit the library and community (2016) (Tactic 1.1.2)
  - b. Schedule meetings to show presentation to City leaders. (2016) (Tactic 1.1.3)
2. Technological upgrades and advancements to provide superior customer service (Objective 1.2)
  - a. Conduct an annual technology audit and tie to budget request (2016) (Tactic 1.2.1)
    - 2.a.1. Meet with City IT staff to discuss needs. (2016) (Tactic 1.2.2.1.)
    - 2.a.2. Explore ILS systems based on a dedicated server when current contract expires (2016) (Tactic 1.2.2.2.)
  - b. Offer wireless printing (mid-2016) (Tactic 1.2.3)
  - c. Ensure availability of electronic device charging outlets or power stations (mid-2016) (Tactic 1.2.4)



3. Identify training needs of individual staff members and departments (mid-2016) (Tactic 1.3.1)
  - a. Identify technology skills levels and competencies of staff (late-2015) (Tactic 1.3.1.1.)
  - b. Survey staff to determine where they need to expand their technical knowledge and skills.(late-2015) (Tactic 1.3.1.2.)
4. Research training resources and cost to expand staff technical skill levels (mid-2016) (Tactic 1.3.2)
  - a. Identify potential in-house trainers for technical skills, including proficiency in using various software, integrated library system, and electronic resources.(late-2015) (Tactic 1.3.2.1)
  - b. Identify staff with various skill levels and areas of expertise (mid-2016) (Tactic 1.3.3.1.)

## Goal 2: Superior Customer Service, Services, and Programs (2015-2016)

1. Improve customer service by having a fully staffed library that includes a full-time genealogy/local history specialist and a full time marketing coordinator.(2016) (Tactic 2.1.1.)
2. Install television(s) in lobby areas for local and world news and weather updates (2016) (Tactic 2.1.5)
3. Develop an email list to send monthly program schedules to library patrons (2016) (Tactic 2.1.7)
4. Explore options to provide coffee/snack service for public in both facilities (2016) (Tactic 2.1.8)
5. Increase economic and workforce development services and programming (late 2016) (Objective 2.4)
  - a. Enhance economic development resources, services, and programming (late 2016) (Tactic 2.4.1)
    - 5.a.1.Promote the use of small business, career, and entrepreneurial resources, and online databases (late 2016) (Tactic 2.4.1.1)
  - b. Enhance workforce development resources, services, and programming (late 2016) (Tactic 2.4.2)
    - 5.b.1.Offer resume workshops and resources (late 2016) (Tactic 2.4.2.1)
    - 5.b.2.Offer career workshops and resources (late 2016) (Tactic 2.4.2.2)
    - 5.b.3.Establish partnerships with local organizations to serve community needs (late 2016) (Tactic 2.4.2.4)
6. Increase Teen involvement through volunteering and programming (Objective 2.5)
  - a. Expand volunteer opportunities for teens. (2016) (Tactic 2.5.3)
  - b. Establish a teen advisory committee (2016) (Tactic 2.5.4)
  - c. Work with Hickory public, private, and homeschools to maximize benefits of volunteer experiences for teens (Tactic 2.5.5)



## Goal 3: Strong Organizational Communication and Collaboration between City Leadership, Branches, and Area Libraries (2015-2016)

1. Partner with Catawba County Library System to place a link on respective webpages to facilitate access to each system's catalog (2016) (Tactic 3.1.3)
2. Partner with area libraries to cross-promote services, programs, and collections (2016) (Tactic 3.1.4)
3. Explore joint programming possibilities with other libraries in the community (2016) (Tactic 3.1.5)
4. Coordinate with Catawba County Partnership for Children and Catawba County Library System to provide library cards to Imagination Library participants (2016) (Tactic 3.1.6)
5. Promote Improving and Protecting the Quality of Lake Hickory (mid-2016) (Tactic 3.2.2.1)
6. Promote the City of Hickory to Our Residents (short-term) (Tactic 3.2.5.1)
7. Create online staff training guides and resources specific to each department (Objective 3.3)
  - a. Develop a training guide for each department in standard, well-defined formats (early 2016) (Tactic 3.3.1)
  - b. Appoint staff to develop guides (late 2015) (Tactic 3.3.2)
  - c. Make guides accessible to staff by (early 2016) (Tactic 3.3.3)
  - d. Meet with communications department to discuss videotaping guides for posting on YouTube by (late 2015) (Tactic 3.3.4)
8. Regular staff meetings (Objective 3.4)
  - a. Schedule monthly departmental meetings to update, brainstorm and inform (late 2015) (Tactic 3.4.1)
  - b. Develop a schedule of staff meetings so that all staff have the opportunity to attend at least one (mid-2016) (Tactic 3.4.2)
  - c. Conduct at least one full staff meeting/training/workshop annually (2016) (Tactic 3.4.3)
  - d. Investigate the possibility of a quarterly meeting with all full-time employees (2016) (Tactic 3.4.4)
  - e. Invite staff from other departments to attend meetings of specific departments to improve communication (late 2015) (Tactic 3.4.5)
9. Develop a staff intranet for communication between departments and branches (Objective 3.6)
  - a. Investigate possibilities for a staff intranet (late 2015) (Tactic 3.6.1)
  - b. Determine technology needed to accomplish (early 2016) (Tactic 3.6.2)
  - c. Decide content needed to be accessible to all (policies, emergency procedures, etc.) (early 2016) (Tactic 3.6.3)
    - 9.c.1. Assign library supervisors task of development material for their respective areas of responsibility (mid 2016) (Tactic 3.6.3.1)
    - 9.c.2. Compile sections into a procedures manual for each department that will be accessible to all (late 2016) (Tactic 3.6.3.2)
  - d. Designate staff to update and compile data (late 2016) (Tactic 3.6.5)

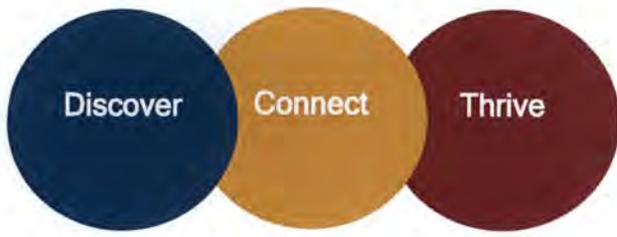


## Goal 4: Innovative Community Relationships, Partnerships, and Marketing (2015-2016)

1. Work with City to develop a mobile app for Library (late 2016) (Tactic 4.1.1)
2. Develop guide to online tutorials for electronic resources (2016) (Tactic 4.1.2)
3. Investigate feasibility of using LibGuides software (2016) (Tactic 4.1.3)
4. Establish a viable and effective volunteer program (2016) (Objective 4.2)
  - a. Designate a staff volunteer coordinator (late 2015) (Tactic 4.2.1)
  - b. Identify potential individual volunteer or volunteer groups (early 2016) (Tactic 4.2.2)
  - c. Create job descriptions for volunteers in each department (early 2016) (Tactic 4.2.3)
  - d. Screen and begin training volunteers (late 2016) (Tactic 4.2.4)
5. Designate a staff liaison between library and community groups (Objective 4.4)
  - a. Select a library staff member or members to serve as liaison between the library and community groups/businesses/library systems (2016) (Tactic 4.4.1)
  - b. Seek opportunities for collaboration on programs and/or services with a variety of community groups (ongoing) (Tactic 4.4.2)
  - c. Staff schedules meetings with relevant groups/organizations/library systems/businesses (late 2016)
6. Develop a marketing program (2016) (Objective 4.6)
  - a. Design a new library brochure (late 2015) (Tactic 4.6.1)
  - b. Work with City Communications team to create a video promoting the library (mid-2016) (Tactic 4.6.2)
  - c. Work with City Communications team to redesign library webpage (2015) (Tactic 4.6.3)
7. Install an outdoor marquee to promote events (2017) (Objective 4.7)
  - a. Determine best location (Tactic 4.7.1)
  - b. Obtain approval from City of Hickory (Tactic 4.7.2)
  - c. Research cost of marquee (Tactic 4.7.3)
  - d. Obtain approval from City of Hickory to install (Tactic 4.7.4)
  - e. Develop procedures and responsibilities for posting information (Tactic 4.7.5)

## Goal 5: Modern and Welcoming Library Spaces (2015-2016)

1. Replace carpeting at Ridgeview Branch (2016) (Tactic 5.1.3)
2. Repaint all public areas (2015-2016) (Tactic 5.1.5)
3. Improve lobby area at Patrick Beaver Memorial Library to make it more welcoming and usable (2016) (Tactic 5.1.8)



4. Expand Ridgeview Branch (Objective 5.2)
  - a. Obtain input from community to determine needs (Tactic 5.2.1.1)
  - b. Seek input from City (Tactic 5.2.1.2)
5. Improve lighting internally and externally (2017) (Objective 5.3)
  - a. Assess current lighting inside both libraries by seeking recommendations from lighting professionals (Tactic 5.3.1)
  - b. Add additional lighting and cameras in staff and public parking areas (Tactic 5.3.2)

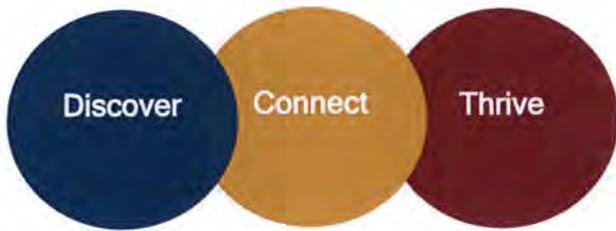
## Mid-Range Year 2: 2016-2017

### Goal 1: State-of-the-Art Technology (2016-2017)

1. Full-time library technology position to meet increasing technological demands (2017) (Objective 1.1)
2. Technological upgrades and advancements to provide superior customer service (Objective 1.2)
  - a. Investigate the possibility of a dedicated server (2017) (Tactic 1.2.2)
3. Staff trained in using technology (Objective 1.3)
  - a. Implement one-on-one peer coaching program. (early 2017) (Tactic 1.3.3)
    - 3.a.1. Match coaches with staff as appropriate (early 2017) (Tactic 1.3.3.2)
  - b. Develop webinars specific to new or changing procedures accessible by staff (2017) (Tactic 1.3.4)
  - c. Offer a technology "sandbox" to allow for hands-on training (2017) (Tactic 1.3.5)
4. Technology training for public on a variety of devices and programs (Objective 1.4)
  - a. Collaborate with local colleges/universities to secure trainers/volunteers to conduct technology classes (mid-2017) (Tactic 1.4.2)
5. Provide electronic devices for in-house use (mid-2017) (Objective 1.5)
  - a. Tablets (Tactic 1.5.1)
  - b. e-readers (Tactic 1.5.2)
  - c. Laptops (Tactic 1.5.3)

### Goal 2: Superior Customer Service, Services, and Programs (2016-2017)

1. Exemplary Customer Service (Objective 2.1)
  - a. Conduct annual customer service training workshops for staff (mid 2017) (Tactic 2.1.3)
  - b. Offer credit/debit card options (2017) (Tactic 2.1.4)
  - c. Work with City to develop a phone app for the Library (2017) (Tactic 2.1.6)
  - d. Cross train staff among departments (2017) (Tactic 2.1.9)



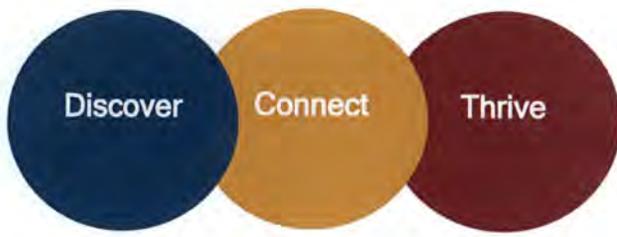
2. Relevant, Cultural, and Multigenerational programs (Objective 2.3)
  - a. Cultivate relationships with organizations that serve specific groups to tailor programs to needs of community (2017) (Tactic 2.3.2)
3. Increase economic and workforce development services and programming (late 2016) (Objective 2.4)
  - a. Establish partnerships with local organizations to serve community needs (2017) (Tactic 2.4.1.2)
4. Increase Teen involvement through volunteering and programming (Objective 2.5)
  - a. Increase collaborative efforts with City's Youth Council (2017) (Tactic 2.5.1)
5. Collaborate with area libraries (Objective 3.1)
  - a. Investigate possibility of sharing on-site training opportunities as appropriate (2017) (Tactic 3.1.1)
6. Support City's short-term and long-term priorities (Objective 3.2)
  - a. Natural Environment and Quality of Life (Tactic 3.2.2)
    - 6.a.1.Promoting Improvement of Air Quality (mid-2016) (Tactic 3.2.2.2)
7. Develop a staff intranet for communication between departments and branches (Objective 3.6)
  - a. Design and set up intranet (early 2017) (Tactic 3.6.4)
    - 7.a.1.Work with City Communications and/or IT staff to design and launch intranet (early 2017) (Tactic 3.6.4.1)

## **Goal 4: Innovative Community Relationships, Partnerships, and Marketing (2016-2017)**

1. Connect patrons with online guides to help patrons use electronic resources (Objective 4.1)
  - a. Train volunteers to provide one-on-one assistance (2017) (Tactic 4.1.4)
2. Establish a viable and effective volunteer program (Objective 4.2)
  - a. Conduct a semi-annual review of volunteer program (mid-2017)
3. Designate a staff liaison between library and community groups (Objective 4.4)
  - a. Develop marketing strategies for joint ventures (mid-2017)
4. Restore PR position (Objective 4.5)
  - a. Request restoration of full-time Marketing Coordinator position for Library (2017) (Tactic 4.5.1)
5. Install an outdoor marquee to promote events (2017) (Objective 4.7)

## **Goal 5: Modern and Welcoming Library Spaces (2016-2017)**

1. Improve/upgrade both facilities (Objective 5.1)
  - a. Conduct a space needs analysis of each facility (early 2017) (Tactic 5.1.1)
  - b. Upgrade public restrooms (2017) (Tactic 5.1.4)
  - c. Add staff bathroom at Ridgeview (2017) (Tactic 5.1.6)



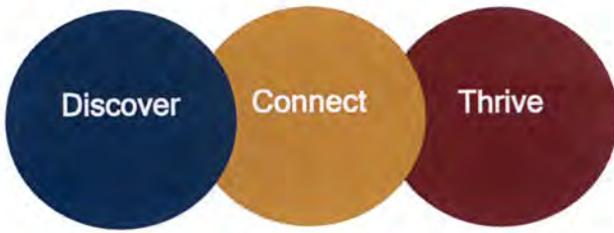
- d. Investigate sound-proofing options to reduce noise level at Patrick Beaver Memorial Library (2017) (Tactic 5.1.7)
2. Expand Ridgeview Branch (2018) (Objective 5.2)
  - a. Conduct space needs analysis (early 2017) (Tactic 5.2.1)
  - b. Design layout for expansion of facility (early 2017) (Tactic 5.2.2)
    - 2.b.1. Include dedicated area for children (Tactic 5.2.2.1)
    - 2.b.2. Include dedicated area for adult gatherings (Tactic 5.2.2.2)
    - 2.b.3. Include space for expanded collection (Tactic 5.2.2.3)
    - 2.b.4. Include space for storage and study rooms (Tactic 5.2.2.4)
    - 2.b.5. Include space for a dedicated computer lab (Tactic 5.2.2.5)
3. Improve lighting internally and externally (2017)

## Year 3: 2017-2018

### Goal 1: State-of-the-Art Technology (2017-2018)

### Goal 2: Superior Customer Service, Services, and Programs (2017-2018)

1. Exemplary Customer Service (Objective 2.1)
2. Explore the possibility of adding Sunday hours, depending on staffing levels (Tactic 2.1.10)
3. Community leader in providing a wide diversity of readily available materials to a varied population (Objective 2.2)
  - a. Enhance and promote resources and services for the 18-24 and 25-34 age groups (2018) (Tactic 2.2.2)
  - b. Analyze needs of underrepresented populations (2018) (Tactic 2.2.4)
    - 3.b.1. Conduct focus groups based on ethnicity, age, business/industry, etc. to determine community needs include industry/business and ethnicities and ages. (2018) (Tactic 2.2.4.2)
4. Increase Teen involvement through volunteering and programming (Objective 2.5)
  - a. Conduct game nights (e.g., video games, board games, competitions, manga-theme parties) (2018) (Tactic 2.5.2)



### **Goal 3: Strong Organizational Communication and Collaboration between City Leadership, Branches, and Area Libraries (2017-2018)**

1. Collaborate with area libraries (Objective 3.1)
  - a. Coordinate scheduling of general workshops to include area public, university, community college, and school libraries (2018) (Tactic 3.1.2)
  - b. Collaborate on project to provide "first library card" packet to newborns at area medical facilities (2018) (Tactic 3.1.7)

### **Goal 4: Innovative Community Relationships, Partnerships, and Marketing (2017-2018)**

1. Designate a staff liaison between library and community groups (Objective 4.4)
  - a. Coordinate and sponsor programs (early 2018) (Tactic 4.4.5)

### **Goal 5: Modern and Welcoming Library Spaces (2017-2018)**

1. Expand Ridgeview Branch (2018) (Objective 5.2 )