

A G E N D A
HICKORY CITY COUNCIL

June 2, 2015



7:00 p.m.



AGENDA
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.

Hickory City Council
76 North Center Street

June 2, 2015
7:00 p.m.

- I. Call to Order
- II. Invocation Rev. George Coates, Pastor Hartzell Memorial United Methodist Church and St. Paul's 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 (**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. 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 Crimes 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.
- A. Call for a Public Hearing – For Consideration of Rezoning Petition 15-01. **(Authorize Public Hearing for June 16, 2015) (Exhibit VIII.A.)**

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. Approval to Apply 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. **(Exhibit VIII.B.)**

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 \$19,955 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. 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. **(Exhibit VIII.C.)**

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. Approval to Write-off Uncollectable Accounts Totaling \$227,716.22, in Accordance with North Carolina General Statutes. **(Exhibit VIII.D)**

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. Approval of a Termination of Lease Agreement for Property Located at 470 Highway 70 SW. **(Exhibit VIII.E.)**

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. Approval of a Railroad Permit Agreement from Norfolk Southern Railway Company for Murray Basin Sanitary Sewer Infrastructure Project. **(Exhibit VIII.F.)**

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. Approval of an Amendment to the Priority Use Agreement with the Catawba Valley Youth Soccer Association (CVYSA). **(Exhibit VIII.G.)**

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 30th 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. Approval of 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 VIII.H.)**

The paved parking lot will be constructed directly across 6th 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 6th 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. Budget Ordinance Amendment Number 20. **(Exhibit VIII.I.)**

1. *To budget a total of \$260 of Library donations in memory of Libby Meisner. \$60 in the Books line item and \$200 in Supplies line item for the Summer Reading Program.*
2. *To accept a \$68 transfer of excess revenue from the FEMA storm damage (Rock Quarry Sewer Outfall) Capital project and decrease the Water and Sewer Fund balance line item by \$68. The project revenues totaled \$54,373.64 and expenditures \$54,306.51 therefore \$68 will be returned to the Water and Sewer Fund. This action will close the Rock Quarry Sewer Outfall project.*
3. *To transfer \$498,400 from the General Fund Other Professional Services line item to the 2014 Bond Referendum project design line item. This transfer is necessary to pay Freese & Nichols for Bond Project Design Services.*

- J. Capital Project Ordinance Amendment Number 6. **(Exhibit VIII.J.)**

1. *To decrease the Loan Proceeds line item in the TDA Parking Deck Capital Project by \$125,000 and the Design line item by \$125,000. Prior to receiving the 3 Million Loan from BB&T \$125,000 was budgeted for the TDA Parking Deck - Design line item to cover expenses. The \$125,000 was not adjusted after the loan was received and therefore it's necessary to adjust the budget now. To decrease the Investment Earnings line item by \$72,000 and the miscellaneous line item by \$72,000. Interest Earnings are not producing what was originally budgeted, therefore the revenues must be adjusted.*

- K. Capital Project Ordinance Number 3. **(Exhibit VIII.K.)**

1. *To accept a \$498,400 transfer from General Government-Professional Services to the 2014 Bond Referendum project Design line item. \$498,400 was originally budgeted in the General Fund to pay Freese & Nichols for design services. However, this budget amendment establishes the 2014 Bond Referendum Capital Project and therefore the revenue and expenditure for Freese & Nichols are now budgeted in the project.*

- L. Grant Project Ordinance Amendment Number 6. **(Exhibit VIII.L.)**

1. *To transfer \$68 of excess revenues from the FEMA storm damage (Rock Quarry Sewer Outfall) Capital project to the Water and Sewer Fund and decrease the Water and Sewer Fund balance line item by \$68. The project revenues totaled \$54,373.64 and expenditures \$54,306.51 therefore \$68 will be returned to the Water and Sewer Fund. This action will close the Rock Quarry Sewer Outfall project.*

IX. Items Removed from Consent Agenda

X. Informational Item

XI. New Business:

A. Public Hearings

1. Public Hearing on the City Manager's FY2015-2016 Recommended Annual Budget. **(Exhibit XI.A.1.)**

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. 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.

This public hearing was advertised in a newspaper having general circulation in the Hickory area on May 22, 2015.

B. Departmental Reports:

1. Authorize Staff to Apply for the US Department of Transportation TIGER Discretionary Grant in the Amount of \$27,500,000. **(Exhibit XI.B.1.)**

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.

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
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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)

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)
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)

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)

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)

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

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)

PUBLIC HOUSING AUTHORITY

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

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

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)

- C. Presentation of Petitions and Requests
- XII. Matters Not on Agenda (requires majority vote of Council to consider)
- XIII. General Comments by Members of Council, City Manager or City Attorney of a Non-Business Nature
- XIV. Closed Session Per NC General Statutes 143-318.11(a)(1)(4) to consult with the attorneys regarding the following: (Action on these items, if any, will occur in Open Session)
 - 1. Approval of Closed Session Minutes of May 19, 2015 - NCGS §143-318.11(a)(1)
 - 2. Discussion of Economic Development - NCGS §143-318.11(a)(4)
- XV. Adjournment

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

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

**The City of Hickory holds all public meetings in accessible rooms.
Special requests for accommodation should be submitted by individuals
with disabilities at least 48 hours before the scheduled meeting.
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, May 19, 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, Deputy City Attorney Arnita Dula, City Attorney John W. Crone, III and City Clerk Debbie D. Miller

- I. Mayor Wright called the meeting to order. All Council members were present.
- II. Invocation by Wil Posey, First Methodist Church
- III. Pledge of Allegiance
- IV. Special Presentations

Mayor Wright recognized Intern Hannah Bumgarner. She is the daughter of David and Tammy Bumgarner, and will be graduating from St. Stephens High School in June. She will be attending Virginia Tech University in the fall. She had been working in the Office of Communications helping Staff with press releases, and taking photographs. Hannah grew up in the City's recreation program and participated in St. Stephens High School volleyball, basketball and track all four years and also lettered in cross-country and indoor track her senior year, making for five sports in one year. She will be running the Charity Chase half marathon on June 7th.

- A. Business Well Crafted Award to CBSA Architects presented by Business Development Committee

Mr. Dave Gissy of the Business Development Committee (BDC) gave a brief history of the Business Well Crafted Award. The BDC was founded to support and promote existing, as well as new businesses. As an extension of that they developed the Business Well Crafted Award to recognize those businesses in our community that have been in the area for 75 years or more. He encouraged citizens to let the BDC know if there is a business that has been in business for 75 years so they may be recognized as well.

Mr. Gissy asked Mr. Ernie Sills, Mr. Marty Beal, Mr. Steve Walker, and Ms. Mickey Shuford (Founder Robert Clemmer's daughter) to the podium. He discussed a brief history of CBSA Architects. The business was established in 1934 by Mr. Clemmer, a Lenoir-Rhyne graduate. They began doing the architectural design for many of the areas well known buildings. They are known for some of the architecture at Lenoir-Rhyne University, Catawba Valley Community College, the First Plaza building, Wachovia, Corning's main office and many other buildings throughout the community. Recently they designed the wheelchair accessible treehouse at the Zahra Baker All Children's Playground. Currently they are working on renovations at Moretz Mill. Mr. Gissy advised that the firm is now comprised of Ernie Sills, Marty Beal and Steve Walker. He advised that it had closed down in World War II, and when it reopened Mr. Clemmer added Mr. Bush. Mr. Sills joined the business in 1968 and Fred Abernathy after that. Recently there was the addition of Marty Beal and Steve Walker. Mr. Gissy advised that Mr. Sills is very active in Rotary and currently President of the Lake Hickory Rotary Club. He discussed his son's experience as an intern with CBSA. His son loved the environment at CBSA and recognized what an outstanding place that it was to work at. Mr. Gissy read and presented the Business Well Craft award to CBSA Architects.

Mr. Ernie Sills commented it was a pleasure having Mr. Gissy's son and having young people around makes you think sometimes. He thanked Council for the award. It takes teamwork. He recognized his Office Manager Wanda Yancey and two of his grandchildren and his wife that were in attendance.

- V. Persons Requesting to Be Heard
 - A. Delores Hammer, Proposed Public Housing Complex on 4th Street SW

Ms. Delores Hammer displayed two renderings during the presentation. Ms. Hammer advised she was a Dentist on 4th Street SW. She was opposed to building a new public housing project on 4th Street SW. She commented that 4th Street is a major thoroughfare into the heart of Hickory and it is a business corridor. Over the last several decades business owners have made a substantial investment on 4th Street by building commercial buildings, starting new businesses there, or by converting residential houses into places of business. She commented that it is a very costly process to change a buildings use from residential to commercial, but this has been done time and again with millions invested. Now there is a proposal to build a three-story residential apartment building on top of a building at the very beginning of 4th Street SW. This structure will tower over one of the main entrances into Hickory, and there are no other three-story buildings along this road. No new homes have been built on 4th Street in over 75 years. The construction of this

project is not in keeping with the commercial nature of this street. She stated that there are 311 public housing units in Hickory and every single one of them are in southeast or southwest Hickory. She pointed this out on the map that was displayed. She commented that the vast majority of them are in southwest Hickory within one mile radius of the proposed site on 4th Street. The present proposal was to move almost 1/5 of these units to 4th Street. She commented that if it is the intent of HUD to scatter public housing than let's scatter it. Why should it be concentrated in one quadrant of the City? Why not give low income residents an opportunity to live in northwest or northeast Hickory? Why not find more sites with fewer units per site? If land cost is a problem then she suggested that the City subsidize the cost of the land and help Hickory Housing purchase land in other quadrants of the City. She is convinced that the money can be found to help with such a purpose. We need to diversify our neighborhoods in all of Hickory, not just southeast and southwest Hickory. Southwest Hickory does have diverse neighborhoods. She commented they have businesses, residences, and public housing. She asked where the diversity was in northeast and northwest Hickory. She commented that Council members could make this happen. Council could create diverse neighborhoods in other parts of the City that we already have. Hickory is moving forward from the loss of industry, manufacturing and a severe recession. She commented that we must endeavor to make positive decisions for all. She asked if anyone considered the impact that this would have on a successful business corridor, or property values and in turn City revenue bases. They want this project directed to another location. They will assist in locating other suitable sites. She asked Council to talk to the people at the Housing Authority, and use their influence so that no public housing project is undertaken on 4th Street SW.

B. Crystal Rogers, Proposed Public Housing Complex on 4th Street SW

Ms. Crystal Rogers advised Council her business is Elite Properties located on 4th Street. She sells commercial and residential property. She has a side passion of restoring historic homes. She has renovated two commercial properties on the street and several in the Green Park area. She has seen it transform from a primary residential area to a quaint, charming, low traffic business corridor that they are really proud of. She commented that in the real estate industry there is three things to consider when you develop or buy a property, location, location and location. She questioned if the property fit aesthetically into the 4th Street quaint, small business corridor. She stated that in her opinion a high rise, high density residential complex of any kind doesn't fit in this area. A practical concern is the project is two and three bedroom units, mostly families, and children. While the buildings are beautiful there 20 feet off of a busy thoroughfare and the main road into Hickory. She discussed the balconies on the apartments and commented that would be where bikes, tricycles and "stuff" would end up being stored. That would be the first thing you see when you come into Hickory. She discussed the aspect of traffic and safety. She commented that 4th Street is already backed up at 5:00 and many of the residents that live there have commented that they can't even backup at 5:00. Adding 300 people, approximately 120 cars is going to speed-up having to widen 4th Street. They realize that it is probably coming, but they hate to speed it up. She discussed safety. When you have an estimated 180 children on a three acre parcel beside of a main thoroughfare how do you keep children out of the street. It is a major safety concern. It is not a safe place for families to live. She questioned how this would affect the end user and is it marketable. She commented that the hardest sell that she could think of was a condo overlooking a thoroughfare. People want to look over a greenspace or a residential area. She supports public housing, growth, and the things that they are trying to do. She commented that it needs to be a few streets back in a safe residential area.

C. Paul Gadd, Proposed Public Housing Complex on 4th Street SW

Mr. Paul Gadd addressed Council as a Property Manager, tenant, and also as a property owner along 4th Street SW. He commented that 4th Street is one of the main business corridors entering into the City. It is mainly improved with offices and retail space. Property fronting along 4th Street is not the proper location for high density apartments. He advised that they reject to the proposal of these apartments to be built by the Hickory Housing Authority only in location. They do not want them fronting on 4th Street. He stated that he had spoken to approximately 30 property owners and numerous tenants on 4th Street. All of them are opposed only to the location. They are not against fair housing nor public housing. A tenant had told him if this was to be a reality than he would continue the existing lease but not renew his lease at the time it expires. He commented that the tenant stated that a high rise building with balconies would have the wrong visual effect. Currently 4th Street is gradually being revitalized. These purchases are large investments and the source is coming from the private sector not from grant money. The change that is currently in place is pleasing to the neighborhood. With these proposed apartments they consider it to be a detriment to 4th Street. Property along the street will experience a slowdown in growth and could began to experience economic obsolescence due to high vacancy, low demand and depressed properties that is currently viable with a promising outlook. The proposed 60 apartment occupancies would be in the range of 300 people. This is approximately 100 people to the acre for 3.23 acres. This is a high density reflecting a negative impact. The buildings are three-stories. There is not a three-story

building in this sector. He referenced the Police Department, MDI and the Capital Bank building being two-stories, and most of the properties along this street are one to one and half story. He advised that the setback is only 20 feet and when you are looking at three-story buildings it is a visual distraction. He stated that it has a different characteristic than the neighborhood along 4th Street. These apartments are intrusive to high density, overbearing, they are not in character and they are out of balance and not homogenous with the neighborhood. They told them they could find other sites, he has identified five sites that are available. All of them are larger ranging from eight acres for \$40,000 up to 15 acres bordering Highway 321 behind Walmart for less than \$170,000. He asked that Council speak to Hickory Housing Authority with their concerns and that they do not sign the contract, which they said had not been signed, and they look elsewhere for property and do so until they find it.

D. Christine Winn, Proposed Public Housing Complex on 4th Street SW

Ms. Christine Winn commented that she was a resident with a business on 4th Street. She is a residential appraiser and has been for 20 years in this area. She stated that the proposed apartment housing project on 4th Street is likely to prove to be detrimental to the existing businesses and future growth of this area. The Hickory area economy continues to struggle with major companies downsizing or relocating offices to other cities. Hickory must rely on small businesses and the growth of such businesses to diversify and create employment demand in the area. The sustained growth on 4th Street over the past several years is an example of small business growth in the area. Entrepreneurs in the area have rehabilitated a declining area in both appearance and patron population. This main artery into the square or "Hickory hub" services plus or minus 10,000 vehicles per day. The proposed housing project is likely to have a negative impact on growth if not reverse it. She understands the need for low income housing and the need for the housing to be centrally located near amenities for potential tenants. However, the negative impact of this type of housing complex cannot be ignored. She was not suggesting that all subsidized housing tenants are criminals, however, the crime rates in these areas are statistically higher. Additionally the appearance of these properties typically declines overtime and can have a negative aesthetic impact on the area as a whole. The southwest Hickory area already has a high concentration of Section 8 housing. Several tenants on 4th Street have already suffered break-ins and minor vandalism. Additional concentration of units in the area is likely to increase these occurrences. A complex such as the one proposed will keep small businesses from considering leasing or buying in the area and halt or reverse growth. Locating the complex in another location, or several other locations will minimize the impact of the housing complex on surrounding properties. It will provide low income housing to potential tenants in other areas of the City and other employment centers where it is not currently available. Hickory needs growth. In her opinion Council cannot afford to approve projects that will detrimentally affect what little sustained growth that we have had over the past several years. In order for Hickory to grow, we must base our decisions and approve projects on the overall impact to the community. She requested Council's support to help protect their businesses. She commented that they appreciate Council's consideration and respectfully requested that alternative sites for this project be considered.

E. Kim Clarke, Proposed Public Housing Complex on 4th Street SW

Ms. Kim Clarke advised that she was the Attorney for Hammer Properties on 4th Street. She stated that there were three specific things that Council could do to help them. Council could use their influence on the Officers and Directors of the Housing Authority to encourage them to find another site for this project. Council has a lot of influence with them not just because the Mayor has appointed the commissioners but also Council has the right to abolish the Housing Authority and thereby have their duties assumed by the City. Council's right to adopt such a Resolution, whether they do so or not, gives Council a tremendous amount of influence over the Housing Authority. She asked Council to use this influence to persuade the Housing Authority to locate its new housing project in a place other than 4th Street. She stated that the Mayor could appoint additional commissioners to the Housing Authority. He could appoint as many four additional commissioners to bring the total to 11. She urged the Mayor to do that. She commented that he would not need to look any further than this room to find four interested people who could think independently and put fresh eyes on this project. She urged the Mayor to take advantage of this opportunity to appoint four more commissioners to the Housing Authority. She commented that the final thing that Council could do to help the concerned citizens of 4th Street, and the most important would be to adopt a Resolution making the budgeting and accounting of the Housing Authority an intrinsic part of the City of Hickory's budget. The General Statutes empower Council to do this. If Council adopts such a Resolution than the Housing Authority would no longer be a public authority, but would be deemed to be a department of the City. Their budget would have to be prepared, submitted, and approved just like any other department's budget. She stated this is important because the Housing Authority has created a non-profit corporation called Unifour Capital Ventures with the same Board members, Officers, and Directors. She questioned why there was a need for two entities. She stated that it was obvious that they are dealing with themselves and that raises a

question of a conflict of interest. Unifour is charged with raising seven million dollars for this project and if successful the rents will be guaranteed by the Federal Government for 40 years. If other criteria are met the project could qualify for nine percent in tax credits which would be almost \$700,000. Forty years of guaranteed rents, a seven million dollar project, \$700,000 in tax credits, all without any degree of oversight all generated due to the mysterious relationship between the Hickory Housing Authority and Unifour Capital Ventures. This project needs independent watching eyes. Council's eyes and the public's eyes. She asked Council to formally adopt a Resolution vying that the Housing Authority's budget be part of the City's budget, thereby making the Housing Authority no longer a public authority but a department of the City and subject to its supervision. She commented if Council does this, then Council and the public will have a greater voice in how southwest Hickory is developed.

Mayor Wright asked if there was anyone else who wanted to speak regarding this subject. No one else requested to be heard.

- F. Steven Ivester, 910 14th Avenue NW, Hickory addressed Council regarding the Cloninger Mill site that would be considered under "Departmental Reports". He congratulated the contributor of the \$900,000 and thanked Outward Bound and the coordinator for their efforts in doing this. He commented that particular piece of land on the corner of the Cloninger Mill site is a gateway to the City and natural part of a park to be located there. He commented that there is no flat land. He was part of the focus group that considered the design of that park. They did not have a solution to a parking problem. They were going to park along the street along the southwest side of the site. He commented that he was not saying that ten acres should be parking, but it is at least level enough that you could have some parking. The will of the focus group was that ten acres would stay a part of the park. The designers ignored all of that. The focus group had questioned why they didn't consider putting that ten acres in as part of the park, and why didn't they consider developing that with the park. He stated that the designer's charter excluded that ten acres. He commented that he hoped Outward Bound would have some contributions on how that park should be configured in addition to providing the money and the change. The whole plan needs to be revisited. He discussed putting that ten acres back creates some level land and space to have some parking besides on street parking on the southwest end. He commented there is no uncertainty about this money. This money can be used to develop that park. He mentioned that people like canoes and kayaks and could travel up and down the waterfront of Hickory just like at Whitewater. Whitewater is now renting canoes on Lake Norman in addition to running people up and down the rapids. He commented on the development that is talked about in the 25 million dollar bond up on the other end of Hickory. He thinks that the combination of what is being planned and the water plant property on the northwest end of the lake, with this Cloninger Mill and the money to make it happen on the east end of the lake, we would begin to be where Hickory is a city on a lake instead of a city with a lake. He urged Council to consider this seriously.

VI. Approval of Minutes

A. Regular Meeting of May 5, 2015

Alderman Seaver moved, seconded by Alderwoman Patton that the Minutes of May 5, 2015 be approved. The motion carried unanimously.

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

B. Special Joint Meeting of May 12, 2015 of Hickory City Council and Parks and Recreation Commission

Alderwoman Patton moved, seconded by Alderman Seaver that the Minutes of the Special Joint Meeting of May 12, 2015 be approved. The motion carried unanimously.

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

Mayor Wright moved, seconded by Alderman Meisner that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

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

May 19, 2015

- A. Approval to Amend the Traffic Ordinance for All On-Street Parking in the 300 Block of 1st Avenue NW from 3rd Street NW Westward to 4th Street NW on the Northside of the Street. (First Reading Vote: Unanimous)
- B. Approval of an Agreement for Consulting Services with Hulsey McCormick & Wallace of North Carolina, LLC for the Lake Shore Lift Station Rehabilitation Project in the Amount of \$24,500. (First Reading Vote: Unanimous)
- C. Approval of an Agreement for Consulting Services with McGill Associates in the amount of \$61,450 for the Geitner Basin Outfall Replacement Project. (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.

Alderman Meisner moved, seconded by Alderwoman Patton approval of the Consent Agenda. The motion carried unanimously.

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

- A. Approved Acceptance of a Donation from Department of Homeland Security.

Hickory Police Department requests approval to accept the donation of three armor vests from the Department of Homeland Security for the Narcotic Unit. The approximate cost of each vest would be \$1,500 for a total of \$4,500. The Narcotics Unit works with Homeland Security on a continual basis and can use the specialty ballistic vests when there is a need to enter a home or business in a possible dangerous situation. These vests are ultra-lightweight and have thin plate carriers providing the ultimate protection and comfort for the officers while he or she is performing his or her job. Hickory Police Department recommends approval to accept the donation of three ballistic vests from Department of Homeland Security for use by the Narcotic Unit.
- B. Approved the Transfer of a Cemetery Deed from Barbara F. Miller and spouse, Glenn E. Miller by and through his Attorney-in-Fact, Randy Allan Miller to James D. Dietz Jr., (Oakwood Cemetery, Section 32, Lot 9, gravesites 001, 002, 005, and 008) (Prepared by Attorney John G. Fuller)
- C. Approved the Transfer of a Cemetery Deed from Barbara F. Miller and spouse, Glenn E. Miller by and through his Attorney-in-Fact, Randy Allan Miller to Arlen DeVenney Nicolls, (Oakwood Cemetery, Section 32, Lot 9, gravesite 007) (Prepared by Attorney John G. Fuller)
- D. Approved the Transfer of a Cemetery Deed from Stephen D. Shores and wife, Susan C. Shores; David H. Shores, and wife, Janet H. Shores; Robert B. Shores and wife, Melanie G. Shores; James W. Shores and wife, Carol E. Anderson to Alvin Godfrey Stout and wife, Nancy Dale Kinney-Stout, (Oakwood Cemetery, Section 46, Block A, Lot Number 3, grave Spaces 2 and 3) (Prepared by Attorney Charles D. Dixon)
- E. Approved the Transfer of a Cemetery Deed from Fred S. Gachet, Jr. and wife, Shirley Ann Gachet to Avis O. Gachet, (Oakwood Cemetery, Section 51, Block B, Lot Nos. 16, 17, and 18, containing 320 square feet more or less) (Prepared by Attorney Susannah L. Brown)
- F. Approved the Transfer of a Cemetery Deed from Barbara F. Miller and spouse, Glenn E. Miller, by and through his Attorney-in-Fact, Randy Allan Miller to John Daniel Huss (Oakwood Cemetery, Section 32, Lot 9, grave sites 003, and 004)
- G. Approved a Proclamation for National American Public Works Week, May 17-23, 2015.
- H. Approved the Special Events/Activities Application Hickory Choral Society (HCS) Pops Concert, Mandy Pitts, Communications Director/Brand Manager, June 7, 2015 from 2:30 p.m. to 8:30 p.m. Sails on the Square Stage in Downtown Hickory.
- I. Approved the Special Events/Activities Application Carolina Orthopaedic Specialists' Oktoberfest 5K Footrace & Fun Run, Robin Lutz, Marketing Director, Carolina Orthopaedic Specialists, October 10, 2015 5:00 a.m. to 11:30 a.m., 76 North Center Street.
- J. Approved the Special Events/Activities Application Human Relations Award Well Crafted Evening Under the Sails, Captain Thurman Whisnant, Hickory Police Department, May 28, 2015 from 4:00 p.m. to 8:30 p.m., Sails on the Square in Downtown Hickory.

- K. Approved the Special Events/Activities Application Hart & Soul 5K, Deena Whitener, Mountain View Elementary PTO, July 18, 2015 from 6:30 a.m. to 11:00 a.m., Hickory Regional Airport, 3101 9th Avenue Drive, Hickory.
- L. Approved the Special Events/Activities Application Schmoozapalooza at Tastin' Tunes & Tomatoes, Lindsay M. Keisler, SVP, Catawba County Chamber of Commerce, June 18, 2015 from 4:00 p.m. to 8:30 p.m., Union Square by the Sails.
- M. Approved on First Reading a Contract with Hickory Metro Convention Center in the Amount of \$2,233 for the Annual Coworker Appreciation Event and Service Awards.

Staff requests approval of a contract with Hickory Metro Convention Center in the amount of \$2,233 to reserve an event date. This event is held annually to celebrate the service given by City employees and to thank them for a "job well-done". There is also a recognition of service milestones, accomplishments and projects throughout the City and a chance to get all coworkers together in a relaxed and celebratory atmosphere. Costs for the event are budgeted. Staff recommends Council's approval of the contract with Hickory Metro Convention Center.

- N. Accepted a Grant Awarded by the North Carolina Department of Transportation in the Amount of \$180,000.

Staff requests approval to accept Grant 36244.33.12.1 awarded by the North Carolina Department of Transportation (NCDOT) in the amount of \$180,000 for future land acquisition and obstruction removal at the Hickory Regional Airport. On November 5, 2013 City Council Approved the Hickory Regional Airport's Transportation Improvement Program submittal for FY2015-2012 to the NCDOT. It included specific future capital project improvements for the airport. Land acquisition and obstruction removal were part of that submittal to allow for a safe glide path for a 600 foot extension of Runway 6. A letter dated March 19, 2015 from NCDOT allocates State funds via Grant 36244.33.12.1 with the State share of \$180,000 and the local share of \$20,000 for land acquisition and obstruction removal. Staff recommends City Council's acceptance of Grant 36244.33.12.1 in the amount of \$180,000 from the North Carolina Department of Transportation.

- O. Approved Citizens' Advisory Committee Recommendations for Assistance through the City of Hickory's Housing Programs.

The following request was considered by the Citizens' Advisory Committee at their regular meeting on May 7, 2015:

- Jackie Robinson, 632 1st Avenue Place SE, Hickory was awarded a City of Hickory's Housing Rehabilitation Loan. The Citizens' Advisory Committee recommends approval for assistance not to exceed \$15,000.00 for repairs to her house. Assistance would be in the form of a 0% interest deferred loan.

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.

Each of the following applicants are 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.

- Jessie Streeter, 1304 9th Avenue SE, Hickory
- Steve Crowder, 844 7th Avenue SW, Hickory
- Debora Jenkins, 2013 13th Avenue NE, Hickory
- Vickesha Lawrence, 1407 16th Avenue NE, Hickory

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

- P. Accepted the Brownfields Area-Wide Planning Grant in the Amount of \$200,000.

The Brownfields Area-wide Planning Grant provides grants of up to \$200,000 to develop a plan for a small area that contains multiple known or suspect Brownfield sites. These plans will typically focus on a neighborhood or district. The plan will focus on the cleanup and reuse of one or more catalyst sites. The City's grant application would focus on an area that generally includes the vicinity of US 70 between US 321 and South Center Street. This area was discussed as a potential focus area by the Brownfields Advisory Group. There is no required match associated with this grant. Staff recommends City Council's approval to accept the Brownfields Area-wide Planning Grant in the amount of \$200,000.

- Q. Approved on First Reading Acceptance of a Cemetery Deed Conveying Exchanged Plots.

In July 1989, Joyce and Turner King purchased two grave plots in Oakwood Cemetery. In October 2000 the King's decided that they needed four connected plots. They exchanged their two plots for tow plots in a four grave block and also purchased the remaining two plots in order to have four total connect plots. The two plots they exchanged were never conveyed back to the City via a Cemetery Deed. Staff recommends Council accept the Cemetery Deed conveying the exchanged plots back to the City of Hickory.

- R. Approved on First Reading the Purchase of 600 Radio Read Water Meters from HD Supply, Inc. in the Amount of \$105,000.

Staff requests Council's approval for the purchase of 600 radio read water meters from HD Supply, Inc. from surplus stock. HD Supply has 600 radio read meters from an order that was cancelled from another customer. These meters match City of Hickory's specifications and Staff has negotiated a price of \$175 each or \$105,000. Annually radio read meters are purchased to replace manual read meters to increase efficiencies by removing a source of human error upon entry and streamlining the reading process by partially automating with available technology. Purchase of these meters will represent an \$8,400 savings for the Public Utilities Department for a regularly purchased commodity from the normal bulk purchase price of \$189 per meter. Staff recommends Council's approval for the purchase of 600 radio read water meters from HD Supply, Inc., in the amount of \$105,000. The meters would be purchased from Water and Sewer Fund Balance.

- S. Approved on First Reading Change Order Number One with Hickory Sand Company, Inc. in the Amount of \$82,410.

The Maple Place Pump Station was constructed in 1988 to provide sanitary sewer service to this residential subdivision by the developers and donated to the City of Hickory. The subdivision is predominantly developed with approximately three or four lots remaining for development. Change order one for the Maple Place Pump Station replacement project consists of nine items related to easement negotiation and unanticipated conditions that have arisen during construction. Included in this change order is \$24,100 for blasting and excavation of 290 cubic yards of rock necessary to install the sanitary sewer line, force main, and water line. All other items are related to easement negotiations (\$15,300) or unanticipated conditions which have arisen through construction activities. The revised contract total to date will be \$302,160. Funds for this change order will be taken from the Water and Sewer Capital Reserve. Staff recommends approval of change order one with Hickory Sand Company, Inc. for construction of the Maple Place Pump station replacement project in the amount of \$82,410.

- T. Approved Modification of Special Events/Activities Application for June and September Sails Original Music Series.

Staff requests modifying the Special Events/Activities Application to allow wineries in the Hickory Metro area to apply to sell locally crafted wine during the Sails Original Music Series on Friday nights in June and September 2015. An agreement between the City and the local winery, as well as a special permit from North Carolina ABC and insurance must be submitted from the winery to the City along with a \$25 fee to serve during a 2015 City sponsored event. Citizens have requested that wine be sold in the roped off area that the City puts up around the Sails on the Square Music Stage, where beer is currently sold and consumed. Staff recommends approval of the modification to allow local wineries in the Hickory Metro to serve locally crafted wine at the Sails Original Music Series on Fridays in June and September between 6:00 p.m. and 8:00 p.m. under the Sails on the Square in Downtown Hickory during the City sponsored event.

- U. Approved on First Reading Grant Project Ordinance Number 8.

ORDINANCE NO. 15-22
GRANT PROJECT ORDINANCE NUMBER 8

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 grant project ordinance is hereby adopted for the duration of this project.

SECTION 1. To amend the NCDOT Division of Aviation-Land Acquisition Grant expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Project	200,000	-
TOTAL	200,000	0

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

FUNCTIONAL	INCREASE	DECREASE
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Restricted Government Revenue-State	180,000	-
Other Financing Sources	20,000	-
TOTAL	200,000	0

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

V. Approved on First Reading Grant Project Ordinance Amendment Number 5.

ORDINANCE NO. 15-23
GRANT PROJECT ORDINANCE AMENDMENT NO. 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
TOTAL	-	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	-
TOTAL	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
TOTAL	-	1,441

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

FUNCTIONAL AREA	INCREASE	DECREASE
	-	-
TOTAL	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.

W. Approved on First Reading Capital Project Ordinance Amendment Number 5.

ORDINANCE 15-24
CAPITAL PROJECT ORDINANCE AMENDMENT NO. 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, 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	-	9,406
Other Financing Uses	9,406	-
TOTAL	9,406	9,406

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

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

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

FUNCTIONAL AREA	INCREASE	DECREASE
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Water and Sewer Capital Project	80,550	-
TOTAL	80,550	0

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

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	80,550	-
TOTAL	80,550	0

SECTION 3. 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.

X. Approved on First Reading Budget Ordinance Amendment Number 19.

ORDINANCE 15-25
BUDGET ORDINANCE AMENDMENT NO. 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	-
TOTAL	8,891	0

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	-
TOTAL	8,891	0

SECTION 2. To amend the Transportation Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Transportation	20,000	-
TOTAL	20,000	0

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

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	20,000	-
TOTAL	20,000	0

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	-
TOTAL	212,550	46,100

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

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	166,450	-
TOTAL	166,450	0

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	-
TOTAL	696,951	0

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
TOTAL	706,357	9,406

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.

IX. Items Removed from Consent Agenda – None

X. Informational Item

XI. New Business:

A. Public Hearings

B. Departmental Reports:

1. Cloninger Mill Property Update/North Carolina Outward Bound School (NCOBS)

Recently the North Carolina Outward Bound School (NCOBS), a nonprofit provider of outdoor and experiential education, approached staff with a request that Council take the 10.1 acres off the commercial market and dedicate the parcel solely for park use. The organization is proposing Council enter into a Declaration of Covenants and Restrictions (“Declaration”) which will conserve the parcel in perpetuity by placing certain covenants and restrictions on the affected property. In exchange for Council entering into the Declaration, NCOBS will make a monetary donation of \$900,000 to be used to develop the property as a park. The proposed donation is not an offer from NCOBS to purchase the property. The City will retain ownership of the property.

City Manager Mick Berry asked the City’s Deputy City Attorney Arnita Dula to the podium to present an agreement between North Carolina Outward Bound School and the City of Hickory as it relates to a donation and Cloninger Mill property.

Deputy City Attorney Arnita Dula advised Council that this is wonderful opportunity, a donation from North Carolina Outward Bound School (NCOBS) to the City of Hickory for the Cloninger Mill property; the 10.1 acres that has been marketed for commercial sale. This will provide a wonderful opportunity for park development in exchange for entering into a Declaration of Covenants and Restrictions on the property. She asked the NCOBS Director of Development, Mr. Dan Leroy to the podium to discuss some information about Outward Bound and how this fits into their particular mission.

Mr. Dan Leroy advised that he would be speaking on behalf of their Executive Director Mr. Whitney Montgomery who could not be present. He discussed what NCOBS is about and why they are interested in this project. He commented that Outward Bound in general is about changing lives through challenge and discovery. Mr. Leroy presented a PowerPoint presentation. Outward Bound is not a program or an organization it is an educational movement. It was founded in Scotland in 1941 by Kurt Hahn. He shared a quote from Kurt Hahn, “There is more in us than we know. If we can be made to see it perhaps for the rest of our lives we will be unwilling to settle for less.” This is the core philosophy of what Outward Bound is about. It is about discovering in each of us what we are truly capable of. Outward Bound forces provide an environment where young people and adults can make that discovery. The NCOBS was founded 1967. They are an independent 501-C3 non-profit. They are chartered by Outward Bound USA, one of 40 Outward Bound Schools in the world. Their first base camp was established in 1967 at Table Rock. Their first administrative headquarters was in Morganton. They are now based in Asheville. He showed images on the PowerPoint showing the kinds of experiences that students have. The outcomes from those experiences are about self-discovery, leadership and teamwork. He advised that it was not only a Staff person but an alumni himself. He went on a course in 1990. He was 15 at the time and it was one of the most formative experiences that he has had in his life. He wouldn’t be doing what he is doing today, or have nearly the success in his life if it wasn’t for that experience. They hear that reliably and consistently from their alumni all of the time.

Mr. Leroy continued the discussion about NCOBS. They work with young adults, and adults as well. Their work involves partnerships with schools, colleges, educational organization, leadership development work with private companies, and a veterans program as well. They work with almost 200 veterans per year that are coming back to their communities from service predominantly Iraq and Afghanistan. They are helping to support a successful transition back into civilian life. These courses are built around a progression that delivers powerful life lessons by encouraging participants to safely and confidently step outside of their comfort zones and travel in spectacular wilderness areas. The natural world is really the site for where these journeys take place. They are based in North Carolina. They have two base camps here in the mountains, and a base camp on the outer banks. They have a base camp in Patagonia, and three base camps in the State of Florida. Their reach is broader than the State of North Carolina even

though this is where they started. Part of the challenge is about working with others. Learning to cooperate with others. Build effective teams. That is where people can discover their ability to lead, and their ability to follow. He showed a photo from the veterans program. The bonding that veterans talk about from their experiences that happens, spending this time in a natural place with fellow veterans, having conversations about their experiences has proven to be very therapeutic to those individuals. This has been one of their most successful programs.

Mr. Leroy stated there is an enormous sense of accomplishment that comes from completing one of these courses that sticks with their students for a lifetime. He discussed the "Four Pillars" of Outward Bound. It is an educational program. The "Four Pillars" were physical fitness, craftsmanship, self-reliance and compassion. These came directly from Kurt Hahn and they are infused into everything they do as a school.

Mr. Leroy discussed why the partnership with the City of Hickory was important to Outward Bound. He advised that he had an opportunity to look into the Cloninger Mill project and had looked at the Master Plan. This is a way for Outward Bound to demonstrate their shared commitment to outdoor recreation with this park. They have an opportunity here to bring the mission of challenge and discovery into the City of Hickory. Which is something that is unique for them and other Outward Bound Schools as well. The park itself is a great demonstration of some of the pillars of Outward Bound. He discussed physical fitness, fitness trails, and mountain bike areas, and all of the different elements. They provide great opportunities for people to recreate but also to challenge themselves and to improve their level of physical fitness. Using the outdoors as a classroom is something that is central to what Outward Bound does. Here is a great opportunity in the City of Hickory to create an outdoor classroom to the benefit of young people and adults for the City. He discussed stewardship of the natural world; you can't experience an Outward Bound course in one of these incredible areas without developing a strong connection and affection for the natural world. The same is true with our city parks. By giving people an opportunity to get out and experience nature, they develop that affection for it and become good stewards of it. Whether it is through an Outward Bound experience or through a city park they believe in enhancing the quality of life in the communities. Parks do that, and they support that.

Mr. Leroy advised that the School will be celebrating their 50th year in their history. This is an enormous opportunity for them to extend and expand their legacy as an institution by being associated with such a positive project in the community. He thanked Council for allowing him to share his information and they are very pleased to have the opportunity to partner with the City on this exciting project.

Ms. Dula discussed the agreement with City Council. She advised that in exchange for a donation of \$900,000 the City is being asked to enter into a Declaration of Covenants and Restrictions. She presented a PowerPoint presentation. The Declaration would be applicable to the 10.1 acres that currently had been marketed for commercial sale and use, as well as the remainder of the larger park parcel. She advised that there were three primary restrictions that would be placed upon the property. Commercial or industrial uses would be prohibited. There could be no additional subdivision of the property other than what exist. There are some parcels located adjacent to the larger parcel that have been set aside for potential residential development, but the actual park property itself could not be subdivided any further. There could be no changes to the topography other than those necessary for erosion control, recreational purposes, establishing, maintaining and repairing trails and attendant structures, construction, maintenance, and repair of drainage ditches and water control structures.

Ms. Dula discussed the rights that would be reserved to the City. The property would be reserved for improvements related to recreational and educational purposes. For example, hiking, biking, camping, picnic areas, etc. The right to dedicate the property or portions to the public use. The right to place accessory structures such as storage buildings for equipment and public restrooms and other similar structures. The right to also have limited commercial leasing ventures. For example a mountain bike rental stand. Parking for visitors and the right to install, maintain, repair, replace, remove and relocate utilities including electric, gas, water, sewer and telecommunications.

Ms. Dula discussed the overall effect of the Covenants and Restrictions that would be placed on the property. The Covenants and Restrictions would not affect ownership. The City owns the property and would continue to do so. However, the property would be conserved as a park in perpetuity. The Covenants and Restrictions do run with the land. They are permanent and binding on the City's

successors and assigns. Ms. Dula advised that the benefits that were being granted to NCOBS are assignable with proper notice from the entity to the City. She advised Council that they had a copy of the full agreement and the map.

Alderman Lail asked if the agreement would allow the City to donate land adjacent to Cloninger Mill for expansion of the right of way.

Ms. Dula questioned a right of way for what purpose.

Alderman Lail commented for the widening of Cloninger Mill Road. Cloninger Mill may have potential to be widened at some point in the future, and or Highway 127. He questioned the clause regarding public use. There is nothing in the agreement regarding right of ways or condemnation.

Ms. Dula advised that the easements were within the park itself. Access to the trails and facilities.

Alderman Lail referenced the "rights" that the City were reserving, "dedication of property for public use". He asked if that would allow the City to dedicate land to NCDOT for the widening of Cloninger at such time as it was funded and appropriate.

Alderman Guess questioned how that would be any different than any other location where NCDOT widens the road and they take what they need to widen the road.

Alderman Lail commented that traffic might be so bad, that residents request some type of relief out there. The City owns the land and would agree to give it to NCDOT, and they would agree to widen Cloninger Mill.

Alderman Guess commented that they might not do it in this case.

Alderman Lail commented that it is a "right" that the City needs to reserve, the right for Cloninger Mill to be widened or Highway 127.

Ms. Dula stated that in its broadest sense number two of section two states "the right to convey public trail easements, or dedicate all or any portion of the property for public use". The language is not so restrictive stating that the public use has to be solely dedicated to park for recreational use. If it is interpreted broadly then it would allow that. That would be a necessity for the traffic flow.

Alderman Lail stated that it would be purely for the public to use, and it wouldn't impact the corpus of the property. It would impact the nature and the character of that remaining as recreational property.

Ms. Dula stated correct.

Alderman Lail commented like the utility rights that are reserved.

Ms. Dula advised similar to that.

Mayor Wright questioned if there was already right of way there.

Alderman Lail did not know.

City Attorney John Crone advised that NCDOT has the right of eminent domain if they wanted to widen that road they could.

Alderman Meisner asked what if the City wanted to widen it for traffic.

Mr. Crone asked if that would fall under public use.

Ms. Dula thought so, it is for the public to travel and to improve or increase traffic flow.

Mr. Crone commented that he would assume that would be in the best interest of the City, community, and the Outward Bound folks to allow better access to the property.

Alderman Lail commented safer.

Ms. Dula commented that it not violative of the restrictions, it is not necessarily a commercial use per se or an industrial use.

Alderman Meisner asked if topographical changes could be made for parking.

Ms. Dula stated yes. She requested Mr. Crone to direct Council how the motion should be handled. She advised that the recommendation was for Council to accept the \$900,000 donation and approve entering into the Declaration of Covenants and Restrictions in exchange for that donation.

Mr. Crone advised that could be one motion to accept the donation and to approve the contract.

Mayor Wright confirmed that Alderman Lail was satisfied.

Alderman Lail commented based on what Ms. Dula had advised and having a general understanding that there was nothing that would expressly prohibit that.

Mayor Wright moved, seconded by Alderwoman Patton.

Mr. Crone asked for clarification that the motion was to accept the donation and approve the contract.

Mayor Wright commented to accept the donation subject to the contract.

Alderman Lail clarified subject to the Declaration of Covenants and Restrictions.

Mayor Wright asked for any other discussions or questions. The motion carried unanimously.

Alderman Lail asked Mr. Berry if the funds were not restricted, if it would be a positive in the fund balance.

Mr. Berry confirmed that is correct.

2. Presentation of City Manager's FY2015-2016 Recommended Budget. (Authorize Public Hearing for June 2, 2015, at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).

The 2015-2016 Recommended Annual Budget will be distributed to City Council as required by law and be available for review in the Office of the City Clerk, Patrick Beaver Memorial Library, Ridgeview Library and the City's website (hickorync.gov)

Mr. Berry discussed the City Manager's Recommended Budget for FY2015/2016 and presented a PowerPoint Presentation. He advised that State law requires that the City Manager recommend a budget and that City Council approve an annual budget. He started his discussion by looking back to where the City had been since 2004. The City had been through a lot of difficult challenges in the local economy and that had impacted the City budget. He discussed some of the highlights. The City is actually down in full-time staff 10 percent over that period of time. The City had hiring freezes and retirement incentives that yielded quite a bit of savings to the City. The departments operate on an ongoing basis of less than full staff. We currently have 51 vacancies and project that we will have approximately 30 vacancies in the coming year. In the current budget six new positions were approved for the new Catawba Waste Water Treatment Plant. That was funded out of the Utility Fund. Those are the only positions in the last several years. Prior to that Staff was added with the ladder company in the Fire Department and in the Police Department approximately ten years ago. The net reduction of employees is actually greater because Staff was added in the public safety departments. The City had also absorbed some State revenue losses. The City had lost \$400,000 in Hold Harmless Funds. Council had strategically moved some of the fee supported departments and functions away from reliance on tax support. The sanitation function in this budget will be 83.5 percent and self-supporting. The Airport is 100 percent funded. As we move forward there are some real exciting things going on but we also have some serious challenges.

Mr. Berry discussed three major aspects of the 15/16 budget: revaluation, the loss of the Business Privilege License, and how the implementation of the bond program is beginning to affect the budget. He advised the City had done a little better than the entire County because the City's drop in value was 6.56 percent, which is 244 million dollar loss in value. The State requires Council look at a revenue neutral rate. When that law was based, the thought was that values would always increase. They wanted the public to know how much the rate could be reduced to be revenue neutral. In this case and the prior revaluation it is the opposite. We have lost value. You calculate a revenue neutral rate that actually increases the tax rate so that you are able to collect the same amount of property

tax. The City had done that and that number is 3.95 cents, so 53.95 cents actually brings in the same amount of revenue as the City is currently getting per the State formula. Revenue neutral is revenue neutral across the entire tax base. It is impossible to look at any individual property owner and parcel and determine that they are revenue neutral. Some may drop more than 6.5 percent, others may not have dropped as much as that and some may have even increased. He advised Council that he was recommending revenue neutral across the entire tax base. He discussed how that would work. Before the revaluation the average residential value in Hickory was \$150,000. At the current tax rate of 50 cents that tax bill would be \$750 per year or \$62.50 per month. Values have gone down, but if you applied the 6.5 percent decrease to the average home value, your home would now be worth \$140,160. Calculate the revenue neutral tax rate of .5395 and you have a slight increase of \$5 per year, because it is not perfectly averaged out. Revaluation is not a budget buster. It can be dealt with a change in the rate to bring the same amount of revenue. However, the loss of Privilege License is a budget buster. The City of Hickory and City Council can only raise revenue that is permitted by the General Assembly. You are only given certain "tools" by the General Assembly to raise revenues. The Business Privilege License had been in place for a number of years. They were primarily a tax that was paid by the big retailers in Hickory and through other communities. They were paying a significant amount of the 1.14 million dollars that was raised each year. Some businesses were exempted and other smaller businesses paid \$50-\$150 per year. That was some of the frustration at the State level. It was an archaic process that had been put in place and added to over years and years. Instead of reforming it they did away with it completely. None of that was State revenue. They did away with that tax which resulted in Council having to deal with that in their budget. Effective July 1st Business Privilege License is no longer available, which is a 1.14 million dollar loss and that equates to a 2.7 cent increase on the property tax.

Mr. Berry recommended Council recover those funds through the property tax rate. He commented that the City offers an extremely high quality of amenities to the residents and businesses that are very valued. He stated that the City had made cuts and reductions to deal with economic changes and State revenue cuts. He stated that it is not possible to absorb a 1.14 million dollar reduction annually without dramatic reductions in the level of service.

Mr. Berry discussed the entire budget. Each of the funds were broken down with a comparison between the current budget 14/15 and the recommended budget for 15/16. He pointed out on the PowerPoint presentation the General Fund was essentially flat, almost exactly the same amount of revenue and expenditure. The Utility Fund was actually looking at a 10 percent increase. The other ancillary funds had some variations in them due to capital and some other things. Those cumulatively are less than 2 percent. Internal Services Funds showed quite a bit of an increase which is driven by the Capital Reserve Funds. He advised that public accounting requires the City to basically double count some of these things. He pointed out the things that were actually funded from the operating funds. In some ways that is moving money into different accounts, and different funds for the way you have to account for them. Of the 6.1 percent increase that was shown in the total budget, it is really the double counting of the utility projects. The City had five and a half million dollars in projects that were both funded in the Water and Sewer Fund and then the money is transferred into the Capital Reserve Fund. The City will actually enter into agreements to build projects and purchase a generator.

Mr. Berry discussed the highlights. A penny on the tax rate has dropped from \$460,000 to \$428,000. He commented that they feel good about sales tax. That is relatively strong. We continue to have a sound contingency of \$650,000. He advised that he was not recommending any new positions. He recommended that the City stay consistent with the pay for performance plan with 2 and 3 percent increases to coworkers based on their annual evaluations. Consistent with Council's longstanding policy we are increasing the various fees throughout the City by .8 percent which is consistent with the 2014 CPI. The same principle stays in effect in the water and sewer rates. He advised that Council had appropriated funds to begin design work on the downtown water and sewer line replacements, and a generator replacement was also scheduled at the water plant which may cost approximately three million dollars. He advised that the Solid Waste Fund is moving to being self-supporting. The City is implementing the single stream recycling that will enable the City to increase the volume and the types of materials that are recycled, and not landfilled. He recommended that the City continue to move in this self-supporting mode and actually increase the monthly solid waste fee from \$16.50 to \$18.50 a month.

Mr. Berry discussed the third major aspect which were the bonds. He advised that currently the City is above the goal of 25 percent, 13.5 million unassigned in the General Fund. He stated that there are pressures on that. He referred to the

flood in 2013. The accounting had been finished with FEMA and the City had initial outlays of a couple of million dollars. The City had gotten some of that back, but the City will end up expending over a half million dollars that will not be reimbursed by FEMA. In the current year's budget Council chose to appropriate, to double the paving budget, \$450,000 out of the reserves. That is in the current budget and is in the 15/16 budget. It is an ongoing expenditure that is being paid for out of reserves.

Mr. Berry advised that Council had entered into a contract with Freese and Nichols to do pre-engineering work, cost estimates, and other work to start getting things ready for the bond project. That had to come out of fund balance because the City doesn't have the bond funds yet. Council had also entered into an agreement with CVYSA two years ago to put the lights out at the soccer complex. The City "booked" the donation that CVYSA will make to the City of \$125,000. Per the agreement they want make that donation to the City until two more years. The auditors have advised that the City can't hold that out as a receivable. When the money comes in you can account for it, but it will have to come out of Fund Balance because it is a revenue that the City is not going to get. Mr. Berry commented that all of these cumulative give pause for concern. This may be the first year that there will be pressure on that 25 percent goal. It is possible that the City may dip below that.

Mr. Berry expressed gratitude to the department heads. He had asked the department heads to be even more mindful of their spending as we close out this fiscal year. Looking into next year there is going to be some pressure on the reserves. There is a number of economic development projects that could require City Council to tap Fund Balance. He commented that there are always these opportunities public/private partnerships. He referenced the Henry Fork lighting, the tennis association, and the Outward Bound donation. We have got good partners that come forward and if the City will match them than they are willing to make a donation to the City. Every time Council does those it is coming out of reserves. We don't really know when those things are percolating out there in the community. Those are items that Council has to take into consideration as they think about their Fund Balance.

Mr. Berry summarized the property tax. He recommended a 56.65 cent tax rate. The current rate is 50 cents. Revenue neutral adds almost 4 cent and replacing the Privilege License is 2.7 cents. The total tax rate would go to 56.65 cents. He reminded Council that this would be the first time in 20 years that Council might adopt a budget with a tax rate increase.

Mr. Berry reiterated the average homeowner is paying currently \$750 per year or \$62.50 per month. The revaluation would take that to \$755 per year or \$63.66 per year. The new value after revaluation on average for a \$140,000 home, tax rate of .5665, tax that bill to \$794 per year or \$66.17 per month. He commented that \$66.17 is what he would recommend as the tax rate. They are currently paying \$62.50 which would be a \$3.67 a month increase in their tax bill and a \$2.00 solid waste increase. This budget on the average home in Hickory would increase their monthly commitment to the City by \$5.67.

Alderman Seaver asked if the County was proposing to raise their property tax too.

Mr. Berry advised that the County Manager is recommending a one penny increase over revenue neutral.

Mayor Wright commented that they are not losing any Privilege License.

Mr. Berry confirmed they are not.

Mr. Lail wanted to discuss Fund Balance. He commented that the contract with Freese Nichols had been appropriated, which is a big number. That is out of this year's fiscal budget, which is not in the rollover budget. He asked if Mr. Berry believed that hitting below 25 percent could happen. He asked when it would bottom out.

Mr. Berry advised that Staff would know definitively by the end of July.

Alderman Lail confirmed that Council would know that the City's Fund Balance was at the 25 percent reserve or not. He asked if Council was appropriating any of the Fund Balance for next year's budget.

Mr. Berry advised that Council was, but they were appropriating a level that was closer to what had been done in the past, which was break even. He advised that includes taking care of the Privilege License, and the tax rate that he had

recommended. But the caveat, he was recommending appropriating Fund Balance of approximately 1.4 million, which is closer to what had been in the past. Mr. Berry has a higher level of expectation of over collecting revenues and under expending will cover that. He advised that what he could not consider yet was any contracts that would come in to do design and engineering work on the bond projects. That is the piece that concerns him and is the unknown.

Alderman Lail asked when the employee evaluations/merit pay increases were done.

Mr. Berry advised that they were done in October.

Alderman Lail commented three to four months into the fiscal year. That is a one hit deal either the two or three percent that one time in October.

Mr. Berry confirmed that was correct.

Mr. Berry asked Assistant to the City Manager Mrs. Yaidee Fox to the podium. He advised that Ms. Fox was the Legislative Liaison and does great work to know what is going on in Raleigh and expressing Staff and Council's opinions to Legislators so that they are aware of how their decisions effect the City. He ask Mrs. Fox to advise Council on what is going on in Raleigh that could become law.

Mrs. Yaidee Fox discussed Bills that fall into the realm of being a part of the budget finance fees appropriation discussions. Even those these Bills have not passed through both chambers they are still being considered and alive in Raleigh. She discussed Senate Bill 369 which actually changes Articles 39 and 42 from point of delivery to per capita over a three year period. Some of the information that the City had received in March from the General Assembly actually said that the City of Hickory would lose 2.5 million dollars if this happened. A lot of that is because some of those projections are based off of population growth. Some of the things that we have seen from the actual State itself say that Hickory will only grow from a time period of 2010 to 2020 would be .8 percent in growth. When you use a formula that is going to have population as a growth a lot of times you are not going to see much growth at all, therefore we are at a loss. Additionally this Bill actually shows that all of the other municipalities and towns in Catawba County are at a loss along with Catawba County.

Mrs. Fox discussed Senate Bill 608, which is Senator Bob Rucho's Bill. It actually converts local government revenues into State revenues. This has actually put more in an actual Bill as opposed to something that could just be done at any point in time. It uses the 13/14 base figure with an increase of only 3.5 percent. She commented that as Mr. Berry had said earlier we are projected currently at six percent sales tax revenue growth. Obviously that would come at a loss for the City. Either way it doesn't look good. She commented that those are some of the factors that are out there with the sales tax redistribution. She commented that she had heard that a lot of the Senate leadership are having some discussions, they are trying to soften the blow to stretch it out a little bit more to where it is not such a dramatic impact on a lot of the local governments. We have not seen those actually figures yet, they are not public.

Mrs. Fox discussed Lincoln County Representative Jason Saine's Bill, House Bill 903. This Bill actually provides the opportunity for counties to levy a quarter cent for public transportation for general purpose without a referendum. It also gives cities a quarter cent sales tax option that they can levy with a Resolution. For the City of Hickory that would be an estimated \$850,000 in revenue. She had a conference call with some of the City's sources in Raleigh although this Bill is currently sitting in the House Local Government Committee, and then it is proposed to go to the House Finance Committee if it is recommended. It is one of the Bills that might be used for negotiations. While you may not see it, it did not fall into the House Bill this week, it may still be up for discussion.

Mrs. Fox advised that Catawba County and Alexander County, Senator Andy Wells has a Senate Bill 700 to limit the sales tax refund on non-profits. This Bill would actually cap the amounts that are refunded and are received by non-profits. For the City of Hickory that would be approximately \$70,000 that would be coming back to us annually. As we look forward to see what happens this week with the House continuing to work through their budget, we are trying to keep track of the different things that are happening and advise Council about them immediately as they continue to work through their budget. Once it goes from the House then it will go to the Senate and there will be some more discussion on that.

Alderman Seaver asked if anyone had mentioned what they did with the 400 million dollars in extra money that had collected this year.

Mrs. Fox commented no.

Mr. Berry commented that there was definitely a "move a foot" in Raleigh to procure sales tax more to the State budget and less to the local budgets. That is some of the models that they have seen in some of the other States that they have talked to. Senator Rucho has told Staff in numerous meetings in the Bills that he is introducing they are basically trying to figure out how to get all of the sales tax to the State and they will replace that with an appropriation to the local governments for a period of time. That is how it always tends to work. Whenever they change your ability to tax they will give you something to tie you over for a few years and then it will go away. There was a lot of conversation about broadening the sales tax last session and including services and other different things, and certainly Senator Well's Bill, starts going into that direction. That is really difficult to do politically. He is not optimistic of that happening. Given what is going on in Raleigh he feels there is going to be more and more a sense of reliance on the property tax for local governments. Any changes to the sales tax would have a huge hit on the City's budget. That is the second most important revenue.

Mr. Berry discussed the schedule that the City was on with Freese and Nichols to have the pre-engineering work done which was September 2015. The project and parameters done by January 2016. By January of 2016 some of the Committees should be ready to come to Council to start designing these project, after Council has approved the scope and are comfortable with "x" million dollars going on each one of these different projects. From a technical standpoint Council can't go to the Local Government Commission and actually borrow money until you have bids in hand. You can't get bids in hand until you have done the design work. Design and engineering are a significant cost of these projects. Council would be looking at the end of this coming fiscal year of being in a position to award some contracts to keep these projects going forward. We are not going to get the bonds to pay for them 6-12 months depending on how long the design and engineering work takes. Council may need to front some of these "soft cost" for bond projects.

Mr. Berry discussed alternatives for Council to consider. Do they want to go ahead and consider a bond tax now? The City does not have debt service payments due, but they could levy an additional penny and levy \$428,000 and start paying for bond projects design and engineering work out of that now. Which would not be enough by itself, but they would be using their reserves but also have a dedicated revenue source coming in to pay for that. Another alternative would be similar, Council would use some of their reserves, but actually go out and borrow some short term borrowing in order to be able to have cash on hand to pay for the design contracts and engineering work. And then Council could payoff that loan and reimburse the reserves, if they chose to, when they do float the bonds, potentially two years from now.

Alderman Guess asked what the requirement was by the State for the reserve.

Mr. Berry commented that the minimum was eight percent. If you are 8percent you are crossing your fingers that every time you pay the employees that no checks are going to bounce.

Alderman Guess questioned how that would affect the bond rating as the City gets closer to 25 percent versus where we are now.

Mr. Berry commented that the financial advisors have advised that you want to have a solid reserve, which we are in that category.

Alderman Guess asked when it was considered not solid.

Mr. Berry advised that the percentages that they use don't marry up to our 25 percent calculation. They have told Staff that the City is within that range. The also look at are you spending your reserves for operating issues. They want to see what do you have in reserves and what is the trajectory of those reserves. Is there potential that you are going to increase or decrease those reserves, and what are you decreasing them for. The history has been great even through the recession, with spending cuts and other adjustments we have actually been adding a little bit to Fund Balance every single year. This may be that tipping point year where you actually might start eating into some of those reserves. We will not know definitely until July when you close out the books and know for a fact how everything was settled up. He sees some of those things that are out there now, that we have not had out there in the past that could actually start eating into the reserves. How much do the bond rating agencies look at that? How much does that weigh in? We just know that it is a factor.

Alderman Guess commented it is not because we are in distress it is because we are projecting that it is for the bond.

Mr. Berry commented that part of it is the Freese Nichols contract, and one time expenditure on the bridges and the storm water damage that we had and didn't get reimbursed for all of it from FEMA. The majority of that is one time funding.

Alderman Seaver commented that the budget is not looking at what the sales tax change could affect.

Mr. Berry commented that he doubts they would actually implement it because they know that we all will be adopting the budgets in June. If they make the change it would be just like they did with the Privilege License and make it effective 15/16 or 16/17 here is what it will be. There is no way to put together a budget having no idea which of these Bills, if any, would pass. They did that with the Business Privilege License, they gave us a year's notice basically.

Mr. Berry concluded the presentation. He advised that the Recommended Budget is available on the web and the presentation in video form would also be available. Council also had an email from the City Clerk with a link to download it to their IPAD's. He requested Council to consider calling for the public hearing on June 2nd to get public input. He expressed serious, heartfelt gratitude to Karen Hurley and Melissa Miller for helping him put the budget together.

Mayor Wright stated that the budget had to be approved by June 30th.

Mr. Berry advised that Council would have to do it in two readings. Typically Council has adopted it on first reading in the first meeting in June and comeback at the second meeting and adopt it on second reading.

Mayor Wright commented if something falls through the roof we have to work it out that night.

Mr. Berry commented yes, or hold a special called meeting.

Alderman Lail commented that it couldn't be approved until the public hearing was held.

Alderwoman Patton moved, seconded by Alderman Zagaroli approval to call for the Public Hearing on the FY2015-2016 Recommended Budget on June 2, 2015. 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 questioned Mr. Berry regarding the "alternative" slide.

Mr. Berry commented that was for Council to think about it and discuss it at the public hearing.

3. Appointments to Boards and Commissions

BOND IMPLEMENTATION COMMISSION

Ward 6 (Alderwoman Patton Appoints) Julie Chang resigned 5-5-2015
(3 year term expires 2-2-2018)

Alderwoman Patton nominated Kimberly George to the Bond Implementation Commission, Ward 6 Representative.

COMMUNITY RELATIONS COUNCIL

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

Caucasian David Walker resigned 3-16-2015
Other Minority Edgar Nucamendi resigned 2-9-15

HICKORY REGIONAL PLANNING COMMISSION

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

(Appointed by City Council)

Burke County (Mayor to Nominate) (Clerk Contacted) Vacant Since 8-6-2008
Brookford (Mayor to Nominate) Vacant Since 6-2006

INTERNATIONAL COUNCIL

(Appointed by Mayor with the Concurrence of City Council)

Alex Mezei Resigned 3-19-2015

(10) Vacant Positions

PARKS AND RECREATION COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 At-Large (2) Susan McDonald resigned 5-2015

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Ward 3 Vacant
 Ward 5 Rhonda Hale resigned 4-20-2015
 At-Large (Mayor Appoints) Vacant

Alderman Zagaroli nominated Casey Gunter to Public Art Commission, Ward 5 Representative

RECYCLING ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Ward 3 Vacant
 At-Large (1) Vacant

Alderman Seaver moved, seconded by Alderman Guess approval of the above nominations. The motion carried unanimously.

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

Mayor Wright requested citizens be notified of the vacancies that would be coming up on the Boards and Commissions at the end of June. He asked if they could be notified possibly in the City Snippets. There are a lot of vacancies coming up and very few applicants.

Mr. Berry advised that Staff could take care of that.

Mayor Wright commented anything that Staff could do to get some people thinking about whether they would like to serve and consider submitting an application. He commented that he would put it on his Facebook and requested that everyone else put it on their Facebook page as well. Anything that could be done to get this information circulated and get some applications in.

C. Presentation of Petitions and Requests

XII. Matters Not on Agenda (requires majority vote of Council to consider)

Alderman Lail moved, seconded by Alderman Meisner that Council open a discussion and possible action to the matters expressed at the beginning of the meeting from the citizens that came from 4th Street. The motion carried unanimously.

Alderman Lail commented that he appreciated the citizens speaking to Council regarding their concerns. He commented that his understanding was that the City has zoning authority as it relates to that particular piece of property. This particular use was not a rezoning before Council. It would not as a matter of practice come before Council for approval or disapproval. He heard Ms. Kim Clarke make some rather pointed recommendations of things that Council could do. Which included adopt a Resolution to bring the Hickory Housing Authority under the City's budget and to revoke charter. Alderman Lail wanted to be clear that those things may or may not be available to Council under General Statutes. He would not be in favor of moving in that direction for the City, that the Housing Authority be under the City budget.

Alderman Meisner commented that it was at one time.

Mr. Berry commented that it would have been a long time ago if it was.

Alderman Meisner commented that there are various reasons why it is not. They brought up some good points about traffic and safety. Dr. Hammer had commented on some money put in, but the City has no money in this at all. He didn't feel that it would be out of line to ask the Housing Authority if they have looked at other sites. Certainly to preserve our corridor. They can put that building right there without going through City Council.

Alderwoman Patton commented that when the Public Housing Authority had previously spoke to Council last fall regarding the dispersion of public housing, this does the opposite. It was not what she understood last fall was the direction that HUD was going. They were going for the vouchers to disburse this so they could have the opportunity to go northeast, northwest, or anywhere in the City so that we did not have that concentration. This seems to go in reverse of what Council was presented with last fall. She would like to have some communication from the Housing Authority of what made them make this switch. She would like to know of why they have decided this. If they want to reduce the total number of units available, if they tear down but are buying more property it

seems they are taking on more debt, but will have extra property available that they could just reuse. If they are just going to keep the same philosophy of public housing rather than dispersion.

Alderman Guess asked if would be advantageous to have this group, and anyone else who has concerns to direct their concerns directly to the Housing Authority. He felt that the Housing Authority would be the first step and did not know if that had been done or not. But that would be the obvious, and that could be something they could work out amongst themselves and Council would not have to have any input into it. He asked if anyone knew if that had been done.

Mayor Wright commented that had been recommended, but he did not know if that had been done yet.

Alderman Lail commented that this didn't strike him as something that could reach compromise. He would encourage them to do that.

Alderman Guess commented that Council should give it the opportunity. He recommended that be the first step. Council can't just say that it is unlikely that they would compromise.

Alderman Seaver commented not knowing the reason for that, but it might boil down to the money that it is going to cost to buy a place to build public housing in. Buying separate spots all around town to put three or four units is going to cost more in the long run.

Mayor Wright commented that he had not had contact with the Public Housing Authority in many months. His understanding was the objective across the country was to disburse public housing much more broadly than it is now. There is no move to make smaller units. The objective as he understood it was to mix public housing with partially subsidized housing and with market rate tenants.

Alderman Guess commented that is what their presentation to Council was about.

Alderwoman Patton commented that it would return it back to the public sector.

Mayor Wright commented that the borrowing were to be guaranteed by the Federal Governments pledge to pay the rents in an amount sufficient to cover it. He believes that they view this as dispersion of public housing.

Alderman Lail commented that he did not know if Council would consider this to be dispersive of public housing. The real intent is to privatize and to get away from public housing. Short of what Kim Clarke said that Council's options are Council can't really exercise without laying down the hammer much authority over the Hickory Housing Authority. He is not willing to lay down the hammer like Ms. Clarke suggested.

Mayor Wright commented that Council didn't have much authority to deal with HUD. That was shown by trying to get our \$520,000 back that the poor people of Hickory deserved that is going up to Washington. We couldn't get it back.

Alderwoman Patton wanted Council to have a better understanding of the Housing Authority of where they are going with this plan versus what Council was presented with last fall. She would like to have an update from them considering what was heard tonight versus what they told Council last fall of the whole thing being at the private sector. It would span all over Hickory and be of benefit to everyone for that diversity in every area of town. This doesn't seem to be going toward those objectives at all.

Mayor Wright commented that it may be going toward privatization. He heard from Ms. Hammer that they were raising seven million dollars in debt.

Alderwoman Patton commented and it is the same group, this other non-profit. She just wants to understand that.

Mayor Wright commented that there is nothing improper about any of them being involved with any non-profit. Whether it means that they have to resign from the Housing Authority Board to do that he wouldn't know. He asked what Council would have to do to get some clarification on this. Council could just say that they are not going to have anything to do with it and let the dust settle. He felt that Council ought to know what is going on, whether they were going to do anything or not.

Alderman Lail felt that Council needs to go into it with eyes wide-open. Council does not have regulatory oversight, or financial oversight. Council has zoning authority with regards to where this goes, but it meets the zoning ordinance. To the extent that Council needs to be informed about the Hickory Housing Authority's plans as it relates what was presented in August. In the context of, is this a good decision, he didn't know if that was a worthwhile discussion for Council because they have limited options.

Mayor Wright commented that needs to be worked out between the residents, the Housing Authority and HUD. Unless there is in fact some reason that Council has authority to do something.

May 19, 2015

He hasn't heard that Council has the authority within the normal context of our relationship with that group to do anything.

Alderman Guess commented that this is all being driven by the Federal Government.

Mayor Wright commented that it is being driven by the Federal Government but they throw out these opportunities for people to get huge grants to go down this road, and then they don't approve the grants. Mayor Wright did not know where it stands. Maybe in Hickory people are getting ahead of the curve on it. Why is HUD giving out these big grants but not everybody is getting those grants.

Alderman Guess commented there are still a lot of questions.

Mayor Wright commented that he would be willing to meet with them again with Mr. Berry, Mr. Leonetti, or another Council member.

Mr. Berry advised that would be up to Council what they would like to do.

Alderwoman Patton commented that Council needs to have that understanding where the Housing Authority's mindset is and why they are moving in this direction versus what Council was presented with last fall.

Mayor Wright suggested another public meeting like they had last time to let them explain, not to Council's satisfaction, but to the satisfaction of the citizens of Hickory.

Alderman Guess suggested an update. Having the new information that they have now from these concerned citizens have the Housing Authority come in and give an update.

Alderman Zagaroli commented that the direction has changed from what they were aware of last time.

Mayor Wright commented that he didn't think that they believed the direction had changed.

It was the general consensus of Council to get clarification from the Housing Authority.

Alderman Lail commented that eyes wide-open Council doesn't have any way to approve or disapprove of this particular project.

Mayor Wright questioned if Council wanted to have another joint meeting or have them come in and address these issues. Does Council want to sponsor a forum for both sides to talk?

Alderwoman Patton and Alderman Guess agreed on an update to give Council clarification and to make a decision if Council needs anything further.

Mayor Wright confirmed an update from the Housing Authority.

Alderman Guess commented that he was sure that they were aware of these concerns from the people that were here tonight.

Alderwoman Patton moved, seconded by Alderman Guess to ask the Housing Authority to come give an update on their plans for the future of public housing based on recent concerns. The motion carried unanimously.

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

XIII. General Comments by Members of Council, City Manager or City Attorney of a Non-Business Nature

Mayor Wright recognized Boy Scout Daniel Brodie from Scout Troop 250.

Mayor Wright commented that he had noticed a lot of paving. Some roads out there are getting very smooth and he hopes that he starts hearing about that.

Mr. Berry recognized incoming Assistant City Manager and CFO Rodney Miller. Mr. Miller starts June 8th and was in attendance to start getting up to speed about the great things going on in Hickory. We are excited to have him added to the Staff.

Council welcomed Mr. Miller back.

XIV. Closed Session Per NC General Statutes 143-318.11(a)(1)(3) to consult with the attorneys regarding the following: (Action on these items, if any, will occur in Open Session)

Alderwoman Patton moved that Council go into closed session to consult with the attorneys to discuss the items below, seconded by Alderman Seaver. The motion carried unanimously.

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

1. Approval of Closed Session Minutes of May 5, 2015 - NCGS §143-318.11(a)(1)
2. Discussion of Pending Litigation – Willie James Grimes vs City of Hickory et. al. File No. 5:14-CV-160 - NCGS §143-318.11(a)(3)

At approximately 8:55 p.m. Council convened to Closed Session.

At approximately 9:14 p.m. Council reconvened to Open Session.

Alderman Guess moved, seconded by Alderwoman Patton approval of an engagement agreement with the law firm of Cranfill, Sumner & Hartzog, specifically with Pat Flanagan to defend Chief Tom Adkins in the Grimes vs. City of Hickory, et. al. complaint subject to a reservation of rights should a determination be made there is available insurance coverage for him. The motion carried unanimously.

Alderwoman Patton moved, seconded by Mayor Wright to indemnify, defend, and hold harmless Chief Tom Adkins should there be a judgment against him provided there is no finding of willful misconduct or willful violation of any laws on his part. The motion carried unanimously.

- XIV. There being no further business, the meeting adjourned at 9:18 p.m.

Mayor

City 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: May 21, 2015

Re: Call for Public Hearing for the Consideration of Rezoning Petition 15-01

REQUEST

Call for public hearing for the consideration of Rezoning Petition 15-01. The public hearing would be held on June 16, 2015.

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

Staff finds the Rezoning Petition 15-01 to be consistent with the Hickory by Choice 2030 Comprehensive Plan, and recommends approval. The Hickory Regional Planning Commission is scheduled to conduct a public hearing to consider this petition at its May 27, 2015 meeting.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

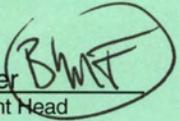
Yes

No

LIST THE EXPENDITURE CODE:

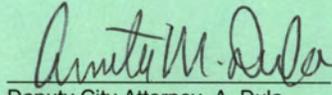
Reviewed by:

Brian M. Frazier
Initiating Department Head



5/21/2015
Date

Deputy City Attorney, A. Dula

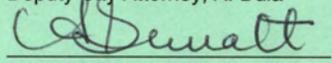


5-26-15
Date

Asst. City Manager, W. Wood

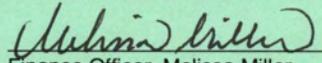
Date

Asst. City Manager, A. Surratt



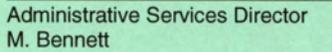
5-28-15
Date

Finance Officer, Melissa Miller



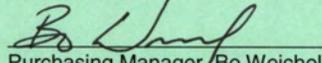
5-26-15
Date

Administrative Services Director
M. Bennett



Date

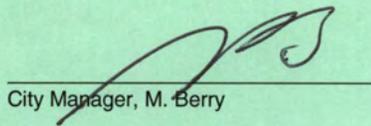
Purchasing Manager, Bo Weichel



5-27-15
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 ft²) (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 ft² 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.

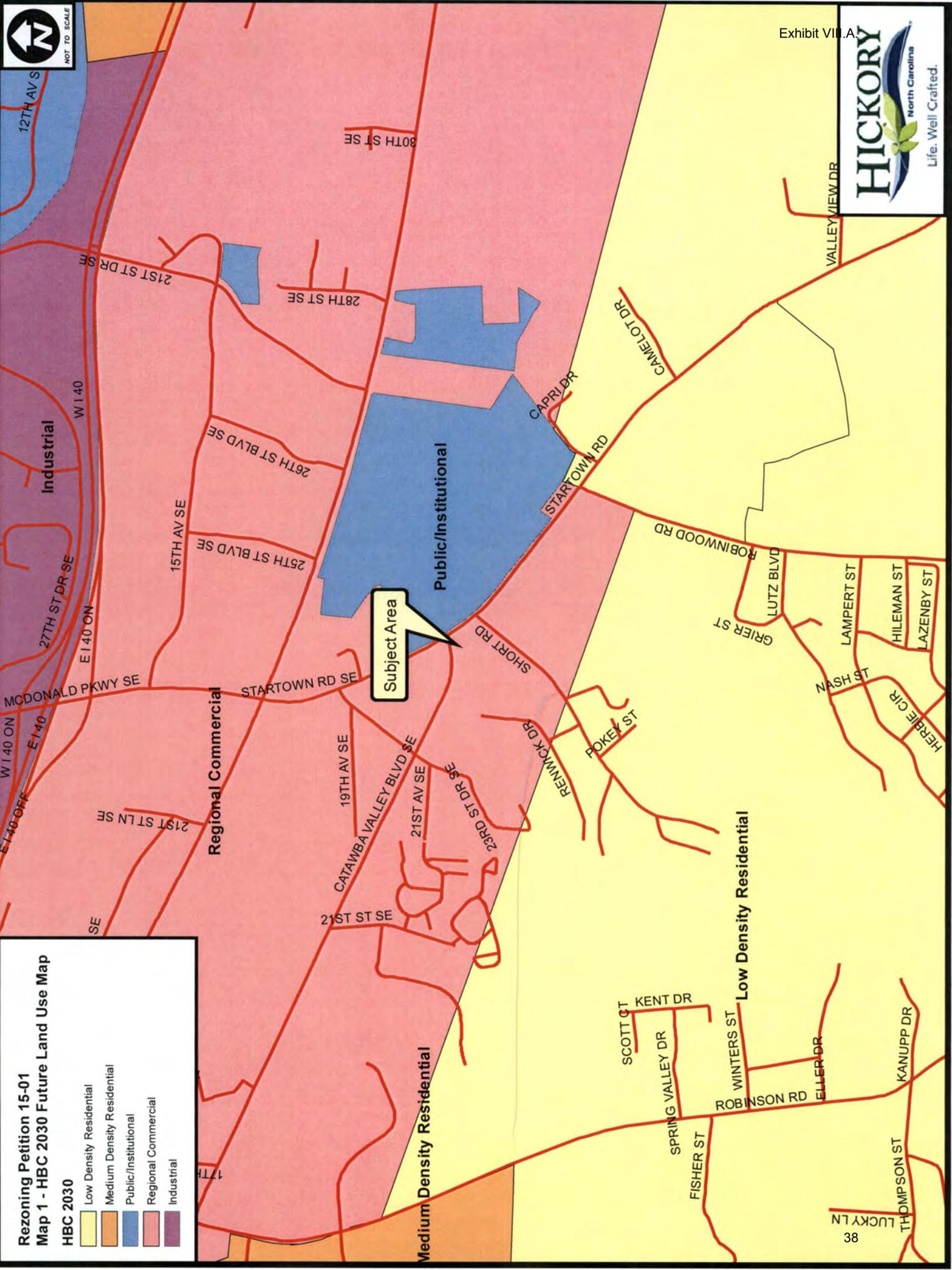
RECOMMENDED ACTION:

Staff finds Rezoning Petition 15-01 to be consistent with the Hickory by Choice 2030 Comprehensive Plan, and recommends the following:

1. The Hickory Regional Planning Commission adopt a statement affirming the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan; and
2. Forward a recommendation of approval to the Hickory City Council.

PROTEST PETITION/CITIZEN INPUT:

Staff has not received any inquiries regarding this rezoning petition.



Subject Area

Rezoning Petition 15-01
Map 1 - HBC 2030 Future Land Use Map

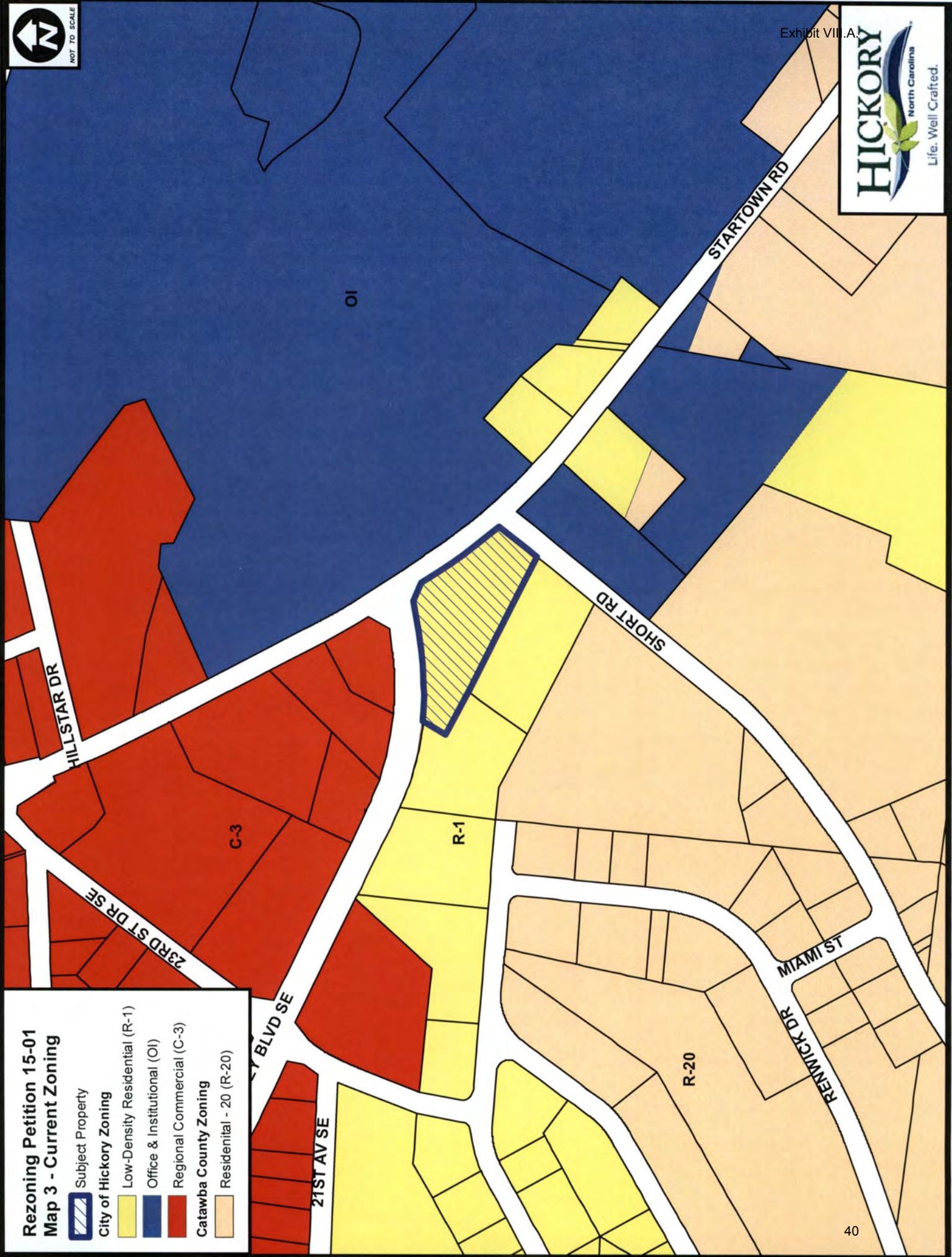
HBC 2030

Low Density Residential
Medium Density Residential
Public/Institutional
Regional Commercial
Industrial



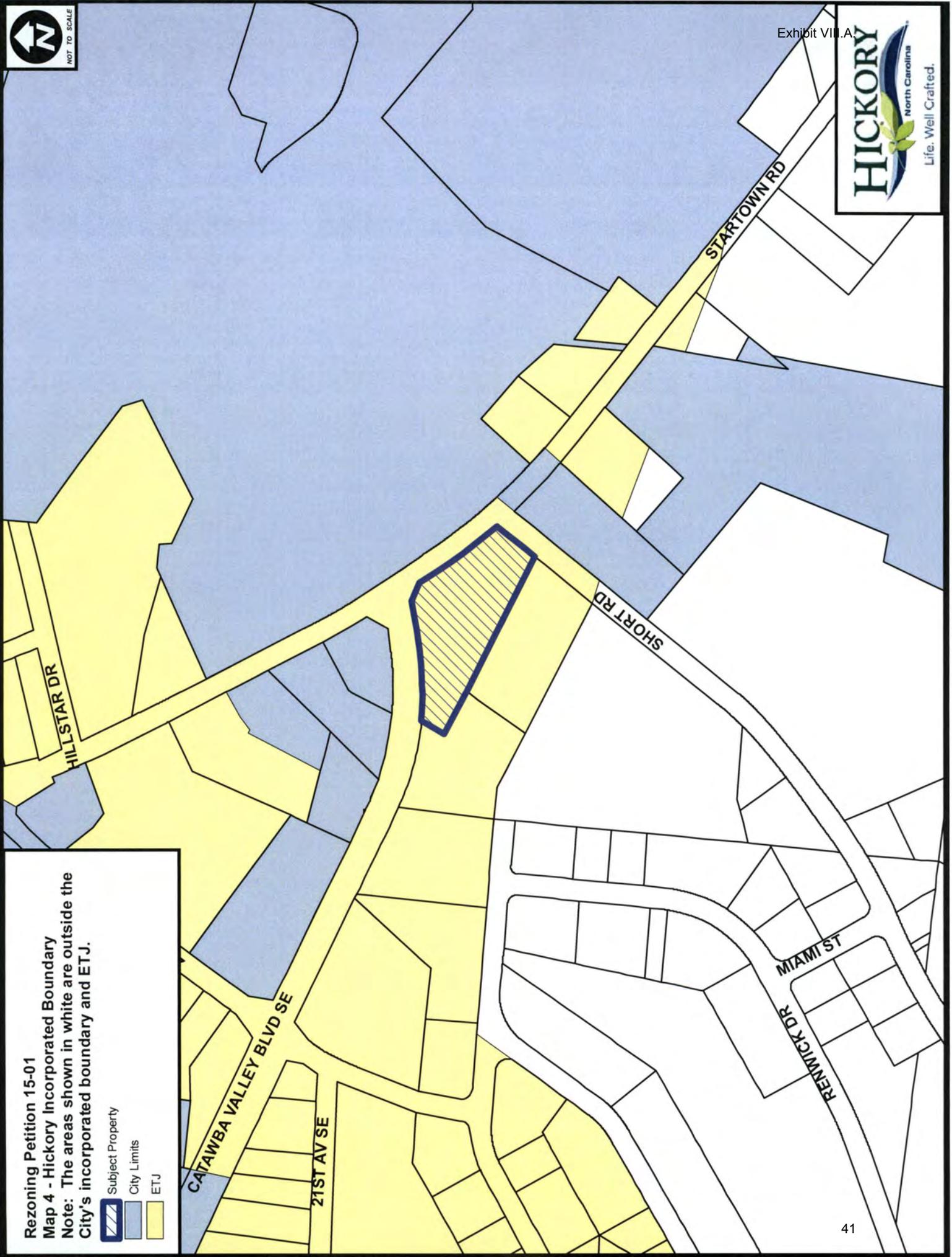
CVCC

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

2

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Police Department
Contact Person: Captain Thurman Whisnant
Date: May 18, 2015
Re: Request Approval to Apply for a 2015 Justice Assistance Grant (JAG) to Purchase Additional Officer Body-Worn Cameras and Digital Video Evidence Management Services

REQUEST: Hickory Police Department requests permission to use funds from the 2015 Justice Assistance Grant (JAG) to purchase 12 additional body-worn cameras, hardware, hardware service/replacement, and digital evidence management storage.

BACKGROUND: City of Hickory and Catawba County have received notification of approval to receive a combined allocation of \$32,455.00 under the 2015 Justice Assistance Grant Program. The JAG Program is a formula-based grant through the Office of Justice Programs/Bureau of Justice Assistance (BJA) that utilizes Uniform Crime Reporting statistics of all law enforcement agencies to determine eligibility for direct federal grant awards. Cities and counties are required to submit joint applications for the available funding. Catawba County is eligible for a direct award of \$12,900.00 and the City of Hickory is eligible for a direct award of \$19,555.00. There is no match required. The City of Hickory has agreed to serve as lead agency in the grant application process.

ANALYSIS: To date, the police department has 90 body worn cameras. There are currently 27 officers who do not have body worn cameras. These officers serve as plain clothes investigators or HPD administration staff. With additional body worn cameras, these officers would be issued and wear the body worn cameras when in uniform and performing uniform officer duties. With grant funds the police department can purchase 12 additional body worn cameras. The body-worn cameras will allow officers to capture video anywhere he or she is located and would capture more events than the in-car video camera will capture. The body-worn cameras would afford the police department a more efficient way to collect, store, and manage digital video evidence footage of officer's interactions. This will be beneficial not only for court preparation but also for investigating the credibility and/or accuracy of complaints. The presence and visibility of body-worn video cameras worn by officers can sometimes deescalate emotionally stressful situations. The TASER AXON camera system combined with the EVIDENCE.com digital evidence solution is the current vendor for HPD's body worn camera solution.

RECOMMENDATION: Hickory Police Department recommends approval to apply for the JAG grant to purchase 12 additional body worn cameras, hardware, service, and digital evidence management solution in the amount of \$19,555.00 and to serve as lead agency in the grant process for a combined amount of \$32,455.00.

2015 NORTH CAROLINA LOCAL JAG ALLOCATIONS

Listed below are all jurisdictions in the state that are eligible for FY 2015 JAG funding, as determined by the JAG formula. For additional details regarding the JAG formula and award calculation process, with examples, please refer to the updated JAG Technical report: <https://www.bja.gov/Publications/JAGTechRpt.pdf>. For JAG Frequently Asked Questions, please refer to BJA's JAG webpage: <https://www.bja.gov/Funding/JAGFAQ.pdf>.

Finding your jurisdiction: (1) Disparate jurisdictions are listed in shaded groups below, in alphabetic order by county. (2) Eligible individual allocations are listed alphabetically below the shaded, disparate groupings. Counties that have an asterisk (*) under the "Eligible Individual Allocation" column did not submit the level of violent crime data to qualify for a direct award from BJA, but are in the disparate grouping indicated by the shaded area. The JAG legislation requires these counties to remain a partner with the local jurisdictions receiving funds and must be a signatory on the required Memorandum of Understanding (MOU). A sample MOU is provided online at: <https://www.bja.gov/Funding/JAGMOU.pdf>. Disparate jurisdictions do not need to abide by the listed individual allocations, which are provided for information only. Jurisdictions in a funding disparity are responsible for determining individual amounts within the Eligible Joint Allocation and for documenting individual allocations in the MOU.

State	Jurisdiction Name	Government Type	Direct Allocation	Joint Allocation
NC	ALAMANCE COUNTY	County	*	
NC	BURLINGTON CITY	Municipal	\$34,236	\$34,236
NC	BUNCOMBE COUNTY	County	\$12,112	
NC	ASHEVILLE CITY	Municipal	\$38,322	\$50,434
NC	CATAWBA COUNTY	County	\$12,900	
NC	HICKORY CITY	Municipal	\$19,555	\$32,455
NC	CLEVELAND COUNTY	County	*	
NC	SHELBY CITY	Municipal	\$11,354	\$11,354
NC	CUMBERLAND COUNTY	County	\$45,005	
NC	FAYETTEVILLE CITY	Municipal	\$99,409	\$144,414
NC	DAVIDSON COUNTY	County	*	
NC	THOMASVILLE CITY	Municipal	\$11,324	\$11,324
NC	DURHAM COUNTY	County	*	
NC	DURHAM CITY	Municipal	\$142,255	\$142,255
NC	FORSYTH COUNTY	County	\$22,561	
NC	WINSTON-SALEM CITY	Municipal	\$132,711	\$155,272
NC	GASTON COUNTY	County	\$16,403	
NC	GASTONIA CITY	Municipal	\$41,620	\$58,023
NC	GUILFORD COUNTY	County	\$12,463	
NC	GREENSBORO CITY	Municipal	\$129,325	
NC	HIGH POINT CITY	Municipal	\$49,967	\$191,755
NC	LENOIR COUNTY	County	*	
NC	KINSTON CITY	Municipal	\$23,904	\$23,904
NC	MECKLENBURG COUNTY	County	*	
NC	CHARLOTTE CITY	Municipal	\$441,241	\$441,241
NC	NASH COUNTY	County	*	
NC	ROCKY MOUNT CITY	Municipal	\$55,950	\$55,950

NC	NEW HANOVER COUNTY	County	\$14,068	
NC	WILMINGTON CITY	Municipal	\$57,410	\$71,478
NC	PITT COUNTY	County	\$14,681	
NC	GREENVILLE CITY	Municipal	\$35,929	\$50,610
NC	ROWAN COUNTY	County	\$11,704	
NC	SALISBURY CITY	Municipal	\$20,343	\$32,047
NC	SCOTLAND COUNTY	County	*	
NC	LAURINBURG CITY	Municipal	\$14,535	\$14,535
NC	VANCE COUNTY	County	*	
NC	HENDERSON CITY	Municipal	\$15,994	\$15,994
NC	WAKE COUNTY	County	\$16,461	
NC	RALEIGH CITY	Municipal	\$151,390	\$167,851
NC	WAYNE COUNTY	County	\$12,550	
NC	GOLDSBORO CITY	Municipal	\$27,377	\$39,927
NC	WILSON COUNTY	County	*	
NC	WILSON CITY	Municipal	\$21,656	\$21,656
NC	BRUNSWICK COUNTY	County	\$11,324	
NC	COLUMBUS COUNTY	County	\$10,536	
NC	CRAVEN COUNTY	County	\$10,624	
NC	HARNETT COUNTY	County	\$22,153	
NC	IREDELL COUNTY	County	\$13,543	
NC	JACKSONVILLE CITY	Municipal	\$11,733	
NC	JOHNSTON COUNTY	County	\$10,069	
NC	LUMBERTON CITY	Municipal	\$35,345	
NC	MONROE CITY	Municipal	\$13,134	
NC	NEW BERN CITY	Municipal	\$13,367	
NC	ONSLow COUNTY	County	\$13,893	
NC	RICHMOND COUNTY	County	\$12,550	
NC	ROBESON COUNTY	County	\$44,451	
NC	STATESVILLE CITY	Municipal	\$18,679	
NC	STOKES COUNTY	County	\$11,937	
NC	UNION COUNTY	County	\$18,621	
NC	WILKES COUNTY	County	\$11,149	
	Local total		\$2,049,823	

STATE OF NORTH CAROLINA

COUNTY OF CATAWBA COUNTY

KNOW ALL BY THESE PRESENT

**INTERLOCAL AGREEMENT
BETWEEN THE COUNTY OF CATAWBA AND CITY OF HICKORY**

2015 BYRNE JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AWARD

THIS AGREEMENT is made and entered into this 2th day of June, 2015, by and between THE COUNTY of CATAWBA, acting by and through its County Manager, hereinafter referred to as COUNTY, and the CITY of HICKORY, acting by and through its City Manager, hereinafter referred to as CITY, both of Catawba County, State of North Carolina, witnesseth:

WHEREAS, this Agreement is made under the authority of North Carolina General Statutes 153A-211, 160A-288: and

WHEREAS, each governing body, in performing governmental functions or in paying for the performance of governmental functions hereunder, shall make that performance or those payments from current revenues legally available to that party: and

WHEREAS, we are certified as a disparate jurisdiction by JAG definitions, and each governing body finds that the performance of this Agreement is in the best interests of both parties, that the undertaking will benefit the public, and that the division of costs fairly compensates the performing party for the services or functions under this agreement: and

WHEREAS, the CITY agrees to provide the COUNTY \$12,900, representing the COUNTY direct JAG allocation, the CITY direct allocation is \$19,555 of TOTAL \$32,455 joint eligible allocation JAG funds: and

WHEREAS, the COUNTY and CITY believe it to be in their best interests to reallocate the JAG funds.

NOW THEREFORE, the COUNTY and CITY agree as follows:

Section 1.

CITY agrees to pay COUNTY a total of \$12,900 in JAG funds.

Section 2.

County agrees to use \$12,900 JAG funding for the purchase of equipment to be used in force-on-force active shooter response training for officers. CITY agrees to use \$19,555 JAG funding for the purchase of 12 body worn cameras.

Section 3.

Nothing in the performance of this Agreement shall impose any liability for claims against CITY other than claims for which liability may be imposed by the North Carolina Tort claims Act.

Section 4.

Nothing in the performance of this Agreement shall impose any liability for claims against COUNTY other than claims for which liability may be imposed by the North Carolina Tort claims Act.

Section 5.

Each party to this agreement will be responsible for its own actions in providing services under this agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

Section 6.

The parties to this Agreement do not intend for any third party to obtain a right by virtue of this Agreement.

Section 7.

By entering into this Agreement, the parties do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create any rights in any party not a signatory hereto.

Section 8.

Lisa Drum from CITY in cooperation with Susan Branch from COUNTY are authorized to act as agents for the managers for purposes of submitting the application online. The CITY will serve as the applicant/fiscal agent for these joint funds.

CITY OF HICKORY, NORTH CAROLINA

COUNTY OF CATAWBA, NORTH CAROLINA

Mick Berry, City Manager

J. Thomas Lundy, County Manager

ATTEST:

ATTEST:

THIS INSTRUMENT has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act as amended.

Date: _____

Rodney Miller, Director of Finance

APPROVED AS TO FORM:

Date: _____

Debra Bechtel, County Attorney

To: City Manager's Office

From: Mack McLeod, Parks and Recreation Director

Contact Person: Mack McLeod

Date: May 20, 2015

Re: Agreement with Alfred Benesch & Company (formerly known as Site Solutions) to Update Park Master Site Plan for the Cloninger Mill Property

REQUEST

Consideration and approval of an agreement, in the amount of \$9,450.00, with Alfred Benesch & Company (formerly known as Site Solutions) to update the park master site plan for the Cloninger Mill property

BACKGROUND

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 the approximately 75 acre Cloninger Mill property, excluding 10.1 acres that had been set aside for the eventual sale and development for commercial purposes, and approximately 1.9 acres that had been set aside for the eventual sale and development of residential lots. The proposed 63 acre Cloninger Mill park master site plan was accepted by both the Parks and Recreation Commission and City Council in March of 2009. The 10.1 acre commercial tract has been marketed for commercial sale, at a selling price of \$900,000, for several years with limited offers being made. The North Carolina Outward Bound School approached the City of Hickory with a \$900,000 donation offer to remove the 10.1 acres off of the commercial market and dedicate the parcel solely for park use. Both entities have entered into a declaration of covenants and restrictions which preserves the 10.1 acre parcel as park property in perpetuity and prohibits its development for any future commercial or industrial purposes.

ANALYSIS

This agreement provides for design services to incorporate the additional 10.1 acres into the overall park master site plan that was first completed in 2009. The planning process for the master plan update will include meetings with both city staff and the Parks and Recreation Commission to gather input on potential recreational uses for the additional park acreage. Utilizing this information, the existing park master plan will be revised. The entire 2009 master plan will not be totally redone. The majority of the site plan will remain intact. The planning efforts will be focused on utilizing the 10.1 acre outparcel and making whatever minor adjustments to the existing plan that may be required. As part of the park master site plan update, the site development costs for the entire park will be updated. The updated master plan document will then be able to be utilized to seek North Carolina Parks and Recreation Trust Fund grants for eventual park development. The \$9,450.00 in compensation to Alfred Benesch & Company is itemized as follows: 1) Project Start Up/Information Gathering = \$3,200; 2) Concept Development/Review = \$2,500; 3) Presentation to the Parks and Recreation Commission = \$1,250; 4) Document Update = \$2,500. The funds necessary to prepare the park master site plan are contained within the Parks and Recreation Department's current budget.

RECOMMENDATION

Staff recommends approval of the agreement with Alfred Benesch & Company (formerly known as Site Solutions), in the amount of \$9,450.00, to update the park master site plan for the Cloninger Mill property.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE: 010.6200.563.46.07

Reviewed by:

Mack McLeod MM 5.20.15

Initiating Department Head

Date

Deputy City Attorney, A. Dula

Date

Asst. City Manager, W. Wood

Date

Asst. City Manager, A. Surratt

Date

Finance Officer, Melissa Miller

Date

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



Alfred Benesch & Company
2320 West Morehead Street
Charlotte, NC 28208
www.benesch.com
P 704-521-9880
F 704-521-8955

May 20, 2015

Mr. Mack McLeod
Director
Hickory Parks & Recreation Department
1451 8th Street Drive NE
Hickory, NC 28601

RE: Cloninger Mill Park Master Plan Update
Proposal for Design Services

Dear Mack:

We are pleased to hear the City is considering development of Cloninger Mill Park and appreciate the opportunity to work with you on updating the master plan that was developed in 2009. Based on our telephone conversation, it appears the City will not be selling the 10 acre parcel at NC 127 and Cloninger Mill Road. The final master plan needs to be updated to show park use of this area.

The planning process for this master plan update will include meetings with staff and the Parks and Recreation Commission (to be held on the same day). It is envisioned we will meet once with staff and the Advisory Commission to gather input on potential recreational uses for this new area of the park. Utilizing this input, we will revise the existing master plan.

We will submit out proposed revisions/update to City staff for review and comment. With staff approval, we will meet with the Parks and Recreation Commission a second time to present the updated master plan.

In addition to the updated master plan (site plan), we will update the entire master plan document. This will allow you to use this document as a PARTF site specific master plan. As part of the master plan update, we will update the site development cost for the entire park.

It should be noted, we do not envision this as a total rework of the 2009 master plan. The majority of the site plan will remain intact. Our planning efforts will be focused on utilizing the 10 acre outparcel and making whatever minor adjustments to the existing plan that may be required.

We will work with the City on a lump sum basis for this project as follows:

Project Start Up/Information Gathering	\$3,200
Concept Development/Review	\$2,500
Presentation to Advisory Commission	\$1,250
Document Update	<u>\$2,500</u>
Total	\$9,450

The attached standard Terms and Conditions for Professional Services is incorporated into and made a part of this agreement.

Mr. Mack McLeod
Page |2



Thank you for the opportunity to present our proposal to you. If you are in agreement with the above, this proposal can serve as our Agreement and Notice-to-Proceed, which you can indicate by signing in the appropriate space below. Please sign and return one copy to our office. The other copy is provided for your files. We are available to begin immediately upon receipt of the signed agreement.

Sincerely,

A handwritten signature in black ink, appearing to read "Derek C. Williams", followed by a horizontal line.

Derek C. Williams, PLA
Vice President North Carolina Division Manager

AGREEMENT AND AUTHORIZATION TO PROCEED WITH THE SCOPE OF WORK INDICATED ABOVE.

City of Hickory

Date

ALFRED BENESCH & COMPANY
STANDARD TERMS AND CONDITIONS FOR PROFESSIONAL SERVICES PROPOSAL

The Client as identified in the "Professional Services Proposal" (PSP) to which these "Terms and Conditions" are attached and made a part of, wishes to consult with and seek the advice of Alfred Benesch & Company (Benesch). Benesch agrees to extend this service subject to the following terms and conditions.

1. The basic professional services to be performed are listed in the PSP. The PSP is valid for thirty (30) days after which Benesch reserves the right to revise the PSP and/or the fee.

2. Benesch's basic estimated fee for the services is listed in the PSP and shall not be exceeded by more than 10% without prior written approval of the Client. Client acknowledges that the performance of professional services is not an exact science, and errors and omissions may occur that are within the industry standard of practice which states that Benesch will strive to perform services under this Agreement in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. Client further acknowledges that no other representation, express or implied, and no warranty or guarantee is included or intended in this Agreement, or in any report, opinion, document, or otherwise.

3. Billing will be monthly, and will be computed on the basis of the work completed for the period indicated. Payment is to be made within 30 days of the invoice date. It is agreed that invoices which are unpaid thirty (30) days from the date of the invoice shall be subject to a one-and-one-half percent (1.5%) per month interest charge on the outstanding balance. Such charges, should they be applied, are in addition to the fees quoted. Client must submit, in writing to Benesch, within ten (10) days of the date of any invoice, any dispute on the invoice, otherwise the invoice will be considered to be correct. In the event Client timely submits in writing a dispute on a particular invoice, Client shall still be responsible for payment within 30 days of receipt of the invoice on all amounts not in dispute.

4. Services may be suspended by Benesch after giving seven (7) days written notice to the Client for non-payment under this agreement until all past due accounts, i.e. both fees and interest accrued, have been paid. Benesch will not be liable for any damages resulting from work stopped or materials withheld due to untimely payment of invoices.

5. Termination with Cause. The obligation to

provide further services under this PSP may be terminated with cause by either party. In the event of such termination, either party will promptly notify and confirm the termination in writing to the other party. The termination will be effective seven (7) days after delivery of written notice thereof. In the event of termination by Benesch caused by failure of the Client to perform in accordance with the terms of this PSP, the Client shall pay for all services performed prior to the effective date of the termination, including all project termination expenses, collection fees and legal expenses. Benesch shall prepare a detailed progress report, including information as to all the services performed by Benesch and the status of the services as of the date of the termination, and provide any and all other information and documents developed under the terms of this PSP to the Client upon receipt of final payment. In the event of termination by the Client caused by failure by Benesch to perform in accordance with the terms of this PSP, Benesch shall prepare a detailed progress report, including information as to all the services performed by Benesch and the status of the services as of the date of the termination and provide any and all other information and documents developed under the terms of this PSP to the Client. Upon receipt of all other information and documents, Client shall pay Benesch for services performed prior to the effective date of the termination. The Client may, as additional remedies, and without prejudice to or waiver of any other right and remedy which it possesses hereunder or as a matter of law, complete the performance of the services outlined in the PSP with its own forces, or secure services from any other available source and any reasonable difference in cost shall be charged back to Benesch or the Client may deduct any such reasonable difference in costs from any payments due or to become due to Benesch, if any. The continued use of any of Benesch's instruments of service by the Client or by others acting on behalf of the Client shall be at the Client's sole risk.

6. Termination without Cause. The Client reserves the right, at its sole discretion, to terminate this PSP without cause at any time. In the event of such termination, the Client will promptly notify and confirm the termination in writing to Benesch. The termination will be effective seven (7) days after delivery of written notice thereof. Upon termination, Benesch shall prepare a detailed progress report, including information as to all the services performed by Benesch and the status of the services as of the date of the termination; and upon payment by Client to Benesch for services performed up to the date of termination, shall provide any and all other

ALFRED BENESCH & COMPANY
STANDARD TERMS AND CONDITIONS FOR PROFESSIONAL SERVICES PROPOSAL

information and documents developed under the terms of this PSP. The continued use of any of Benesch's instruments of service by the Client or by others acting on behalf of the Client shall be at the Client's sole risk.

7. No final plans, documents or reports for this project will be released for any purpose until all outstanding account balances are paid up to date.

8. The Client may suspend and halt the services of Benesch pursuant to the PSP from time to time, at its sole discretion effective seven (7) days after delivery of written notice thereof for any period of time or times not in excess of a total of twelve (12) months. In the event of such suspension not occasioned by violation of the PSP by Benesch, Benesch shall be paid for all services performed prior to the effective date of the suspension, in accordance with the PSP. Client acknowledges that any suspension of services has an effect on Benesch's ability to perform the services in the PSP. As such, Benesch reserves the right to revise the PSP and/or the fee as a result of any suspension of services by the Client.

9. Nothing in this agreement shall impose liability on Benesch and/or its agents, officers, employees or its consultants, for claims, law suits, expenses or damages arising from, or in any manner related to, the discovery, exposure to the handling, manufacture, or disposal of asbestos, asbestos products, hazardous waste, substances, materials, pollutants, contaminants or toxic substances in any of its various forms, as defined by the Environmental Protection Agency or other applicable regulatory agencies.

10. The Client agrees to limit Benesch's liability to the Client, all construction contractors and subcontractors, and all others on the project, due to the negligent acts, errors, or omissions such that the total aggregate liability of all those named does not exceed the available limit of Benesch's insurance coverage or the total fee for services rendered on this project, whichever is less.

11. The Client acknowledges that all original drawings, specifications and other work products of Benesch are instruments of service for this project only and shall remain the property of Benesch whether the project is completed or not. Reuse of any of the instruments of service by the Client or by others acting on behalf of the Client for extensions of this project, or any other project without the written permission of Benesch is prohibited. If such use occurs, the Client agrees to defend, indemnify, and hold harmless Benesch

from all claims, damages, and expenses including attorneys fees rising out of such unauthorized reuse of Benesch's instruments of service by the Client or by others acting on behalf of the Client. Benesch shall furnish to the Client prints of any drawing, in any quantity, at any time same is requested, provided Benesch is reimbursed for the expense of providing said prints and fee payments are current.

12. If at any time prior to construction, the Client believes Benesch's services are deficient, the Client must immediately inform Benesch in writing and shall afford to Benesch the opportunity to correct such deficiency. If, upon review by Benesch, it is determined the deficiency is attributable to Benesch, the deficiency shall be corrected at no additional cost to the Client.

13. Benesch will not be the Client's representative on the construction site with any power of approval or control over the contractor and will not perform routine inspections or testing, or be responsible for construction safety.

14. Any construction contracts shall require that the Client and Benesch be included as additional insureds on the contractor's and contractor's subcontractors' commercial general liability and commercial automobile liability insurance policies and that the coverage afforded Client and Benesch is primary to any insurance maintained by Client or Benesch and that Client's and Benesch's insurance is non-contributory with any coverage afforded by contractor and subcontractors. Client will also require contractor and all subcontractors to purchase and maintain workers compensation and employers liability insurance.

Client shall be responsible to furnish Benesch a true and correct copy of contractor's and subcontractor's certificate of insurance showing Benesch as an additional insured with respect to the insurance policies as indicated above.

Since Benesch is only responsible for the provision of Professional Engineering Services, the Client shall require the contractor to hold Benesch harmless for any liability in regard to the contractor's means, methods and materials of construction. Benesch will name the Client as additional insured on Benesch's General Liability Insurance.

15. Benesch will commence work on this project upon receipt of a signed copy of this Agreement and a retainer in the amount specified in the PSP, if any, to be credited

ALFRED BENESCH & COMPANY
STANDARD TERMS AND CONDITIONS FOR PROFESSIONAL SERVICES PROPOSAL

and/or applied to the last project invoice.

16. Unless otherwise stated, Benesch will have access to the site for activities necessary for the performance of the services in the PSP. Benesch will take precautions to minimize damage due to these activities, but has not included in the fee the cost of restoration of any resulting damage.

17. Any and all information contained in the proposal is confidential and proprietary property of Benesch and is not to be disclosed or made available to third parties without the written consent of Benesch.

18. The Client agrees to indemnify, defend and hold harmless Benesch and its consultants, subconsultants, agents, officers, directors and employees from and against all losses, claims, damages, expenses or liability whatsoever, whether direct, indirect, economic or consequential, including, but not limited to, reasonable attorney's fees and other costs of defense, arising out of reliance by Benesch on information provided to it by the Client. Benesch is not responsible for and the Client agrees to indemnify Benesch from any loss, damage, or liability arising from the negligent acts, errors, or omissions of the Client, its staff, employees, agents, consultants or contractors. Benesch will not be indemnified for any loss, damage or liability arising from its own negligence.

19. If the contract requires Benesch to prepare an application for a permit, Benesch does not represent or warrant that said permit or approval will be issued by any governmental body.

20. **Dispute Resolution.** If negotiation in good faith fails to resolve a dispute within thirty (30) days of written notice of the dispute by either party, then the parties agree that each dispute, claim or controversy arising from or related to this Agreement or the relationships which result from this Agreement shall be subject to mediation as a condition precedent to initiating legal or equitable actions by either party. Unless the parties agree otherwise, the mediation shall be in accordance with the Commercial Mediation Procedures of the American Arbitration Association then currently in effect. A request for mediation shall be filed in writing with the American Arbitration Association and the other party. No legal or equitable action may be instituted for a period of ninety (90) days from the filing of the request for mediation unless a longer period of time is provided by agreement of the parties. Cost of mediation shall be shared equally between the parties and shall be held in a location mutually agreed upon by

the parties. The parties shall memorialize any agreement resulting from the mediation in a mediated settlement agreement, which agreement shall be enforceable as a settlement in any court having jurisdiction thereof.

Furthermore, in no circumstances shall a party to this Agreement be joined by the other party to any other lawsuit, dispute or legal proceeding involving a party and any of the party's, consultants, subconsultants, lower tier subconsultants, other design professionals, construction managers, or other individuals or entities unless the parties agree to be joined in writing.

During the pendency of any dispute, the parties shall continue diligently to fulfill their respective obligations hereunder.

21. For purposes of contract interpretation and for the purpose of resolving any ambiguity in this Agreement, the parties agree that this Agreement was prepared jointly by them and/or their respective attorneys

22. This contract, and those documents specified, attached, or hereby cited together, constitute the entire agreement between the parties hereto and no changes, modifications, extensions, terminations, or waivers of this agreement, or other documents, or any of the provisions herein, or therein contained, shall be valid unless made in writing and signed by duly authorized representatives of both Benesch and the Client. This agreement and any questions concerning its validity or performance shall be governed by the laws of the state in which the project is located.

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COUNCIL AGENDA MEMOS

Exhibit VIII.D.

To: City Manager's Office
From: Melissa Miller, Finance Officer
Contact Person: Melissa Miller, Finance Officer
Date: May 20, 2015
Re: Write Offs for Fiscal Year 2014-2015

REQUEST

For City Council approval to write-off uncollectable accounts totaling \$227,716.22, in accordance with North Carolina General Statutes.

BACKGROUND

In accordance with the North Carolina General Statutes, a list of accounts to be written off is submitted for Council approval each year, in conjunction with the annual audit. A detailed list is included in the agenda packet.

ANALYSIS

North Carolina General Statutes establish all Street Assessments and Property Taxes that are over ten (10) years old are no longer collectable and should be written off in conjunction with the annual audit. For the current fiscal year 2014-2015, there are no Street Assessments to be written off, but \$88,081.21 in unpaid Property Taxes exceeds the ten (10) year limitation.

The City of Hickory's Accounting Division requires all other accounts that are over eighteen (18) 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.

Current fiscal year write-offs total \$227,716.22, compared to \$280,419.79 for FY 2013-2014.

Even though these accounts will be written off, the Finance Division will continue to pursue collection of the debts. All eligible accounts over \$50.00 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 NC State income tax refunds and NC State lottery winnings during this current fiscal year.

RECOMMENDATION

Staff recommends approval to write-off uncollectable accounts for Fiscal Year 2014-2015.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

Initiating Department Head

Date

Amelia M. Dula
Deputy City Attorney, A. Dula

5-26-15
Date

Asst. City Manager

Date

A. Surratt
Asst. City Manager, A. Surratt

5-29-15
Date

Melissa Miller
Finance Officer, Melissa Miller

5-20-15
Date

Administrative Services Director

Date

Bo Weichel
Purchasing Manager, Bo Weichel

5-27-15
Date

Recommended for approval and placement on June 2, 2015 Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

M. Berry
City Manager, M. Berry

Date

Fiscal Year 2015 Write Offs

	<u>Account #</u>	<u>2015</u>	<u>2014</u>
<u>Fiscal Year 2005 Taxes:</u>			
Catawba County Real / Personal		\$26,470.36	\$21,080.89
Catawba County Vehicle		51,381.78	51,991.47
Burke County Real / Personal		0.00	270.00
Burke County Vehicle		104.50	44.85
Caldwell County Real/Personal		10,124.57	8,801.62
Caldwell County Vehicle		0.00	-35.10
		<u>\$88,081.21</u>	<u>\$82,153.73</u>
<u>Airport - Rental Accounts</u>			
AVIS Budget Group	13413	\$6,000.00	
Visionaire Jets LLC	15844	3,477.00	
		<u>\$9,477.00</u>	<u>\$5,500.00</u>
<u>Building Contractors:</u>			
Henry Graphics Inc	16429	\$35.25	
		<u>\$35.25</u>	<u>\$170.75</u>
<u>Code Enforcement Citations:</u>			
		\$4,950.00	\$71,002.98
<u>Civil Citations:</u>			
		\$7,900.00	\$3,600.00
<u>FBO - Airport:</u>			
Cygnus Aero	15732	\$460.56	
		<u>\$460.56</u>	<u>\$652.12</u>
<u>Fire Permits:</u>			
Angel of Hope Thrift Store	14801	93.25	
Fred's Pharmacy	14826	93.25	
Kingdom Life Outreach Center	16282	78.75	
Original Workout	16396	93.25	
Joe's New to You Consignment	16446	94.75	
S & L Bridal and Formal	16543	94.75	
Hickory Finishing Group	16600	160.50	
Foot Hills Shoe Repair	16607	94.75	
		<u>\$803.25</u>	<u>\$2,203.50</u>
<u>Insurance:</u>			
Health Insurance	9416	\$2,229.78	
Health Insurance	14157	1,964.00	
Health Insurance	16120	3,946.92	
		<u>\$8,140.70</u>	<u>\$8,697.82</u>

	<u>Account #</u>	<u>2015</u>	<u>2014</u>
<u>Miscellaneous:</u>			
Hart Distributing Inc	9596	\$502.28	
		<u>\$502.28</u>	<u>\$4,556.16</u>
<u>NSF Checks:</u>			
Blue Tech Inc	5240	\$182.75	
Thomas Evans	12494	272.00	
Kevin E Wall & Associates	12840	80.00	
VSK1 Hickory Enterprises	16195	5,525.00	
Jorge L Hernandez	16274	66.00	
Martha Rodriguez	16331	37.00	
Christa Nicole Maney	16374	42.60	
Jennifer H White	16375	44.95	
Christopher Adams	16433	118.00	
		<u>\$6,368.30</u>	<u>\$1,213.50</u>
<u>Nuisance - Code Enforcement:</u>			
Bonnie Williams	9603	\$80.00	
Santa Fe Express	13379	140.00	
Scott Bradley Huffman	14877	180.00	
John Henry Whitener - Heirs	14878	80.00	
Seed America Foundation	15257	620.00	
Timothy & Dixie Haynes	15307	170.00	
Jimmy Lau	15472	110.00	
Marvin Lee Williams Heirs	15755	80.00	
Larry Dean Austin	15871	205.00	
Abigail Abernethy Heirs	16024	110.00	
Expresit Convenience Store	16025	80.00	
Mark C Biddix	16182	300.00	
K & K Rentals	16191	500.00	
Joyce Elaine Matthews Estate	16329	1,415.00	
LPA Holdings LLC	16430	80.00	
Gloria Gibson	16431	190.00	
Charles E & Teresa A Wilson	16432	110.00	
Billy Ray Bowles	16466	65.00	
Amy Howell Greene	16468	120.00	
Tommie A Smith Heirs	16515	95.00	
Jessica Lyndsy Miller	16517	600.00	
Porter Auto Sales	16518	185.00	
Russell & Paula Keener	16519	70.00	
Shirley Hunter	16550	120.00	
		<u>\$5,705.00</u>	<u>\$3,679.00</u>

	<u>Account #</u>	<u>2015</u>	<u>2014</u>
<u>Parking Fines:</u>		\$9,754.00	\$7,883.04
<u>Parking Rental:</u>			
Tyler E Prince	16011	\$236.50	_____
		\$236.50	\$0.00
<u>Public Utilities:</u>			
Gigabyte Communications	15723	\$236.97	
USAA - Claims Service	16194	9,130.00	
B & A Construction	16201	640.56	_____
		\$10,007.53	\$49.53
<u>Utility Customers:</u>			
Utility terminations through 12/31/13		\$75,294.64	\$89,057.66
Total Write Offs		\$227,716.22	\$280,419.79

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Arnita Dula, Legal
Contact Person: Arnita Dula
Date: 5-21-15
Re: Termination of Lease Agreement for Property Located at 470 Highway 70 SW

REQUEST

Staff requests Council approve the Termination of Lease Agreement between the City of Hickory and the Hickory Jaycees for property located at 470 Highway 70 SW.

BACKGROUND

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.

ANALYSIS

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. Although the Jaycees have not used the building for several months, the ground lease agreement is still in effect and must be terminated. Both parties mutually desire to terminate the agreement at this time.

RECOMMENDATION

Staff requests Council approve the Termination of Lease Agreement between the City of Hickory and the Hickory Jaycees for property located at 470 Highway 70 SW.

Prepared by: Arnita M. Dula, Deputy City Attorney
Post Office Box 398, Hickory, NC 28603

North Carolina)
)
Catawba County)

TERMINATION OF LEASE AGREEMENT

This Agreement made this 28th day of May, 2015, by and between The **City of Hickory**, North Carolina, A North Carolina Municipal Corporation, (hereinafter referred to as "Lessor"), and **Hickory Jaycees**, A North Carolina not-for-profit civic organization, (hereinafter referred to as "Lessee"), both of Catawba County, North Carolina;

WITNESSETH:

Whereas, said Lessee has heretofore leased to said Lessee certain premises therein described by an agreement dated July 20, 2004 and terminating on ; and

Whereas, by mutual consent the Lessor and Lessee desire to terminate the lease prior to its termination date.

Now, therefore, the parties hereby mutually agree:

That said lease and each and every part and clause thereof, except as provided otherwise herein, be canceled and terminated as of May 28th, 2015.

That the Lessee has returned all keys and removed any and all personal property from the premises. and any remaining personal property will be disposed of by the Lessor.

That all other fixtures, structures, appurtenances and improvements erected or placed upon the leased premises shall become the property of the Lessor and the leased premises shall revert to the possession and ownership of the Lessor including, but not limited to, any parking facilities.

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 28th day of May, 2015.

LESSOR:

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.

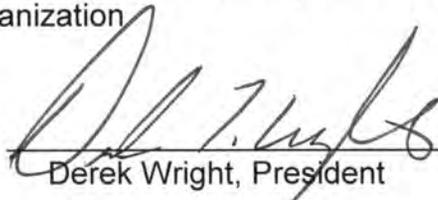
Melissa Miller, Finance Officer

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

Arnita Dula, Deputy City Attorney

LESSEE:

HICKORY JAYCEES,
A North Carolina not for profit civic organization

By: 
Derek Wright, President

Attest: (SEAL)

_____, Secretary

**STATE OF NORTH CAROLINA
COUNTY OF CATAWBA**

I, _____ a Notary Public of said County and State, certify that Debbie D. Miller personally came before me this day and acknowledged that she is City Clerk of the City of Hickory, a North Carolina Municipal Corporation, and that by authority duly given and as the act of the City Council of the City of Hickory, the foregoing instrument was signed in its name and by its Mayor, sealed with its corporate seal and attested by her as its City Clerk.

Witness my hand and seal this ____ day of _____, 2015.

Notary Public

(SEAL)

My Commission Expires: _____

**STATE OF NORTH CAROLINA
COUNTY OF CATAWBA**

I, Crystal B. Mundy a Notary Public of said County and State, certify that Derek Wright personally came before me this day and acknowledged that he is President of the Hickory Jaycees, a North Carolina not-for-profit civic organization, and that by authority duly given and as the act of the Board of Directors of Lessee, the foregoing instrument was in its name.

Witness my hand and seal this 28th day of May, 2015.

Crystal B. Mundy
Notary Public



My Commission Expires: 11/02/2017

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Kevin B. Greer, PE, Assistant Public Services Director - Public Utilities
Contact Person: Kevin B. Greer, PE
Date: June 2, 2015
Re: Agreement for Railroad Permit Agreement from Norfolk-Southern for Murray Basin Sanitary Sewer Infrastructure project

REQUEST

Staff requests Council approval of this Railroad Permit agreement from Norfolk-Southern for installation of underground pipe within Railroad right-of-way in the Murray Basin Service Area in the amount of \$19,100.00.

BACKGROUND

The Murray Basin in the Hickory Service Area is the area located between Springs Road, Section House Road and Highland Ave. This area is not a densely populated area, however there is a substantial Industrial presence along Old Hwy 70 and mixed residential throughout the basin. The sanitary sewer generated in this basin averages 414,000 gallons per day. Currently, the majority of this sanitary sewer is sent to the City of Conover for treatment and processing before discharge.

ANALYSIS

The City of Hickory Public Utilities Department has established outfall and some collector sanitary sewer service to this basin. Currently, the basin is generating approximately 414,000 gallons per day of sanitary sewer that is being transported to another provider for treatment prior to discharge. This equates to an annual expense of \$406,000.00.

The City of Hickory engaged HDR Engineering Inc. to design new infrastructure that would pump the existing and future flow back to a City of Hickory Wastewater Treatment Facility. The route that this infrastructure travels will require infrastructure to cross under the right-of-way for Norfolk-Southern Rail Road. Norfolk-Southern Rail Road has a permit program that includes certain design standards, an application and a fee to be paid as a one-time charge to allow the crossing. This charge is meant to offset additional insurance and maintenance that may arise due to the crossing being in-place.

This permit is necessary for the installation of the force main sanitary sewer required to pump the sanitary sewer from the Murray Basin Area of Hickory to the Henry Fork Wastewater Treatment Facility.

This project is a component of the FY 14-15 Capital Budget for the Public Utilities Department.

RECOMMENDATION

Staff recommends Council approval of this Railroad Permit agreement from Norfolk-Southern for installation of underground pipe within Railroad right-of-way in the Murray Basin Service Area in the amount of \$19,100.00.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

065-8033-587.21-99 (project#803301) – budget amendment already submitted (2nd reading on 6/2/15)

Reviewed by:

Chuck Hansen *kh* 5/21/2015
Initiating Department Head Date

Deputy City Attorney, A. Dula Date

Asst. City Manager, W. Wood Date

[Signature] 5/29/15
Asst. City Manager, A. Surratt Date

[Signature] 5-27-15
Finance Officer, Melissa Miller Date

Administrative Services Director M. Bennett Date

[Signature] 5-27-15
Purchasing Manager, Bo Weichel Date

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

[Signature]

City Manager, M. Berry

Date

THIS AGREEMENT, dated as of the _____ day of _____, 20__ is made and entered into by and between

NORFOLK SOUTHERN RAILWAY COMPANY, a Virginia corporation, whose mailing address is Three Commercial Place, Norfolk, Virginia 23510 (hereinafter called "Railway"); and

CITY OF HICKORY, a North Carolina political subdivision, whose mailing address is P.O. Box 398, Hickory, North Carolina 28603 (hereinafter called "Licensee").

WITNESSETH

WHEREAS, Licensee proposes to install, maintain, operate and remove a 12-inch ductile iron sewer force main in a 24-inch steel casing (hereinafter called the "Facilities") located in, under and across the right-of-way or property and any tracks of Railway, at or near:

- Milepost S-52.53, Salisbury - Murphy JCT Line
- Latitude N 35.72034, Longitude W 81.26091
- Hickory, Catawba County, North Carolina

the same to be located in accordance with and limited to the installation shown on print of drawings marked Exhibit A and B, dated March 2, 2015, and Pipe Data Sheet attached hereto and made a part hereof; and

WHEREAS, Licensee desires a license to use such right-of-way or property of Railway for the installation, construction, maintenance, operation and removal of the Facilities.

NOW, THEREFORE, for and in consideration of the premises, the payment of a non-refundable, non-assignable one-time fee in the amount of NINETEEN THOUSAND ONE HUNDRED AND 00/100 DOLLARS (\$19,100.00) (hereinafter called the "Fee") to cover the Risk Financing Fee (as hereinafter defined) in the amount of \$1,000.00 and a one-time occupancy fee in the amount of \$18,100.00 and the covenants hereinafter set forth, Railway hereby permits and grants to Licensee, insofar as Railway has the right to do so, without warranty and subject to all encumbrances, covenants and easements to which Railway's title may be subject, the right to use and occupy so much of Railway's right-of-way or property as may be necessary for the installation, construction, maintenance, operation and removal of the Facilities (said right-of-way or property of Railway being hereinafter collectively called the "Premises"), upon the following terms and conditions:

1. Use and Condition of the Premises. The Premises shall be used by Licensee only for the installation, construction, maintenance, operation and removal of the Facilities and for no other purpose without the prior written consent of Railway, which consent may be withheld by Railway in its sole discretion. Licensee accepts the Premises in their current "as is" condition, as suited for the installation and operation of the Facilities, and without the benefit of any improvements to be constructed by Railway.

2. Installation of the Facilities; Railway Support. Licensee shall, at its expense, install, construct, maintain and operate the Facilities on a lien-free basis and in such a manner as will not interfere with the operations of Railway, or endanger persons or property of Railway. Such installation, construction, maintenance and operation of the Facilities shall be in accordance with (a) the plans and specifications (if any) shown on the prints attached hereto and any other specifications prescribed by Railway, (b) applicable laws, regulations, ordinances and other requirements of federal, state and local governmental authorities, and (c) applicable specifications adopted by the American Railway Engineering and Maintenance-of-Way Association, when not in conflict with the applicable plans, specifications, laws, regulations, ordinances or requirements mentioned in (a) and (b), above. All underground pipes must have secondary pipe containment if the material flowing through the pipeline poses a safety or environmental hazard. Any change to the character, capacity or use of the Facilities shall require execution of a new agreement.
3. Railway Support. Railway shall, at Railway's option, furnish, at the sole expense of Licensee, labor and materials necessary, in Railway's sole judgment, to support its tracks and to protect its traffic (including, without limitation, flagging) during the installation, maintenance, repair, renewal or removal of the Facilities.
4. Electronic Interference. Licensee will provide Railway with no less than sixty (60) days advance written notice prior to the installation and operation of cathodic protection in order that tests may be conducted on Railway's signal, communications and other electronic systems (hereinafter collectively called the "Electronic Systems") for possible interference. If the Facilities cause degradation of the Electronic Systems, Licensee, at its expense, will either relocate the cathodic protection or modify the Facilities to the satisfaction of Railway so as to eliminate such degradation. Such modifications may include, without limiting the generality of the foregoing, providing additional shielding, reactance or other corrective measures deemed necessary by Railway. The provisions of this paragraph 4 shall apply to the Electronic Systems existing as of the date of this Agreement and to any Electronic Systems that Railway may install in the future.
5. Corrective Measures. If Licensee fails to take any corrective measures requested by Railway in a timely manner, or if an emergency situation is presented which, in Railway's judgment, requires immediate repairs to the Facilities, Railway, at Licensee's expense, may undertake such corrective measures or repairs as it deems necessary or desirable.
6. Railway Changes. If Railway shall make any changes, alterations or additions to the line, grade, tracks, structures, roadbed, installations, right-of-way or works of Railway, or to the character, height or alignment of the Electronic Systems, at or near the Facilities, Licensee shall, upon thirty (30) days prior written notice from Railway and at its sole expense, make such changes in the location and character of the Facilities as, in the opinion of the chief engineering officer of Railway, shall be necessary or appropriate to accommodate any construction, improvements, alterations, changes or additions of Railway.
7. Assumption of Risk. Unless caused solely by the negligence of Railway or caused solely by the willful misconduct of Railway, Licensee hereby assumes all risk of damage

to the Facilities and Licensee's other property relating to its use and occupation of the Premises or business carried on the Premises and any defects to the Premises; and Licensee hereby indemnifies Railway, its officers, directors, agents and employees from and against any liability for such damage.

8. Entry Upon Premises. Prior to commencement of any work to be performed on or about the Premises, Licensee shall notify the appropriate Division Engineer for the scheduling of protection and inspection. Within seventy-two (72) hours after the Division Engineer's actual receipt of such notification, the Division Engineer shall review the necessity and availability of flagmen for the proposed work and advise Licensee of such matters and the estimated cost therefor. No work shall be permitted on or about the Premises without the presence of Railway's flagman or the Division Engineer's waiver of the requirement for flag protection. Entry on or about the Premises or any other Railway right-of-way without the Division Engineer's prior approval shall be deemed trespassing. Licensee agrees to pay Railway, within thirty (30) days after delivery of an invoice therefor, for any protection and inspection costs incurred by Railway, in Railway's sole judgment, during any such entry.

9. Liens; Taxes. Licensee will not permit any mechanic's liens or other liens to be placed upon the Premises, and nothing in this Agreement shall be construed as constituting the consent or request of Railway, express or implied, to any person for the performance of any labor or the furnishing of any materials to the Premises, nor as giving Licensee any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials that could give rise to any mechanic's liens or other liens against the Premises. In addition, Licensee shall be liable for all taxes levied or assessed against the Facilities and any other equipment or other property placed by Licensee within the Premises. In the event that any such lien shall attach to the Premises or Licensee shall fail to pay such taxes, then, in addition to any other right or remedy available to Railway, Railway may, but shall not be obligated to, discharge the same. Any amount paid by Railway for any of the aforesaid purposes, together with related court costs, attorneys' fees, fines and penalties, shall be paid by Licensee to Railway within ten (10) days after Railway's demand therefor.

10. Indemnification. Licensee hereby agrees to indemnify and save harmless Railway, its officers, directors, agents and employees, from and against any and all liabilities, claims, losses, damages, expenses (including attorneys' fees) or costs for personal injuries (including death) and property damage to whomsoever or whatsoever occurring (hereinafter collectively called "Losses") that arise in any manner from (a) the installation, construction, maintenance, operation, presence or removal of, or the failure to properly install, construct, maintain, operate or remove, the Facilities, or (b) any act, omission or neglect of Licensee, its agents, servants, employees or contractors in connection therewith, unless caused solely by the negligence of Railway or caused solely by the willful misconduct of Railway.

11. Insurance.

(a) Without limiting in any manner the liability and obligations assumed by Licensee under any other provision of this Agreement, and as additional protection to Railway, Licensee shall, at its expense, pay the Risk Financing Fee set forth in subparagraph (i) below and

shall procure and maintain with insurance companies satisfactory to Railway, the insurance policies described in subparagraphs (ii) and (iii).

(i) Upon execution of this Agreement, Licensee shall pay Railway a risk financing fee of \$1,000 per installation (herein called the "Risk Financing Fee") to provide Railroad Protective Liability Insurance or such supplemental insurance (which may be self-insurance) as Railway, in its sole discretion, deems to be necessary or appropriate.

(ii) Prior to commencement of installation or maintenance of the Facilities or entry on Railway's property, Licensee, and its contractor if it employs one, shall procure and maintain for the course of said installation and maintenance, a general liability insurance policy naming Railway as an additional insured, and containing products and completed operations and contractual liability coverage, with a combined single limit of not less than \$1,000,000 for each occurrence.

(iii) Prior to commencement of any subsequent maintenance of the Facility during the term of this Agreement, unless Railway elects to make available and Licensee pays the then current risk financing fee for each affected installation, Licensee, or its contractor if it employs one, shall furnish Railway with an original Railroad Protective Liability Insurance Policy naming Railway as the named insured and having a limit of not less than a combined single limit of \$2,000,000 each occurrence and \$6,000,000 aggregate. Such policy shall be written using Insurance Services Offices Form Numbers CG 00 35 01 10 01.

(b) All insurance required under preceding subsection (a) shall be underwritten by insurers and be of such form and content as may be acceptable to Railway. Prior to commencement of installation or maintenance of the Facilities or any entry on Railway's property, Licensee, or its contractor if it employs one, shall: furnish to Railway's Risk Manager, Three Commercial Place, Norfolk, Virginia 23510-2191 (or such other representative and/or address as subsequently given by Railway to Licensee in writing), for approval, the original policy described in subsection (a)(iii) and a certificate of insurance evidencing the existence of a policy with the coverage described in subsection (a)(ii).

12. Environmental Matters. Licensee assumes all responsibility for any environmental obligations imposed under applicable laws, regulations, ordinances or other requirements of federal, state and local governmental authorities relating to (a) the installation, construction, maintenance, operation or removal of the Facilities, including notification and reporting of any releases, and (b) any contamination of any property, water, air or groundwater arising or resulting, in whole or in part, from Licensee's operation or use of the Premises pursuant to this Agreement. In addition, Licensee shall obtain any necessary permits to install, construct, maintain, operate or remove the Facilities. Licensee agrees to indemnify and hold harmless Railway from and against any and all fines, penalties, demands or other Losses (including attorneys' fees) incurred by Railway or claimed by any person, company or governmental entity relating to (a) any contamination of any property, water, air or groundwater due to the use or presence of the Facilities on the Premises, (b) Licensee's violation of any laws,

regulations or other requirements of federal, state or local governmental authorities in connection with the use or presence of the Facilities on the Premises or (c) any violation of Licensee's obligations imposed under this paragraph. Without limitation, this indemnity provision shall extend to any cleanup and investigative costs relating to any contamination of the Premises arising or resulting from, in whole or in part, Licensee's use of the Facilities or any other activities by or on behalf of Licensee occurring on or about the Premises. Licensee further agrees not to dispose of any trash, debris or wastes, including hazardous waste, on the Premises and will not conduct any activities on the Premises which would require a hazardous waste treatment, storage or disposal permit.

13. Assignments and Other Transfers.

(a) Licensee shall not assign, transfer, sell, mortgage, encumber, sublease or otherwise convey (whether voluntarily, involuntarily or by operation of law) this Agreement or any interest therein, nor license, mortgage, encumber or otherwise grant to any other person or entity (whether voluntarily, involuntarily or by operation of law) any right or privilege in or to the Premises (or any interest therein), in whole or in part, without the prior written consent of Railway, which consent may be withheld by Railway in its sole discretion. Any such assignment or other transfer made without Railway's prior written consent shall be null and void and, at Railway's option, shall constitute an immediate default of this Agreement. Notwithstanding the foregoing, upon prior written notice to Railway, Licensee may assign this Agreement to a parent, a wholly-owned subsidiary of Licensee or a wholly-owned subsidiary of Licensee's parent without Railway's consent; provided, however, that no such assignment shall relieve Licensee of its obligations under this Agreement.

(b) Railway shall have the right to transfer and assign, in whole or in part, all its rights and obligations hereunder and in or to the Premises. From and after the effective date of any such assignment or transfer, Railway shall be released from any further obligations hereunder; and Licensee shall look solely to such successor-in-interest of Railway for the performance of the obligations of "Railway" hereunder.

14. Meaning of "Railway". The word "Railway" as used herein shall include any other company whose property at the aforesaid location may be leased or operated by Railway. Said term also shall include Railway's officers, directors, agents and employees, and any parent company, subsidiary or affiliate of Railway and their respective officers, directors, agents and employees.

15. Default; Remedies.

(a) The following events shall be deemed to be events of default by Licensee under this Agreement:

(i) Licensee shall fail to pay the Fee or any other sum of money due hereunder and such failure shall continue for a period of ten (10) days after the due date thereof;

(ii) Licensee shall fail to comply with any provision of this Agreement not requiring the payment of money, all of which terms, provisions and covenants shall be deemed material, and such failure shall continue for a period of thirty (30) days after written notice of such default is delivered to Licensee;

(iii) Licensee shall become insolvent or unable to pay its debts as they become due, or Licensee notifies Railway that it anticipates either condition;

(iv) Licensee takes any action to, or notifies Railway that Licensee intends to file a petition under any section or chapter of the United States Bankruptcy Code, as amended from time to time, or under any similar law or statute of the United States or any State thereof; or a petition shall be filed against Licensee under any such statute; or

(v) a receiver or trustee shall be appointed for Licensee's license interest hereunder or for all or a substantial part of the assets of Licensee, and such receiver or trustee is not dismissed within sixty (60) days of the appointment.

(b) Upon the occurrence of any event or events of default by Licensee, whether enumerated in this paragraph 15 or not, Railway shall have the option to pursue any remedies available to it at law or in equity without any additional notices to Licensee. Railway's remedies shall include, but not be limited to, the following: (i) termination of this Agreement, in which event Licensee shall immediately surrender the Premises to Railway; (ii) entry into or upon the Premises to do whatever Licensee is obligated to do under the terms of this License, in which event Licensee shall reimburse Railway on demand for any expenses which Railway may incur in effecting compliance with Licensee's obligations under this License, but without rendering Railway liable for any damages resulting to Licensee or the Facilities from such action; and (iii) pursuit of all other remedies available to Railway at law or in equity, including, without limitation, injunctive relief of all varieties.

16. Railway Termination Right. Notwithstanding anything to the contrary in this Agreement, Railway shall have the right to terminate this Agreement and the rights granted hereunder, after delivering to Licensee written notice of such termination no less than sixty (60) days prior to the effective date thereof, upon the occurrence of any one or more of the following events:

(a) If Licensee shall discontinue the use or operations of the Facilities; or

(b) If Railway shall be required by any governmental authority having jurisdiction over the Premises to remove, relocate, reconstruct or discontinue operation of its railroad on or about the Premises; or

(c) If Railway, in the good faith judgment of its Superintendent, shall require a change in the location or elevation of its railroad on or about the location of the Facilities or the Premises that might effectively prohibit the use or operation of the Facilities; or

(d) If Railway, in the good faith judgment of its Superintendent, determines that the maintenance or use of the Facilities unduly interferes with the operation and maintenance of the facilities of Railway, or with the present or future use of such property by Railway, its lessees, affiliates, successors or assigns, for their respective purposes.

17. Condemnation. If the Premises or any portion thereof shall be taken or condemned in whole or in part for public purposes, or sold in lieu of condemnation, then this Agreement and the rights granted to Licensee hereunder shall, at the sole option of Railway, forthwith cease and terminate. All compensation awarded for any taking (or sale proceeds in lieu thereof) shall be the property of Railway, and Licensee shall have no claim thereto, the same being hereby expressly waived by Licensee.

18. Removal of Facilities; Survival. The Facilities are and shall remain the personal property of Licensee. Upon the expiration or termination of this Agreement, Licensee shall remove the Facilities from the Premises within thirty (30) days after the effective date thereof. In performing such removal, unless otherwise directed by Railway, Licensee shall restore the Premises to the same condition as existed prior to the installation or placement of Facilities, reasonable wear and tear excepted. In the event Licensee shall fail to so remove the Facilities or restore the Premises, the Facilities shall be deemed to have been abandoned by Licensee, and the same shall become the property of Railway for Railway to use, remove, destroy or otherwise dispose of at its discretion and without responsibility for accounting to Licensee therefor; provided, however, in the event Railway elects to remove the Facilities, Railway, in addition to any other legal remedy it may have, shall have the right to recover from Licensee all costs incurred in connection with such removal and the restoration of the Premises. Notwithstanding anything to the contrary contained in this Agreement, the expiration or termination of this Agreement, whether by lapse of time or otherwise, shall not relieve Licensee from Licensee's obligations accruing prior to the expiration or termination date, and such obligations shall survive any such expiration or other termination of this Agreement.

19. Entire Agreement. This Agreement contains the entire agreement of Railway and Licensee and supersedes any prior understanding or agreement between Railway and Licensee respecting the subject matter hereof; and no representations, warranties, inducements, promises or agreements, oral or otherwise, between the parties not embodied in this Agreement shall be of any force or effect.

20. Attorneys' Fees. If Railway should bring any action under this Agreement, or consult or place the Agreement or any amount payable by Licensee hereunder, with an attorney concerning or for the enforcement of any of Railway's rights hereunder, then Licensee agrees in each and any such case to pay to Railway all costs, including but not limited to court costs and attorneys' fees, incurred in connection therewith.

21. Severability. If any clause or provision of this Agreement is illegal, invalid or unenforceable under present or future laws effective during the term of this Agreement, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall

not be affected thereby; and it is also the intention of the parties to this Agreement that in lieu of each clause or provision of this Agreement that is illegal, invalid or unenforceable, there be added as a part of this Agreement a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

22. Modifications; Waiver; Successors and Assigns. This Agreement may not be altered, changed or amended, except by instrument in writing signed by both parties hereto. No provision of this Agreement shall be deemed to have been waived by Railway unless such waiver shall be in a writing signed by Railway and addressed to Licensee, nor shall any custom or practice that may evolve between the parties in the administration of the terms hereof be construed to waive or lessen the right of Railway to insist upon the performance by Licensee in strict accordance with the terms hereof. The terms and conditions contained in this Agreement shall apply to, inure to the benefit of, and be binding upon the parties hereto, and upon their respective successors in interest and legal representatives, except as otherwise herein expressly provided. If there shall be more than one Licensee, the obligations hereunder imposed upon Licensee shall be joint and several.

23. Notice. Any and all other notices, demands or requests by or from Railway to Licensee, or Licensee to Railway, shall be in writing and shall be sent by (a) postage paid, certified mail, return receipt requested, or (b) a reputable national overnight courier service with receipt therefor, or (c) personal delivery, and addressed in each case as follows:

If to Railway:

c/o Norfolk Southern Corporation
1200 Peachtree Street, NE - 12th Floor
Atlanta, Georgia 30309-3504
Attention: Director Real Estate

If to Licensee:

City of Hickory
P.O. Box 398
Hickory, North Carolina 28603
Attention: Assistant Public Services Director/Public Utilities

Either party may, by notice in writing, direct that future notices or demands be sent to a different address. All notices hereunder shall be deemed given upon receipt (or, if rejected, upon rejection).

24. Miscellaneous. All exhibits, attachments, riders and addenda referred to in this License are incorporated into this Agreement and made a part hereof for all intents and purposes. Time is of the essence with regard to each provision of this Agreement. This Agreement shall be construed and interpreted in accordance with and governed by the laws of the State in which the Premises are located. Each covenant of Railway and Licensee under this Agreement is independent of each other covenant under this Agreement. No default in performance of any covenant by a party shall excuse the other party from the performance of any other covenant.

The provisions of Paragraphs 7, 9, 10, 12 and 18 shall survive the expiration or earlier termination of this Agreement.

25. Limitations of Grant. Licensee acknowledges that the license granted hereunder is a quitclaim grant, made without covenants, representations or warranties with respect to Railway's (a) right to make the grant, (b) title in the Premises, or (c) right to use or make available to others the Premises for the purposes contemplated herein. Railway is the owner and/or holder of the Premises subject to the terms and limitations under which it is owned or held, including without limitation conditions, covenants, restrictions, easements (including any pre-existing fiber optic easements or licenses), encroachments, leases, licenses, permits, mortgages, indentures, reversionary interests, fee interests, zoning restrictions and other burdens and limitations, of record and not of record, and to rights of tenants and licensees in possession, and Licensee agrees that the rights licensed hereunder are subject and subordinate to each and all of the foregoing. Licensee accepts this grant knowing that others may claim that Railway has no right to make it, and Licensee agrees to release, hold harmless and indemnify (and, at Railway's election, defend, at Licensee's sole expense, with counsel approved by Railway) Railway, its affiliated companies, and its and their respective officers, directors, agents and employees, from and against any detriments to, or liabilities of, any type or nature arising from such claims, including punitive damages and any forfeitures declared or occurring as a result of this grant.

26. Limitations Upon Damages. Notwithstanding any other provision of this Agreement, Railway shall not be liable for breach of this Agreement or under this Agreement for any consequential, incidental, exemplary, punitive, special, business damages or lost profits, as well as any claims for death, personal injury, and property loss and damage which occurs by reason of, or arises out of, or is incidental to the interruption in or usage of the Facilities placed upon or about the Premises by Licensee, including without limitation any damages under such claims that might be considered consequential, incidental, exemplary, punitive, special, business damages or loss profits.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate, each part being an original, as of the date first above written.

Witness:

**NORFOLK SOUTHERN RAILWAY
COMPANY**

By: _____
Real Estate Manager

As to Railway

Witness:

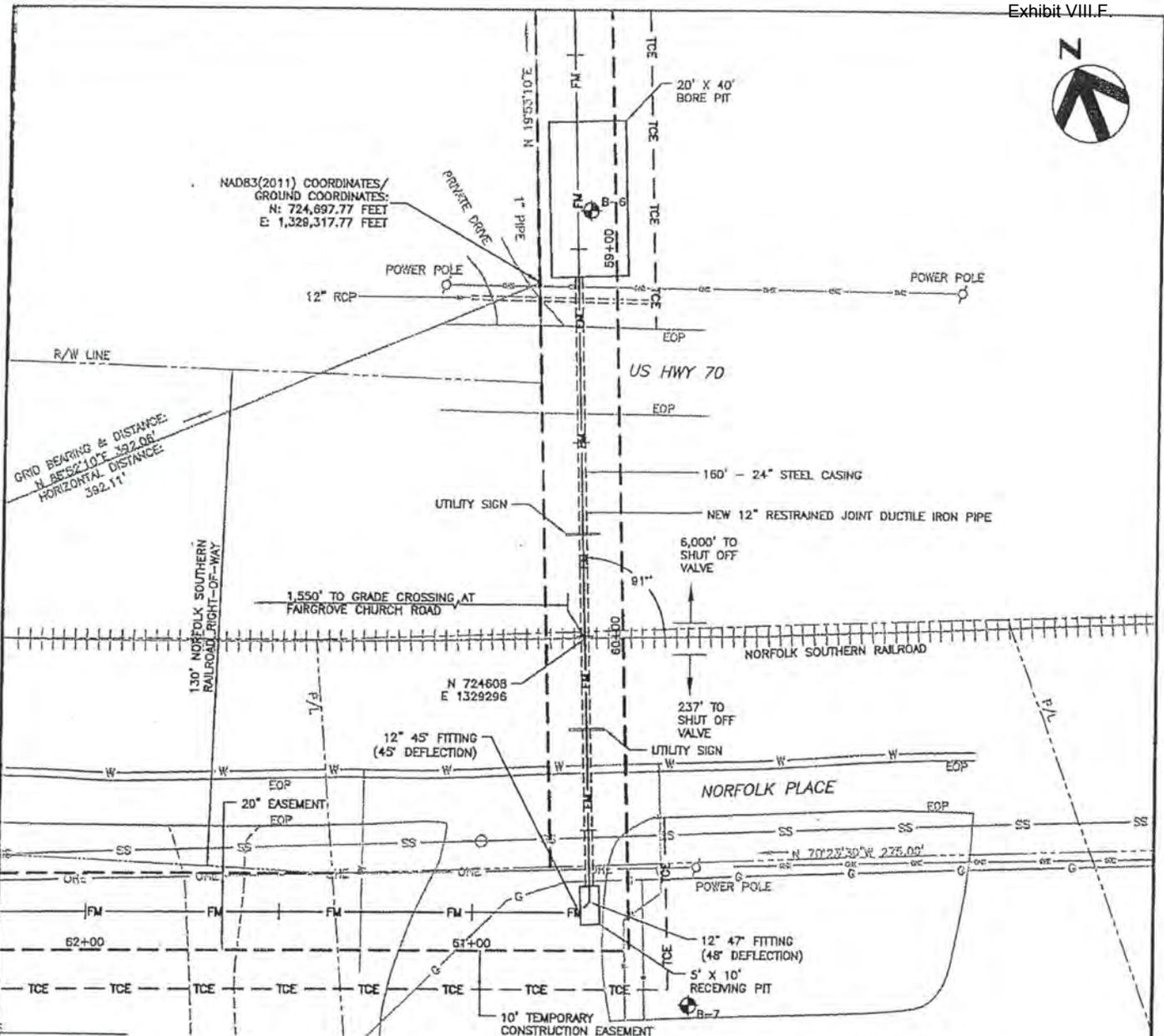
CITY OF HICKORY

By: _____
Title: _____

As to Licensee

Activity Number 1202004
JSM: March 5, 2015
File No. 1274445v1





PLAN
1"=40'

33&33B
14

A-2 received 3/2/2015
Hickory, North Carolina
Southern Rwy. Co.
Lat: N 35.72034
Long: W 81.26091

NOTES

1. CONTRACTOR SHALL FOLLOW ALL REQUIREMENTS OF NORFOLK SOUTHERN'S NSCE-B SPECIFICATIONS.
2. PIPE LINE AND CROSSING TO BE INSTALLED AND MAINTAINED IN ACCORDANCE WITH LAST APPROVED AMERICAN RAILWAY ENGINEERING AND MAINTENANCE OF WAY ASSOCIATION SPECIFICATIONS FOR PIPELINES CONVEYING FLAMMABLE AND NON-FLAMMABLE SUBSTANCES.
3. BLASTING NOT PERMITTED.



PROJECT TITLE CITY OF HICKORY
MURRAY BASIN SEWER PROJECT

SHEET TITLE RAILROAD PERMIT
12" FORCE MAIN
PLAN

PROJECT NUMBER 228531

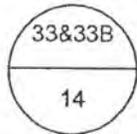
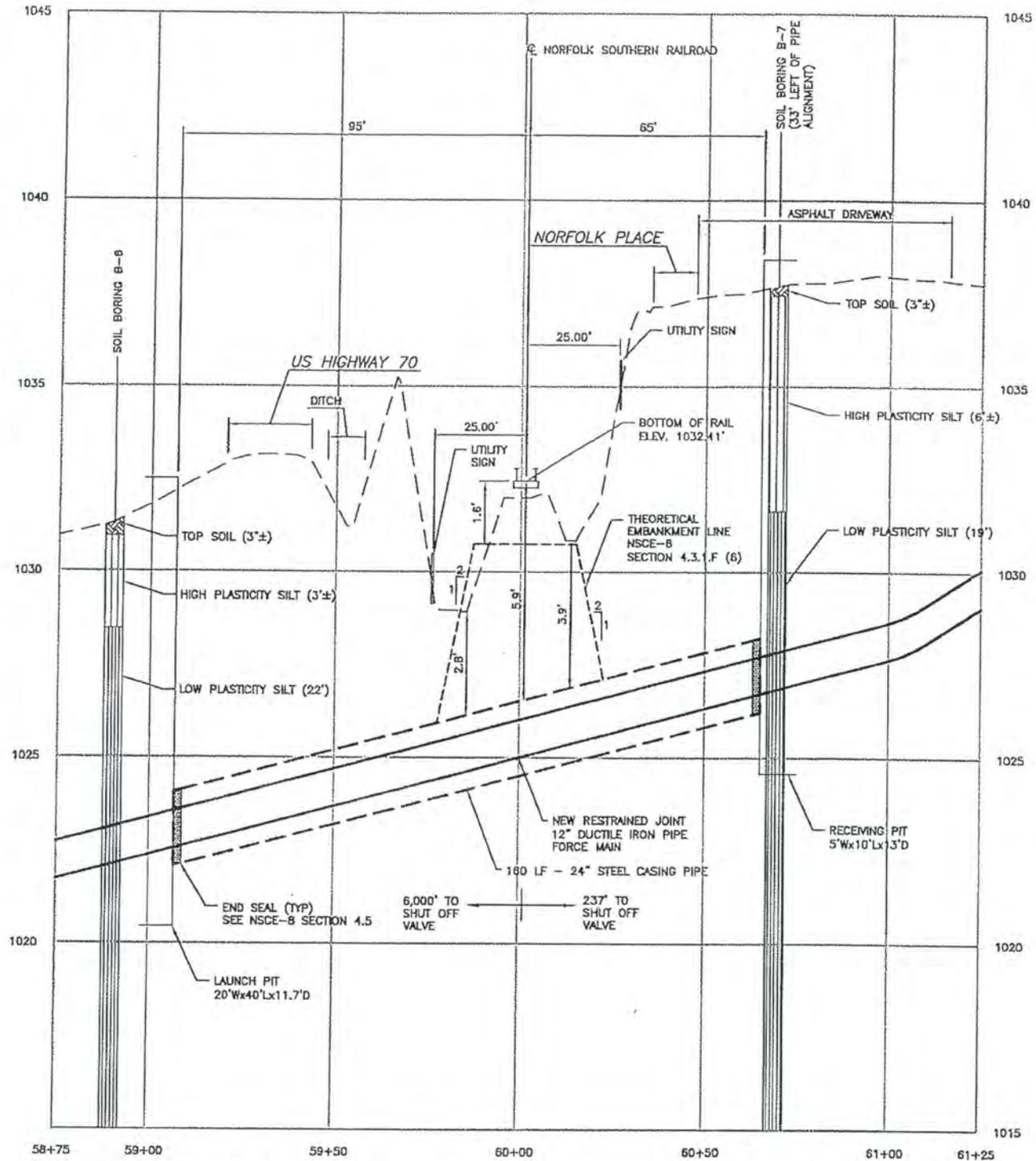
PROJECT MANAGER M. SHULTZ, PE

DATE 01/2015

REFERENCE SHEET 1 OF 2

REFERENCE DOCUMENT ENCROACH APP.

EXHIBIT NUMBER



A-2 received 3/2/2015
 Hickory, North Carolina
 Southern Rwy. Co.
 Lat: N 35.72034
 Long: W 81.26091

PROFILE
 1"=40' HORIZONTAL
 1"=4' VERTICAL



HDR Engineering Inc.
 of the Carolinas
 440 S. Church St. Suite 1000
 Charlotte, NC 28202-2075
 704.338.6700

N.C.B.E.L.S. License Number F-0116

PROJECT TITLE CITY OF HICKORY
 MURRAY BASIN SEWER PROJECT

SHEET TITLE
 RAILROAD PERMIT
 12" FORCE MAIN
 PLAN

PROJECT NUMBER
 228531
 PROJECT MANAGER
 M. SHULTZ, PE
 DATE
 01/2015

REFERENCE SHEET
 2 OF 2
 REFERENCE DOCUMENT
 ENCROACH APP.
 EXHIBIT NUMBER

Revised: 1/9/14

PIPE DATA SHEET

	CARRIER PIPE	CASING PIPE
CONTENTS TO BE HANDLED	Sanitary Sewer	N/A
NORMAL OPERATING PRESSURE	41 PSI	N/A
NOMINAL SIZE OF PIPE	12-IN	24-IN
OUTSIDE DIAMETER	13.2-IN	24-IN
INSIDE DIAMETER	12.64-IN	23.186-IN
WALL THICKNESS	0.28-IN	0.407-IN
WEIGHT PER FOOT	36.4 lb/ft	102.4 lb/ft
MATERIAL	Ductile Iron	Steel
PROCESS OF MANUFACTURE	per AWWA C151	per ASTM 139
SPECIFICATION	AWWA C151q	ASTM 139
GRADE OR CLASS	350 psi	B
TEST PRESSURE	150 psi	N/A
TYPE OF JOINT	Restrained Joint	Welded
TYPE OF COATING	Asphaltic	N/A
DETAILS OF CATHODIC PROTECTION	N/A	N/A
DETAILS OF SEALS OR PROTECTION AT END OF CASING	N/A	Brick/Grout
CHARACTER OF SUBSURFACE MATERIAL	N/A	Sandy Silt
APPROXIMATE GROUND WATER LEVEL	N/A	Unknown (its below pipeline)
SOURCE OF INFORMATION ON SUBSURFACE CONDITIONS	N/A	Project Specific Geotech Report

Proposed Method of Installation:

- Bore and jack (per Section 5.1.3 of NSCE-8)
 Jacking (per Section 5.1.4 of NSCE-8)
 Tunneling (with Tunnel Liner Plate) (per Section 5.1.5 of NSCE-8)
 Directional Bore/Horizontal Direction Drilling – Method A (per Section 5.1.6 of NSCE-8)
 Directional Bore/Horizontal Direction Drilling – Method B (per Section 5.1.6 of NSCE-8)
 Open Cut (per Section 5.1.2 of NSCE-8). *All installations directly under any track must be designed as a bored installation. Open cut installations will be considered on a case-by-case basis by Norfolk Southern's Division Superintendent at the time of installation.*
 Other (Specify): _____

AECOM**NORFOLK
SOUTHERN**

COUNCIL AGENDA MEMOS**To: City Manager's Office****From: Parks and Recreation****Contact Person: Mack McLeod, Parks and Recreation Director****Date: May 21, 2015****Re: Consideration of the first amendment to the priority use agreement with the Catawba Valley Youth Soccer Association (CVYSA)****REQUEST**

Consideration and approval of the first amendment to the existing priority use agreement with the Catawba Valley Youth Soccer Association (CVYSA) for the use of City of Hickory owned soccer fields at Henry Fork River Regional Recreation Park

BACKGROUND

The City of Hickory first entered into a priority use agreement with CVYSA in October of 2000 to assist in the development of the soccer fields at Henry Fork River Regional Recreation Park. In exchange for a stipulated contribution of \$150,000, CVYSA was granted a ten (10) year priority use agreement. Through the term life of the agreement, which expired in June of 2010, CVYSA contributed a total of \$163,000.

In June of 2011, the City of Hickory entered into a second priority use agreement with CVYSA which stipulated that CVYSA would pay an annual \$5,000 fee, plus associated supervisor and light usage fees, in exchange for another ten (10) priority use agreement.

In July of 2013, the City of Hickory entered into a new ten (10) priority use agreement 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 park. Under the current \$125,000 financial commitment terms, contributions towards the financial commitment can be made at any time within the first five (5) years of the agreement, but the entire \$125,000 contribution must be made by June 30, 2018. If CVYSA exceeds the \$125,000 commitment as of June 30, 2018, one (1) additional year of priority use will be added to the term of the agreement for each additional \$2,500 that is contributed. Likewise, if CVYSA fails to meet the \$125,000 commitment level by June 30, 2018, the term of the agreement will be reduced one (1) year for every \$2,500 not received.

CVYSA submitted a proposal request to the City of Hickory to amend the current payment terms. This first amendment to the current priority use agreement amends the financial commitment payment terms contained within the agreement.

ANALYSIS

At the time of the negotiation of the payment terms, CVYSA had enough cash available to commit to the payment of the \$125,000 by June 30, 2018. Their current available cash has been reduced significantly since then due to the following factors: 1) Increased competition from a new local soccer organization has pulled players from CVYSA, thereby reducing the number of CVYSA teams and subsequent revenue collection; 2) The 2014 Rotary/ Galaxy soccer tournament that is organized by the Lake Hickory Rotary Club and host sponsored by CVYSA was not held due to a lack of teams. The 2015 tournament was held but with a reduced number of teams. Both tournaments adversely affected CVYSA's revenue collection as the host NCYSA soccer club; 3) CVYSA has experienced a reduction in new soccer players joining their club which means less revenue coming into the club.

CVYSA does have several new initiatives to increase their revenue potential: 1) A new spring recreation soccer program that will grow revenues by recruiting new players into the CVYSA program; 2) Various promotional events to make the Hickory community more aware of CVYSA

and its programs; 3) various fundraising events to generate additional revenue; 4) Continued expansion of their annual Autumn Blast soccer tournament.

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 30th 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.

RECOMMENDATION

Staff recommends approval of the first amendment to the priority use agreement with the Catawba Valley Youth Soccer Association (CVYSA) for the use of City of Hickory owned soccer fields at Henry Fork River Regional Recreation Park.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

Mack McLeod ^{MM} 5.21.15

Initiating Department Head

Date

Annita M. Dula 5-26-15

Deputy City Attorney, A. Dula

Date

Asst. City Manager, W. Wood

Date

Asst. City Manager, A. Surratt

Date

Finance Officer, Melissa Miller

Date

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
P.O. Box 398, Hickory, NC 28603

STATE OF NORTH CAROLINA FIRST AMENDMENT TO THE
AGREEMENT FOR PRIORITY USE OF
DESIGNATED RECREATIONAL FACILITIES

COUNTY OF CATAWBA

This First Amendment, made and entered as of the ____ day of _____ 2015 between the City of Hickory, a North Carolina municipal corporation (herein called the "City"); and the Catawba Valley Youth Soccer Association, Inc., a North Carolina corporation (herein called the "CVYSA").

WITNESSETH:

WHEREAS, in 2013 the City and CVYSA entered into a new Priority Use Agreement to govern CVYSA's use of certain City owned soccer fields at Henry Fork River Regional Recreation Park for practices and games; and

WHEREAS, the City plans to install lights on certain soccer fields (Fields #2, #4, #5, and #6) at Henry Fork River Regional Recreation Park; and

WHEREAS, CVYSA agreed to financially contribute towards the installation of lights on these soccer fields using a certain payment schedule; and

WHEREAS, since 2013, CVYSA has experienced several factors which have greatly significantly impacted the organization's revenue and its ability to meet the current payment schedule; and

WHEREAS, CVYSA remains committed to fulfilling its financial commitment to the City but now desires to amend the Agreement's terms governing the payment schedule.

FIRST AMENDMENT TO THE AGREEMENT
FOR PRIORITY USE OF SPECIFIED RECREATIONAL FACILITIES

MAY 2015

NOW, THEREFORE, in consideration of receipt of the covenants and conditions expressed herein, each of which has actual value to the parties to this agreement and is not merely the subject of recitation herein, the City and CVYSA do hereby agree as follows:

1. Section IV. Financial Commitment is hereby deleted in its entirety and replaced with the following section:

IV. Financial Commitment

1. CVYSA agrees to contribute a minimum of \$125,000 towards the installation of the lights on Fields #2, #4, #5 and #6 at Henry Fork River Regional Recreation Park.
 2. CVYSA agrees to pay \$26,000 of the \$125,000 commitment by June 30, 2015.
 3. CVYSA agrees to pay the remaining \$99,000 in nine equal annual installments of \$11,000 beginning June 30, 2016 and ending June 30, 2024. The annual payment will be made by June 30th of each year. Contributions include direct monetary payments from CVYSA funds as well as grant funds obtained by CVYSA.
 4. If CVYSA exceeds the \$125,000 commitment as of June 30, 2018, one (1) additional year of priority use will be added to the term of this Agreement for each additional \$2500 above the \$125,000 commitment.
2. Except as otherwise provided herein, all other provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this document effective as of the day and date above indicated.

FIRST AMENDMENT TO THE AGREEMENT
FOR PRIORITY USE OF SPECIFIED RECREATIONAL FACILITIES

MAY 2015

Page 2 of 5

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

ATTEST: (SEAL)

By: _____

Rudy Wright, Mayor

Debbie D. Miller, City Clerk

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

Melissa Miller, Finance Officer City of Hickory

Approved as to form on behalf of the City of Hickory.

Attorney for the City of Hickory

FIRST AMENDMENT TO THE AGREEMENT
FOR PRIORITY USE OF SPECIFIED RECREATIONAL FACILITIES

MAY 2015

Page 3 of 5

STATE OF NORTH CAROLINA

COUNTY OF CATAWBA

I, _____ a Notary Public of said county and state, certify that Debbie D. Miller personally came before me this day and acknowledged that she is the City Clerk of the City of Hickory, a North Carolina municipal corporation, and that by authority duly given and as the act of the City Council of the City of Hickory, the foregoing instrument was signed in its name and by its Mayor, sealed with its corporate seal and attested by her as its City Clerk.

Witness my hand and seal this _____ day of _____, 2015.

Notary Public

(SEAL)

My Commission Expires: _____

FIRST AMENDMENT TO THE AGREEMENT
FOR PRIORITY USE OF SPECIFIED RECREATIONAL FACILITIES

MAY 2015

Page 4 of 5

**CATAWBA VALLEY YOUTH SOCCER
ASSOCIATION, INC.**

By: Michael Poe

Michael Poe, President

STATE OF NORTH CAROLINA

COUNTY OF GASTON

I, Cynthia F. Smith, a Notary Public of said county and state, certify that Michael Poe personally came before me this day and acknowledged that he is President of Catawba Valley Youth Soccer Association, a North Carolina nonprofit corporation, and that he, as President, being authorized to do so, voluntarily executed the foregoing on behalf of the corporation.

Witness my hand and seal this 20 day of MAY, 2015.

Cynthia F. Smith

Notary Public

(SEAL)

My Commission Expires: 06/05/2017

FIRST AMENDMENT TO THE AGREEMENT
FOR PRIORITY USE OF SPECIFIED RECREATIONAL FACILITIES

MAY 2015

Page 5 of 5

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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 6th 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 6th 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.

VENDOR	BID AMOUNT
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

SUBMIT SEALED or ELECTRONIC BIDS TO: Bo D. Weichel, Purchasing Manager PO Box 398 Hickory NC 28603 bweichel@hickorync.gov 828.323.7472		DIRECT INQUIRIES TO: Miles Champion mchampion@hickorync.gov 828-302-3757
Date bid advertised: May 18, 2015	No Bids Received After: 10:00 am May 22, 2015	

<u>Vendor Name:</u> Huffman Grading Co Inc	<u>Point of Contact:</u> Douglas B Huffman	
<u>Mailing Address:</u> 2608 Springs Rd NE		
<u>City:</u> Hickory	<u>State:</u> NC	<u>Zip:</u> 28601
<u>Area Code and Phone Number:</u> 828-256-5488	<u>Email Address:</u> doug@huffmangrading.com	
<u>Federal Employer Identification Number or Social Security Number:</u> 56-0749450		

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/TYPE 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:

Glenn C. Hilton, Jr. Recreational Park Additional Parking	15-031
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IMPORTANT INFORMATION AND INSTRUCTIONS

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.

THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK



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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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:

Glenn C. Hilton, Jr. Recreational Park Additional Parking	15-031
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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:

Glenn C. Hilton, Jr. Recreational Park Additional Parking	15-031
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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.



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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



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- 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.*



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- 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



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- 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).



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- 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 time 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 for 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



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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.



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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 25th of the month. OWNER will make payment to the Contractor on or about the 25th 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.



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SPECIAL CONDITIONS

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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*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

Notary Public

Date

SEAL:



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SPECIFICATIONS/DESCRIPTION OF WORK TO BE PERFORMED

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.



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BID FORM & GENERAL CONTRACT

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 & No/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

BUDGET ORDINANCE AMENDMENT # 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

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.

Adopted this ____ day of _____, 2015

Mayor

Clerk

CAPITAL PROJECT ORDINANCE AMENDMENT # 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.

Adopted this ____ day of _____, 2015

Mayor

Clerk

CAPITAL PROJECT ORDINANCE # 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.

Adopted this ____ day of _____, 2015

Mayor

Clerk

**CITY OF HICKORY
CAPITAL PROJECT ORDINANCE # 3
2014 Bond Referendum**

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 capital project ordinance is hereby adopted for the duration of this project.

SECTION 1. The project authorized is the 2014 Bond Referendum.

SECTION 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

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

Other Financing Sources

General Fund-General Government	<u>\$ 498,400</u>
Total	\$ 498,400

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

General Capital Project

Design Services	<u>\$ 498,400</u>
Total	\$ 498,400

SECTION 5. Copies of this capital project ordinance shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for direction.

Adopted this the ___ day _____, 2015.

Mayor

Clerk

GRANT PROJECT ORDINANCE AMENDMENT # 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.

Adopted this ____ day of _____, 2015

_____ Mayor

_____ Clerk

Annual Budget Ordinance

CITY OF HICKORY
Budget Ordinance
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, 2015:

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

Annual Budget Ordinance

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

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Annual Budget Ordinance

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:



Annual Budget Ordinance

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 reappropriated 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.

Annual Budget Ordinance

- 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.

Adopted this ____ day of June, 2015

Rudy Wright
Mayor

Attest:

Debbie D. Miller
City Clerk

**CITY OF HICKORY
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.

Adopted this ___ day of _____, 2015

Mayor

City Clerk

**CITY OF HICKORY
PROPOSED FY2015-2016 FEE SCHEDULE**

City of Hickory
FY2015-2016
Proposed Fee Schedule

	FY14-15	FY15-16
CITY CLERK		
Street Closing Fee	\$575.00	\$575.00
Mailing to Citizens per Year		
City Council Agendas	\$77.50	\$77.50
City Council Minutes	\$156.00	\$156.00
Board/ Commission Minutes	\$38.75	\$38.75
Special Meeting Notice mailed by US Postal Service (annual fee) re:GS143-318-12(b)(2)		
No charge for email copy	\$10.00	\$10.00
City Code		
Unbound Copy	\$115.25	\$115.25
Copy of full City Council Agenda Package (must be picked up, not mailed)	\$21.00	\$21.00
Photocopies (per sheet-black and white)	\$0.10	\$0.10
Photocopies (per sheet-color)	\$0.25	\$0.25
Civil Citations		
First Offense (Per offense)	\$50.00	\$50.00
Second - Fourth Offense (Per offense)	\$100.00	\$100.00
Fifth - Tenth Offense (Per offense)	\$250.00	\$250.00
Tenth Offense and beyond within twelve (12) consecutive months preceding the date of violation	\$500.00	\$500.00
Violations of Occupancy Limits:		
First Offense (Per violation)	\$100.00	\$100.00
Second Offense (Per violation)	\$250.00	\$250.00
Third and any Subsequent Offenses (Per violation)	\$500.00	\$500.00
Violations consisting of exit accesses, exits or exit discharges being obstructed or impediments to their full instant use.		
First Offense (Per violation)	\$100.00	\$100.00
Second Offense (Per violation)	\$250.00	\$250.00
Third and any Subsequent Offenses (Per violation)	\$500.00	\$500.00
ENGINEERING		
24x36 Black and White City Map	\$2.00	\$2.00
24x36 Color City Map	\$4.00	\$4.00
36x48 Black and White City Map	\$3.00	\$3.00
36x48 Color City Map	\$6.50	\$6.50

	FY14-15	FY15-16
66x70 2-piece Black and White City Map	\$16.50	\$16.75
66x70 2-piece Color City Map	\$32.75	\$33.00
8.5x11 GIS Property Info Map	\$1.00	\$1.00
36x48 Planimetric Maps	\$3.00	\$3.00
36x48 Topographic Maps	\$3.00	\$3.00
36x48 Orthophoto Maps	\$3.00	\$3.00
18x24 Plats	\$1.50	\$1.50
36x48 Thoroughfare Maps	\$6.50	\$6.50
36x48 Traffic Count Maps	\$7.75	\$7.75
18x24 Digital GIS Map Vector Data (per tile/layer)	\$4.00	\$4.00
24x36 Digital GIS Map Vector Data (per tile/layer)	\$6.50	\$6.50
36x48 Digital GIS Map Vector Data (per tile/layer)	\$9.00	\$9.00
GIS Map Digital Orthophoto (per tile)	\$13.00	\$13.00

FINANCE

	FY14-15	FY15-16
MISCELLANEOUS		
Copy of Budget Document	\$57.50	\$58.00
Computer Printouts	\$0.75	\$0.75
Returned Item Fee	\$25.00	\$25.25

BEER & WINE LICENSES

Beer - OFF Premises	\$5.00	\$5.00
Beer - ON Premises	\$15.00	\$15.00
Beer - ON Premises, Wine - OFF Premises	\$25.00	\$25.00
Beer & Wine - OFF Premises	\$15.00	\$15.00
Beer & Wine - ON Premises	\$30.00	\$30.00
Beer & Wine - Wholesale	\$62.50	\$62.50

CITY PARKING

Ungated Lots	\$28.50	\$28.75
Parking Deck	\$34.75	\$35.00
Parking Sticker/Card (extra/replacement)	\$3.25	\$3.25

I. GENERAL INSPECTION USE PERMITS

FY14-15 **FY15-16**

All buildings required by the NC Fire Code to be inspected shall obtain a General Inspection Use Permit. The frequency rate of the inspections are based upon the minimum inspection schedule required by the NC Fire Code. Operational permits required by the NC Fire Code will be included in the General Inspection Use Permit and will be listed on their permit as a provision. Departure from that type of operation would require another permit to be obtained. Operations or processes listed in the Fee Schedule as a Special Operational Use Permit are not included in the General Inspection Use Permit. The various General Inspection Use Permits and fees are as follows:

Twelve Month Inspection

The following occupancies are to be inspected once every year and the General Inspection Use Permit will be valid for a period of 12 months from the date of issuance:

Assembly (per building listed on Use Permit)	\$81.25	\$82.00
Day Care Facility	\$81.25	\$82.00
Hazardous	\$200.00	\$201.50
High Rise	\$273.75	\$276.00
Institutional/Other than Hospital	\$81.25	\$82.00
Institutional/Hospital	\$273.75	\$276.00
Educational/Public Schools	\$81.25	\$82.00
Residential (per building listed on Use Permit)	\$81.25	\$82.00
Residential Care/Assisted Living Facility (Group R-4)	\$81.25	\$82.00
Apartment Complex		
<i>Ten Buildings or Less</i>	\$81.25	\$82.00
<i>Eleven to Twenty Buildings</i>	\$111.50	\$112.50
<i>More Than Twenty Buildings</i>	\$140.25	\$141.25

* Apartment Complex - includes interior common areas, community rooms, offices, laundry rooms, etc.

Twenty-four Month Inspection

The following occupancies are to be inspected every two years and the General Inspection Use Permit will be valid for a period of 24 months from the date of issuance:

Factory Industrial	\$163.00	\$164.25
Educational/Private School	\$81.25	\$82.00

Thirty-six Month Inspection

The following occupancies are to be inspected every three years and the General Inspection Use Permit will be valid for a period of 36 months from the date of issuance:

	FY14-15	FY15-16
Assembly (occupant load less than 100)	\$96.25	\$97.00
Assembly (occupant load less than 50)	\$96.25	\$97.00
Business (per building listed on Use Permit)	\$96.25	\$97.00
Mercantile	\$96.25	\$97.00
Storage	\$140.25	\$141.25
Outside Mini Storage (without office)	No charge	No charge
Churches/Synagogues	\$81.25	\$82.00
* Multi-Tenant Building		
Business (10 or less tenants)	\$140.25	\$141.25
Business (more than 10 tenants)	\$273.75	\$276.00
Mercantile (10 or less tenants)	\$140.25	\$141.25
Mercantile (11 to 20 tenants)	\$273.75	\$276.00
Mercantile (more than 20 tenants)	\$547.50	\$552.00

*Multi-Tenant Building permits are optional and must be approved by the Division of Fire & Life Safety. The building must have common entrance/exits and low tenant turnover. Permit will be issued to the building owner and owner is responsible for correcting all fire code violations and payment of all fees.

Other Not Listed

Buildings not fitting into one of the other General Inspection Use Permits will be classified as Other Not Listed. Based upon the degree of hazards the General Inspection Use Permit will be valid for either 12, 24, or 36 months from the date of issuance.

Other Not Listed		
Twelve Month Inspection	\$81.25	\$82.00
Twenty-four Month Inspection	\$96.25	\$97.00
Thirty-six Month Inspection	\$111.50	\$112.50

The issuance of an operational or construction permit from the Division of Fire & Life Safety does not relieve the applicant of any permits required by the Catawba County Building Services Department for installation, repair, alteration or modification to a structure, system, or equipment.

II. SPECIAL OPERATIONAL USE PERMITS

FY14-15 **FY15-16**

Operational permits are required by the NC Fire Code to conduct the following types of operations. A permit fee will be charged for the following Special Operational Use Permits. These permits are not attached to normal procedures and are not covered under a General Inspection Use Permit or Fire Department Construction Permit. Tents and air supported structures requiring a construction permit will be included with the Special Operational Use Permit.

Blasting Permit		
30 day permit	\$111.50	\$112.50
2 day permit (48 hours)	\$51.75	\$52.25
Burning Permit		
Commercial	\$51.75	\$52.25
Residential	No charge	No charge
Exhibit and Trade Show	\$51.75	\$52.25
Festivals (fairs, carnivals, etc.)		
Large Festival:		
1. Festival with an attendance of more than 6,000 on any given day	\$205.75	\$207.50
2. Outdoor circus or carnival		
Small Festival:		
1. Festival with an attendance of 6,000 or less each day	\$51.75	\$52.25
2. Indoor circus or carnival		
Firework/Pyrotechnic Display (per display)	\$222.00	\$223.75
Fumigation or Thermal Insecticidal Fogging	\$51.75	\$52.25
Special Amusement Building	\$51.75	\$52.25
Tent or Air Supported Structures	\$51.75	\$52.25
Tent, Structure or Stand for Fireworks Sales		
30 day permit (changed from a 21 day permit to 30)	\$507.50	\$511.50
14 day permit (changed from a 7 day permit to 14)	\$253.75	\$255.75
Other Not Listed	\$51.75	\$52.25
After Hours Inspection (inspections conducted outside of normal work hours)		
*Late Application Fee	\$50.00	\$50.00
*A fee will be added to certain Special Operational Use Permits if the application is not submitted 14 days prior to the event. The Special Operational Use Permit applications include Exhibit and Trade Shows; Large Festivals; Small Festivals; Fireworks Displays; Special Amusement Buildings; Tent or Air Supported Structures; and Tent, Structure or Stand for Fireworks Sales.	\$50.00	\$50.00

III. FIRE DEPARTMENT CONSTRUCTION PERMITS

Construction permits are required by the NC Fire Code to install or modify the following systems or equipment. A permit fee will be charged for the following Fire Department Construction Permit. Any person that commences any work before obtaining the necessary permit will be charged double permit fees and subject to civil citations and being reported to the NC State Board of Examiners.

	FY14-15	FY15-16
Automatic Fire-Suppression System		
Installation		
Renovation/Modification	\$68.25	\$68.75
Automatic Sprinkler System	\$57.50	\$58.00
Installation (\$70.00 minimum) (per sq. ft.)	\$0.0147	\$0.0148
Renovation/Modification	\$57.50	\$58.00
Standpipe System (Not part of a sprinkler system)		
Installation	\$68.25	\$68.75
Renovation/Modification	\$57.50	\$58.00
Fire Alarm and Detection System (Includes devices tied into fire alarm system)		
Installation (\$70.00 minimum) (per sq. ft.)	\$0.0147	\$0.0148
Renovation/Modification	\$57.50	\$58.00
Door Locking Devices (Access-controlled egress, delayed egress, & special locking devices) additional \$5.00 per device.		
Installation	\$68.25	\$68.75
Renovation/Modification	\$57.50	\$58.00
Two-way Communication System (Area of Rescue Assistance)		
Installation	\$68.25	\$68.75
Renovation/Modification	\$57.50	\$58.00
Private Fire Hydrants		
Installation	\$68.25	\$68.75
Renovation/Modification	\$57.50	\$58.00
Compressed Gas Systems (Amounts exceed those listed in Table 105.6.9)		
Install, Abandon, Remove, Place Temporarily out of Service, or Close	\$57.50	\$58.00
Flammable and Combustible Liquids Storage Tanks		
* Tank Installation- (per tank)	\$68.25	\$68.75
Removal or Place out of Service- (per tank)	\$68.25	\$68.75
Fuel dispensing equipment installation or replacement	\$25.25	\$25.50
Hazardous Material Facility or Other Area		
Abandon, Remove, Place Temporarily out of Service, or Close areas regulated by Chapter 27 when arnts. listed in Table 105.6.21 are exceeded.	\$68.25	\$68.75

* If electrical circuitry is involved then an electrical permit must also be obtained from the Catawba County Building Services Department

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IV. MISCELLANEOUS TESTS, INSPECTIONS, AND SERVICES

Residential (Group R-3)	\$44.75	\$45.00
Fire Flow Test	\$90.75	\$91.50
Special Inspection (Conducted during normal work hours)	\$51.75	\$52.25
Special Inspection (Requested by contractor outside normal work hours) (per hour)	\$101.50	\$102.25
Stand-by Firefighter (4 hour minimum) (per hour)	\$25.00	\$25.25

Re-inspection fees will be charged to the permit applicant or holder of a General Inspection Use Permit beyond the first re-inspection when conducting inspections for fire code violations that have not been corrected.

First non-compliance re-inspection	\$35.00	\$35.00
Second and all subsequent non-compliance re-inspections. (per re-inspection)	\$50.00	\$50.00

Re-inspection fees will be charged to the permit holder of a Fire Department Construction Permit for the following:
 Re-inspections due to work not being finished,
 corrections not being completed, or failure to cancel an inspection.

Reimbursement cost for stand-by fire protection services due to hazardous materials incidents or other emergencies.	\$50.00	\$50.00
Engine or Ladder Company (per hour)	\$121.25	\$122.25
Incident Commander (per hour)	\$29.00	\$29.25
Incident supplies, fuel, overtime cost for staffing	Replacement Cost	Replacement Cost

LIBRARY

Out of City Patron (Excluding Counties who contribute toward the Library)	\$55.00	\$55.00
Replacement fee for library cards	\$2.00	\$2.00
Replacement cost for library books/DVDs/CDs + \$7 processing fee (based on average replacement value) inter-library loan - 1 request per week allowed at no charge		
Replacement of damaged/missing processing supplies (e.g., barcodes, RFID tags, spine labels, mylar book covers, DVD trays, DVD/CD paper inserts)	\$3.00	\$3.00

	FY14-15	FY15-16
DVD/CD Case (incl. barcode, tray & RFID tag)	\$4.00	\$4.00
Backpacks-lost/damaged	\$10.00	\$10.00
Backpack components (replacement)		
Books	\$8.00	\$8.00
DVDs	\$15.00	\$15.00
Inter-library loan additional request	\$3.00	\$3.00
Mailed obituary copy	\$5.00	\$5.00
Letter/Legal size per page	\$0.10	\$0.10
Ledger size per page	\$0.10	\$0.10
Microfilm reader per page	\$0.10	\$0.10
Computer printer per page/black and white	\$0.10	\$0.10
Computer printer per page/color	\$0.25	\$0.25
Copy per page/black and white	\$0.10	\$0.10
Copy per page/color	\$0.25	\$0.25
Daily Fine		
\$.10/adult book (Maximum of \$15.00)	\$15.00	\$15.00
\$.05/child book (Maximum of \$15.00)	\$15.00	\$15.00
\$.05 child CD	\$15.00	\$15.00
\$.10/adult CD	\$15.00	\$15.00
\$1.00/DVD (Maximum of \$15.00)	\$15.00	\$15.00
PLANNING AND DEVELOPMENT		
ZONING		
Waiver of Buffer Agreement Review	\$155.25	\$156.50
Rezoning Application Fee		
0-1 Acre	\$516.25	\$520.50
>1-5 Acres	\$715.75	\$721.50
>5 Acres	\$1,073.75	\$1,082.25
Special Use Permit	\$309.50	\$312.00
Certificate of Appropriateness Public Hearing	\$223.50	\$225.25
Variance Application	\$238.75	\$240.50
Planned Development, plus \$.005 per Sq. ft. of floor area proposed	\$238.75	\$240.50
Transfer of Development Rights Review	\$155.25	\$156.50
Letter Verifying Zoning Flood Plain	\$24.00	\$24.25
Zoning Letter for Commercial Property	\$60.00	\$60.00
Administrative Fee for all Performance Bonds	\$35.75	\$36.00
Lot Boundary Adjustment Plat (plus \$13.00 / lot)	\$56.00	\$56.50
Mirror Plat (plus \$4.00 / lot)	\$84.00	\$84.75
Preliminary Plat (plus \$4.00 / lot)	\$335.50	\$338.25
Final Plat (plus \$3.00 / lot)	\$167.50	\$168.50
MISCELLANEOUS		
Manual of Practice	\$56.00	\$56.50

	FY14-15	FY15-16
Land Development Code Manual	\$56.00	\$56.50
Standard fee Xerox copies per sheet	\$0.25	\$0.25
Alternative Signage Plan		
Payment Due Upon Request or Billing to Existing Customer Base:	\$223.50	\$225.25

The following fee schedule is updated annually to adjust for the effects of increased construction costs; however, changes and additions to the fee schedule may be made at any time by the City Council.

Special Extra Inspection paid by G.C. (Per Hour Rate)	\$149.50	\$150.75
D.A.C. Plan Review (Per Hour Rate)	\$191.00	\$192.50
* Demolition Permit (Max. 30 day limit on clean-up)	\$109.25	\$110.00
Copies (per page)	\$0.25	\$0.25
** Residential Zoning Application/Review	\$12.25	\$12.25
** Commercial Zoning Application/Review - without plans	\$24.00	\$24.25
** Commercial Zoning Application/Review - with plans	\$35.75	\$36.00
** Alcohol Beverage Control Application	\$28.00	\$28.25
** Archive/Record Search	\$30.00	\$30.25
** Temporary Sign Bond/Banners-12 weeks(Cash or Check)	\$50.75	\$51.25
** Temporary Sign Bond/Banners-52 weeks(Cash or Check)	\$101.50	\$102.25
** Payment due upon request or billing to existing customer base**		

POLICE

Address Search	\$10.00	\$10.00
Records Check	\$6.00	\$6.00
Solicitors Permit - background performed and hard copy identification card is made for each solicitor	\$15.00	\$15.00
Copies (reports) each	\$3.00	\$3.00
Each additional 20 pages requested	\$3.00	\$3.00
Electronic reports provided on USB Drive	\$25.00	\$25.25
Fingerprinting (non-arrestee) per set	\$12.00	\$12.00
Parking Citation fine	\$5 to \$13	\$5 to \$13
Handicapped Parking Violations fine	\$100.00	\$100.00
Parking Permit Violation fine	\$20.00	\$20.00
Issue New Permit or Reinstatement Permit (driver)	\$13.00	\$13.00
Annual Renewal of Permit (driver)	\$7.50	\$7.50
Transfer or Duplication of Lost Permit	\$3.50	\$3.50
Taxicab Franchise		
Per Cab or Other Vehicle for Hire (owner)	\$23.00	\$23.25
Per Transfer of Title or Permission to Purchase Tags	\$8.00	\$8.00
Precious Metals Business - Dealer Permit	\$180.00	\$180.00

	FY14-15	FY15-16
Precious Metals Employee	\$10.00	\$10.00
Precious Metals Employee Renewal	\$3.00	\$3.00

Police - Code Enforcement

Civil Citations		
First Offense (Per offense)	\$50.00	\$50.00
Second - Fourth Offense (Per offense)	\$100.00	\$100.00
Fifth - Tenth Offense (Per offense)	\$250.00	\$250.00
Tenth Offense and beyond within twelve (12) consecutive months preceding the date of violation	\$500.00	\$500.00

PUBLIC SERVICES

CEMETERY LOTS

Oakwood (must purchase two lots and no pre-need)	\$1020.75 ea.	\$1029.00 ea.
Fairview	\$729.00	\$734.75
Southside	\$729.00	\$734.75
Baby Grave with identification marker	\$729.00	\$734.75

CEMETERY PERMITS

Interment Permit	\$61.75	\$62.25
Monument Permit	\$12.50	\$12.50
Enurement Permit	\$12.50	\$12.50
Niche Opening After Initial Enurement	\$180.75	\$182.25

COLUMBARIUM

Single Niche	\$1,480.50	\$1,492.25
Double Niche	\$2,220.00	\$2,237.75

LANDSCAPE SERVICES

*Large Trees		
Fruitless Sweetgum	\$359.25	\$359.25
Norway Maple	\$359.25	\$359.25
Ginko	\$359.25	\$359.25
**Medium Trees		
American Hornbeam	\$287.00	\$287.00
Sawtooth Oak	\$287.00	\$287.00
Red Maple	\$287.00	\$287.00
Sugar Maple	\$287.00	\$287.00
**Small Trees		
Cranberry	\$215.00	\$215.00
Yoshino Cherry	\$215.00	\$215.00
Kwanzan Cherry	\$215.00	\$215.00
Kousa Dogwood	\$215.00	\$215.00

	FY14-15	FY15-16
*Trees should have a minimum caliper of 2.5" and a minimum height of 12'-14' at the time of planting. **Trees should have a minimum caliper of 2" and a minimum height of 8'- 10' at the time of planting The above fees include the purchase, delivery, and installation of the tree at a selected public planting site		
Shurford Garden Rental	\$172.00	\$173.25
LOT CLEANING		
Manual and/or equipment		
Administrative Fees	\$78.25	\$78.50
Charge per worker per hour	\$21.75	\$22.00
Charge per dump truck per hour	\$78.25	\$78.50
Charge per hoist per hour	\$116.25	\$117.25
Charge per loader per hour	\$116.25	\$117.25
Charge per ton of debris (Yard waste)	\$21.75	\$22.00
Charge per ton of debris (Junk)	\$40.00	\$40.25
LOT MOWING		
Administrative Fee	\$78.25	\$78.50
Tractor with bushhog (per hour)	\$78.25	\$78.50
Street Flushing Per Load (\$55.50 per hour and \$13.00 per load of water)	\$68.50	\$69.00
RECYCLING		
Household Solid Waste Fee Per Month	\$16.50	\$16.50
OCC Recycling Bulk Container per Month	\$35.00	\$35.00
Contaminated OCC Bulk Container	\$55.50	\$55.50
Pick up for OCC Container/Nonpayment	\$51.50	\$51.50
Residential Recycling Bags (tax included)	\$17.00	\$17.00
Ground Mulch Per Loader Bucket	\$20.00	\$20.00
Ground Leaves/Compost Per Loader Bucket	\$20.00	\$20.00
95 Gallon Rollout - 1 x Week (Hickory Dumpster Cust.) (glass recycling) (each/glass/per mo.)	\$17.00	\$17.00
Extra Pick Up (each container)	\$8.50	\$8.50

COMMERCIAL WASTE

	FY14-15	FY15-16
4-Yard BC - Monthly Rental Fee	\$28.75	\$28.75
4-Yard BC - 1 pickup per week	\$40.25	\$40.25
4-Yard BC - 2 pickups per week	\$102.00	\$102.00
4-Yard BC - 3 pickups per week	\$164.75	\$164.75
4-Yard BC - 4 pickups per week	\$227.75	\$227.75
4-Yard BC - 5 pickups per week	\$290.50	\$290.50
4-Yard BC - 6 pickups per week	\$352.25	\$352.25
4-Yard BC - 1 pickup per month	\$9.75	\$9.75
4-Yard BC - 2 pickups per month	\$19.50	\$19.50
4-Yard BC - Extra Pickup	\$14.50	\$14.50
4-Yard BC - Contaminated Container	\$55.50	\$55.50
4-Yard BC - Dumpster Removal Non - Payment	\$51.50	\$51.50
6-Yard BC - Monthly Rental Fee	\$35.00	\$35.00
6-Yard BC - 1 pickup per week	\$67.00	\$67.00
6-Yard BC - 2 pickups per week	\$156.50	\$156.50
6-Yard BC - 3 pickups per week	\$245.25	\$245.25
6-Yard BC - 4 pickups per week	\$334.75	\$334.75
6-Yard BC - 5 pickups per week	\$424.25	\$424.25
6-Yard BC - 6 pickups per week	\$513.00	\$513.00
6-Yard BC - 1 pickup per month	\$15.50	\$15.50
6-Yard BC - 2 pickups per month	\$31.00	\$31.00
6-Yard BC - Extra Pickup	\$20.50	\$20.50
6-Yard BC - Contaminated Container	\$55.50	\$55.50
6-Yard BC - Dumpster Removal Non - Payment	\$51.50	\$51.50
8-Yard BC - Monthly Rental Fee	\$39.25	\$39.25
8-Yard BC - 1 pickup per week	\$80.75	\$80.75
8-Yard BC - 2 pickups per week	\$183.25	\$183.25
8-Yard BC - 3 pickups per week	\$285.25	\$285.25
8-Yard BC - 4 pickups per week	\$388.25	\$388.25
8-Yard BC - 5 pickups per week	\$491.25	\$491.25
8-Yard BC - 6 pickups per week	\$593.25	\$593.25
8-Yard BC - 1 pickup per month	\$18.50	\$18.50
8-Yard BC - 2 pickups per month	\$37.00	\$37.00
8-Yard BC - Extra Pickup	\$23.75	\$23.75
8-Yard BC - Contaminated Container	\$55.50	\$55.50
8-Yard BC - Dumpster Removal Non - Payment	\$51.50	\$51.50
<u>15-Yard Hooklift Open Top Container:</u>		
Hook Lift Drop Off	\$51.50	\$51.50
Box Rental per Calendar Day	\$2.00	\$2.00
Haul Fee for Dumping	\$51.50	\$51.50
Landfill Fee (per ton)	\$33.00	\$33.00
Compactors 6-Yard Monthly Rental	\$95.50	\$95.50
Compactors 6-Yard Tipping Fee	\$40.25	\$40.25

	FY14-15	FY15-16
Compactors 6-Yard Trip Fee	\$5.25	\$5.25
<u>Downtown Commercial Waste:</u>		
Downtown 4-Yard Equivalent	\$69.00	\$69.00
Downtown 6-Yard Equivalent	\$102.00	\$102.00
Downtown 8-Yard Equivalent	\$120.00	\$120.00
Downtown 96-Gallon Equivalent	\$16.50	\$16.50
Cardboard 8-Yard Monthly Rental	\$35.00	\$35.00
Cardboard 8-Yard Contaminated Container	\$55.50	\$55.50
ABC Glass Recycling Container	\$17.00	\$17.00
Temporary Dumpster Landfill Fee (In addition to Rental & Service) Per Ton:	\$33.00	\$33.00
Dumpster Removal - Nonpayment	\$51.50	\$51.50
SANITATION		
Residential Trash Bags (per hundred) (tax included)	\$17.00	\$17.00
Additional Roll-out Container	\$16.50	\$16.50
Special Handling Charge		
\$54.00 per hour or \$25.00 minimum charge for handling and loading:	\$54.00	\$54.00
A. Brush over 2 cubic yards which cannot be chipped		
B. Tree trunks limited to three (3) feet in length		
C. Tree stumps limited to root base of three (3) feet in diameter		
D. Other special items that require the utilization of the grapple loader:		
STREET		
Driveway Tie-ins Per Square Yard	\$57.00	\$57.50
New Driveway Cuts		
15'	\$440.75	\$444.25
16'	\$465.50	\$469.25
17'	\$489.50	\$493.50
18'	\$515.50	\$519.50
19'	\$546.25	\$550.50
20'	\$566.00	\$561.50
21'	\$590.75	\$595.50
22'	\$621.50	\$626.50
23'	\$640.50	\$645.50

	FY14-15	FY15-16
24'	\$665.25	\$670.50
25'	\$690.00	\$695.50
26'	\$715.00	\$720.75
27'	\$741.00	\$747.00
28'	\$767.00	\$773.25
29'	\$790.75	\$797.00
30'	\$816.50	\$823.00
31'	\$840.25	\$847.00
32'	\$866.25	\$873.25
33'	\$891.75	\$899.00
34'	\$915.50	\$922.75
35'	\$941.00	\$948.50
36'	\$966.25	\$974.00
Curb and Gutter Per Linear Foot (includes \$0.50 per foot for seeding)	\$23.75	\$24.00
Driveways Per Linear Foot (For C&G Petition Projects)	\$48.00	\$48.50
Sidewalks (5 feet wide) Per Foot (includes \$0.50 per foot for seeding)	\$21.75	\$22.00
Asphalt Paving (for petition) Per Square Yard	\$14.00	\$14.00
Vehicle Fee-Per Vehicle (Revenues for Sidewalk Master Plan)	\$5.00	\$5.00

TRAFFIC SIGNS

Handicapped Parking / each	\$29.00	\$31.50
Handicapped Penalty / each	\$13.75	\$15.00
Van Accessible/each	\$13.75	\$15.00
Handicapped Parking & Penalty Combo/each	\$43.00	\$46.50
No Parking / each	\$27.00	\$29.00
30" Stop / each	\$81.25	\$87.75
36" Stop / each	\$101.50	\$109.75
30" Yield / each	\$64.75	\$70.00
36" Yield / each	\$81.25	\$87.75
30" Dead End / No Outlet/ each	\$72.50	\$78.50
Speed Limit: 24 x 30 / each	\$54.25	\$58.50
One Way: 36 x 12 / each	\$43.50	\$47.00
Fire Lane: 12 x 18 / each	\$27.00	\$29.00
Buckle Up (Large) / each	\$62.25	\$67.25
Buckle Up (Small) / each	\$43.50	\$47.00
Other MUTCD 30" / each	\$56.25	\$60.75
Other MUTCD 36" / each	\$74.25	\$80.25
Intersection Plates in Place / each	\$143.50	\$155.00
Neighborhood ID Sign/each	\$39.25	\$42.50
Decal Fabrication Per Square Foot for Material & 1 Color	\$5.25	\$5.75
Per Additional Color \$6.75 per square foot		\$6.75
Posts (each)		\$0.00
12 feet	\$47.25	\$51.00

	FY14-15	FY15-16
10 feet	\$32.00	\$34.50
8 feet	\$28.00	\$30.25
5-6 feet	\$23.00	\$24.75

UTILITIES

Water Deposit (Should cover 2 months minimum)	\$118.00	\$119.00
Hydrant Water Meter Deposit		\$500.00
Service Fee (All related disconnection fees for non-payment)	\$32.00	\$32.00

Wastewater Facility Fee

(Per Lot For The Hickory-Catawba Wastewater Treatment Plant)	\$2,500.00	\$2,500.00
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Water System Rates

Customer Charge:	\$4.26	\$4.29
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Availability Charge:

3/4"	\$10.83	\$10.92
1"	\$20.46	\$20.62
1 1/2"	\$25.28	\$25.48
2"	\$78.28	\$78.91
3"	\$155.37	\$156.61
4"	\$242.09	\$244.03
6"	\$482.98	\$486.84
8"	\$772.05	\$778.23

Volume Charges: Per 100CF

	\$1.10	\$1.11
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Sewer System Rates:

Customer Charge:	\$4.67	\$4.71
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Availability Charge:

3/4"	\$9.88	\$9.96
1"	\$18.56	\$18.71
1 1/2"	\$22.89	\$23.07
2"	\$70.59	\$71.15
3"	\$139.98	\$141.10
4"	\$218.06	\$219.80
6"	\$434.89	\$438.37
8"	\$695.11	\$700.67
Volume Charges: Per 100CF	\$2.15	\$2.17

Flat Rates (Sewer Only)

	\$33.50	\$33.77
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Outside rates will be double the inside rate for all customer classes.

FY14-15 FY15-16

Water Tap Charges: Inside

Meter Size	FY14-15	FY15-16
3/4"	\$548.00	\$552.50
1"	\$1,014.00	\$1,022.00
1 1/2"	\$2,731.00	\$2,753.00
2"	\$3,222.00	\$3,248.00
3"	\$11,105.00	\$11,194.00
4"	\$12,069.00	\$12,166.00
6"	\$14,700.00	\$14,818.00
8"	\$17,020.00	\$17,156.00

Outside rates will be double the inside rate for all customer classes.

Water Capacity Charges: Inside

Meter Size	FY14-15	FY15-16
3/4"	\$491.00	\$495.00
1"	\$916.00	\$923.00
1 1/2"	\$1,390.00	\$1,401.00
2"	\$1,836.00	\$1,851.00
3"	\$5,881.00	\$5,928.00
4"	\$9,188.00	\$9,262.00
6"	\$18,375.00	\$18,522.00
8"	\$26,171.00	\$25,372.00

Outside rates will be double the inside rate for all customer classes.

Sewer Tap Charges: Inside

Meter Size	FY14-15	FY15-16
4"	\$817.00	\$824.00
6"	\$1,014.00	\$1,022.00
8"	\$1,308.00	\$1,318.00
10"	\$1,552.00	\$1,564.00
12"	\$1,963.00	\$1,979.00

Outside rates will be double the inside rate for all customer classes.

Sewer Capacity Charges: Inside

Meter Size	FY14-15	FY15-16
3/4"	\$530.00	\$534.00
1"	\$1,020.00	\$1,028.00
1 1/2"	\$2,041.00	\$2,057.00

	FY14-15	FY15-16
2"	\$3,265.00	\$3,291.00
3"	\$6,533.00	\$6,585.25
4"	\$10,208.00	\$10,290.00
6"	\$20,417.00	\$20,580.00
8"	\$24,242.00	\$24,436.00

Outside rates will double the inside rate for all customer classes.

Meter Testing Charges

Meter Size	FY14-15	FY15-16
3/4"	\$40.00	\$41.00
1"	\$118.00	\$119.00
1 1/2"	\$162.00	\$163.00
2"	\$162.00	\$163.00
3"	\$355.00	\$358.00
4"	\$355.00	\$358.00
6"	\$355.00	\$358.00
8"	\$355.00	\$358.00
10"	\$355.00	\$358.00

Tampering Fee (Straight piping or adjusting meters)

Tampering Fee (Straight piping or adjusting meters)	\$134.00	\$135.00
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Relocation Costs

Relocation of 3/4"	\$548.00	\$552.00
Relocation of 1"	\$1,014.00	\$1,022.00

**Main Line Connection with Materials and Labor -
 Sprinkler or New
 Development
 Sizes**

6 x 4	\$3,610.00	\$3,639.00
6 x 6	\$3,674.00	\$3,703.00
8 x 6	\$3,919.00	\$3,950.00
8 x 8	\$4,167.00	\$4,200.00
10 x 6	\$4,411.00	\$4,446.00
10 x 8	\$4,655.00	\$4,692.00
12 x 6	\$5,144.00	\$5,185.00
12 x 8	\$5,393.00	\$5,436.00
12 x 12	\$6,100.00	\$6,149.00
16 x 6	\$6,624.00	\$6,677.00
16 x 8	\$6,921.00	\$6,976.00
16 x 12	\$7,982.00	\$8,046.00
20 x 6	\$7,594.00	\$7,655.00
20 x 8	\$8,082.00	\$8,147.00
20 x 12	\$8,935.00	\$9,006.00

	FY14-15	FY15-16
30 x 6	\$21,772.00	\$21,946.00
30 x 8	\$22,301.00	\$22,479.00
30 x 12	\$24,143.00	\$24,336.00
36 x 6	\$21,772.00	\$21,946.00
36 x 8	\$22,301.00	\$22,479.00
36 x 12	\$24,143.00	\$24,336.00

NOTE: These prices do not include any charges for boring. If necessary, boring will be charged at \$160.00 per linear foot.
 Thru 12" Bore Price: \$160.00/ft. 16" and larger Contracted Price Pass Through

Industrial Waste Surcharges

BODS-350 mg/liter	\$0.19	\$0.20
TSS-350 mg/liter	\$0.65	\$0.66

Total Phosphorus - 10 mg/liter	\$2.96	\$2.98
TKN - 50 mg/liter	\$0.90	\$0.91

AIRPORT

Airport Room Rental-flat fee	\$75.00	\$75.00
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FBO

FBO Room Rental-flat fee	\$75.00	\$75.00
After Hours Service Fee-Fee Waived with a minimum 75 gallon fuel purchase	\$75.00	\$75.00
Ramp Fee for aircraft weighing 12,500 lbs. or more-Fee waived with a minimum 100 gallon fuel purchase	\$75.00	\$150.00
Lav Services	\$50.00	\$50.00
Fork Lift Fee	\$200.00	\$200.00

Aircraft Definitions for Rates

Category 1A - Single engine piston aircraft with wingspan up to 31 feet

Category 1B- Single engine piston aircraft with wingspan up to 40 feet

Category II- Twin engine piston with wingspan up to 45 feet and single engine turboprop aircraft with wingspan up to 45 feet

Category III- Single engine turboprop aircraft with wingspan from 46 feet to 57 feet and twin engine turboprop aircraft with wingspan up to 57 feet

FY14-15 FY15-16

Category IV- Twin engine turboprop aircraft with wingspan from 58 feet to 66 feet and twin engine jet aircraft with wingspan up to 66 feet
 Category V- Twin engine turboprop aircraft with wingspan from 67 feet to 94 feet and twin engine jet aircraft with wingspan between 67 feet and 94 feet
 Category VI- Twin engine turboprop aircraft with wingspan from between 95 feet and 149 feet and twin engine jet aircraft with wingspan between 95 feet and 149 feet
 Helicopters
 Aircraft larger than a Gulfstream V will be at a negotiated rate and based on availability
 All corporate hangars (10,000 sq.ft. and larger) will be at a negotiated rate based upon availability.

Monthly/Nightly Rates

Open Tie-Down (Based on Availability)

Category IA	\$50.00	\$50.00
Category IB	\$60.00	\$60.00
Category II	\$75.00	\$75.00
Category III	\$125.00	\$125.00
Category IV	\$150.00	\$150.00
Category V-VI	Rate negotiated	Rate negotiated
Helicopter	Rate negotiated	Rate negotiated

Nightly-Tie-Down (Based on Availability)

Category IA	\$10.00	\$10.00
Category IB	\$10.00	\$10.00
Category II	\$20.00	\$20.00
Category III	\$25.00	\$25.00
Category IV	\$30.00	\$30.00

*First Night Tie-Down Fee Waived With Purchase of Fuel

Hangar in Common-Open Monthly Rate (Based on Availability)

Category IA	\$140.00	\$140.00
Category IB	\$150.00	\$150.00
Category II	\$200.00	\$200.00
Category III	\$400.00	\$400.00
Category IV	\$600.00	\$600.00
Category V-VI	Rate negotiated	Rate negotiated
Helicopters	Rate negotiated	Rate negotiated

Nightly - Open Hangar Fee (Based on Availability)

	FY14-15	FY15-16
Category IA	\$20.00	\$20.00
Category IB	\$20.00	\$20.00
Category II	\$40.00	\$40.00
Category III	\$50.00	\$50.00
Category IV	\$60.00	\$60.00
Category V-VI	Rate negotiated Rate negotiated	

Hangar In Common-Closed/Heated Monthly Rate (Based on Availability)

Category IA	\$225.00	\$225.00
Category IB	\$250.00	\$250.00
Category II	\$300.00	\$300.00
Category III	\$600.00	\$600.00
Category IV	\$750.00	\$750.00
Category V-VI	Rate negotiated Rate negotiated	
Helicopters	Rate negotiated Rate negotiated	

Nightly-Closed/Heated Hangar Fee (Based on Availability)

Category IA	\$40.00	\$40.00
Category IB	\$40.00	\$40.00
Category II	\$60.00	\$60.00
Category III	\$70.00	\$70.00
Category IV	\$80.00	\$80.00
Category V-VI	Rate negotiated Rate negotiated	

*First Night Hangar Fee Waived With Purchase of 50 Gallons of Fuel or More

RECREATION

Non-Resident Fee Per Person Per Sport	\$40.00	\$40.00
Non-Res. Fee for Those Employed & Sponsored by Tax Paying Co. (Per Sport)	\$20.00	\$20.00
Tennis Court Rental Per 1-1/2 Hour	\$3.00	\$3.00

Community Garden Plot:

<i>Citivan Park</i>		
Resident	\$21.00	\$21.25
Non-Resident	\$42.00	\$42.25
<i>Taft Broome Park</i>		
Resident	\$10.75	\$11.00
Non-Resident	\$21.00	\$21.25

Entry Fees: Adult

Volleyball	\$211.00	\$211.00
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	FY14-15	FY15-16
Basketball	\$450.00	\$450.00
Softball	\$480.00	\$480.00
Soccer	\$242.00	\$242.00
Dodgeball/Kickball	\$242.00	\$242.00
Sponsorship Fees: Youth		
Soccer	\$239.00	\$239.00
Basketball	\$239.00	\$309.00
Volleyball	\$155.00	\$155.00
Girls Softball	\$269.00	\$269.00
Football	\$377.00	\$377.00
Baseball	\$377.00	\$377.00
Ceramic Fees: Cost of Greenware Plus 30%		
Ceramic Greenware Firing Per Piece:		
Resident	\$2.00	\$2.00
Non-Resident	\$4.00	\$4.00
Small Kiln Load:		
Resident	\$10.50	\$10.50
Non-Resident	\$31.00	\$31.25
Large Kiln Load:		
Resident	\$15.50	\$15.50
Non-Resident	\$31.00	\$31.25
Class Fees: City Receives 30% of Class Fees and Instructor 70%		
Non Resident Fee will be class fees + \$5.00		
Individual Pottery Class Fees		
Resident (Hour)	\$26.00	\$26.25
Non-Resident (Hour)	\$31.00	\$31.25
Event Admission Fees: City Receives 12% of Gross Ticket Sales		
CLASSROOM RENTAL FEES PER HOUR:		
Neill Clark (During Operating Hours)		
Resident	\$30.00	\$30.25
Non Resident	\$41.50	\$42.00
Neill Clark (After Operating Hours)		
Resident	\$56.00	\$56.50
Non Resident	\$84.00	\$85.00
Supervisor Fees: Per Hour	\$22.00	\$22.25
BUILDING RENTAL FEES:		

Fees for rental of Ridgeway or Brown Penn Centers are waived for Non-Profit organizations following Recreation Department Guidelines

	FY14-15	FY15-16
Recreation Centers With Gymnasium:		
Resident - 4 hours	\$142.00	\$143.00
Resident - 8 hours	\$247.00	\$249.00
Resident - Weekend	\$556.00	\$557.00
Weekend - Friday, Saturday, Sunday		
Non-Resident - 4 hours	\$186.00	\$188.00
Non-Resident - 8 hours	\$323.00	\$326.00
Non-Resident - Weekend	\$729.00	\$735.00
Each Additional Hour	\$56.00	\$56.50
(Add \$100 -Refundable Cleanup Deposit)	\$100.00	\$100.00
(Add \$75/Team Admission Fee, if charged)	\$75.00	\$75.00
Supervisor Fee Per Hour	\$22.00	\$22.25
Travel Volleyball and Basketball Team Rental (per 2 hr. time period)	\$30.00	\$30.25
Gym Floor Cover Rental (Includes setup)	\$90.00	\$91.00
Off-Site Gym Floor Cover Rental Per Day Pickup	\$104.00	\$105.00
Delivered	\$206.00	\$208.00
Bleacher Rental Per Day	\$206.00	\$208.00
Neill Clark - Main/Ridgeway Recreation Center		
During Operating Hours		
Community Room Per Hour	\$31.00	\$31.25
Resident	\$41.50	\$42.00
Non-Resident		
After Operating hours (Ridgeway Community Room/Neill Clark Main Hall Area)		
Resident - 4 Hours	\$162.00	\$163.00
Resident - 8 Hours	\$327.00	\$330.00
Non-Resident - 4 Hours	\$246.00	\$248.00
Non-Resident - 8 Hours	\$491.00	\$495.00
Each Additional Hour	\$56.00	\$56.50
Room Setup Fee	\$33.00	\$33.25
Half Room	\$64.00	\$64.50
Full Room	\$22.00	\$22.25
Supervisor Fee Per Hour	\$100.00	\$100.00
(Add \$100 -Refundable Cleanup Deposit)		
Senior Citizens Centers		
Resident - 8 Hours	\$165.00	\$166.00
Resident - 4 Hours	\$83.00	\$84.00
Non Resident - 8 Hours	\$247.00	\$249.00
Non resident - 4 Hours	\$125.00	\$126.00
(Add \$100 -Refundable Cleanup Deposit)	\$100.00	\$100.00
Each Additional Hour	\$30.00	\$30.25

	FY14-15	FY15-16
Supervisor Fee Per Hour	\$22.00	\$22.25
Winkler Activity Building/Geltner Building (Add \$100.00 - Refundable Cleanup/Deposit)	\$100.00	\$100.00
Resident	\$168.00	\$169.00
Non Resident	\$252.00	\$254.00
Baseball and Softball Field Rental Fees		
Resident-4 hours	\$63.00	\$64.00
Resident-8 Hours	\$123.00	\$124.00
Resident-Weekend	\$373.00	\$376.00
<i>Weekend - Friday, Saturday, Sunday</i>		
Non-Resident-4 Hours	\$91.00	\$92.00
Non-Resident-8 Hours	\$161.00	\$162.00
Non-Resident-Weekend	\$559.00	\$564.00
Each Additional Hour	\$34.00	\$35.25
Field Preparation Fee	\$69.00	\$70.00
Light Fee Per Hour	\$30.00	\$30.25
Vendor Setup Fee	\$56.00	\$57.00
(Add \$100.00 - Refundable Cleanup Deposit)	\$100.00	\$100.00
(Add \$75/Team Admission Fee, if charged)	\$75.00	\$75.00
Softball, Baseball, or Soccer Field Fee (per game)		
Travel Softball and Baseball Team Rental (per 2 hr. time period)	\$100.00	\$100.00
Football and Soccer Field Rental Fees		\$30.25
Resident-4 hours	\$108.00	\$109.00
Resident-8 Hours	\$216.00	\$217.00
Resident-Weekend	\$501.00	\$505.00
<i>Weekend - Friday, Saturday, Sunday</i>		
Non-Resident-4 Hours	\$160.00	\$161.00
Non-Resident-8 Hours	\$323.00	\$326.00
Non-Resident-Weekend	\$754.00	\$760.00
Each Additional Hour	\$35.00	\$35.25
Field Prep	\$69.00	\$70.00
Light Fee Per Hour	\$30.00	\$30.25
Vendor Setup Fee	\$56.00	\$57.00
(Add \$100.00 - Refundable Cleanup Deposit)	\$100.00	\$100.00
L.P. Frans Stadium		
Stadium Rental Per Day	\$1,000.00	\$1,000.00
-plus 12% of gate admission		
-plus refundable Clean-up deposit	\$500.00	\$500.00
Light Fee Per Hour	\$57.00	\$58.00
Supervisor Fee Per Hour	\$22.00	\$22.25
Skybox Rental (per game)	\$200.00	\$200.00
Picnic Shelter Rental		
Resident Per Hour	\$14.50	\$14.50
Resident-1/2 Day	\$30.00	\$30.00
Resident-Full Day	\$58.00	\$59.00
Non-Resident Per Hour	\$25.00	\$25.00

	FY14-15	FY15-16
Non-Resident-1/2 Day	\$51.00	\$52.00
Non-Resident-Full Day	\$81.00	\$82.00
Refundable Cleanup Deposit	\$40.00	\$40.00
McCombs Park/Beaver Memorial Garden/Hilton Park Memorial Garden		
Resident - Full Day	\$59.00	\$61.00
Non-Resident - Full Day	\$86.00	\$87.00
Refundable Cleanup Deposit	\$40.00	\$40.00
Henry Fork River Regional/Recreation Park Picnic Shelter		
Resident-1/2 Day (4 hours)	\$200.00	\$202.00
Resident-Full Day (8 hours)	\$399.00	\$402.00
Non-Resident-1/2 Day (4 hours)	\$232.00	\$234.00
Non-Resident-Full Day (8 hours)	\$466.00	\$470.00
Refundable Clean-Up Deposit	\$224.00	\$224.00
Catering Kitchen		
Resident-1/2 Day (4 hours)	\$133.00	\$134.00
Resident-Full Day (8 hours)	\$232.00	\$234.00
Non-Resident-1/2 Day (4 hours)	\$200.00	\$202.00
Non-Resident-Full Day (8 hours)	\$267.00	\$269.00
Refundable Clean-Up Deposit	\$100.00	\$100.00
Cross Country Facility Usage Fee		\$150.00
Alpine Tower		
Community Groups - Minimum of 6 persons; maximum of 12 persons		
Resident - (per person)	\$8.75	\$8.75
Non-Resident- (per person)	\$14.25	\$14.25
Day Climb (per person)		\$5.00
Sport Kits: Per Day Basis		
Volleyball-Ball And Net Only	\$12.00	\$12.00
Horseshoes	\$5.00	\$5.00
Highland Recreation Center at Stanford Park Gymnasium		
Resident - 4 Hours	\$186.00	\$188.00
Resident - 8 Hours	\$323.00	\$326.00
Resident - Weekend (Friday, Saturday, Sunday)	\$729.00	\$735.00
Non-Resident - 4 Hours	\$228.00	\$230.00
Non-Resident - 8 Hours	\$400.00	\$403.00
Non-Resident - Weekend (Friday, Saturday, Sunday)	\$900.00	\$907.00
Stage Rental (Includes setup)	\$62.00	\$62.50
Gym Floor Cover Rental (Includes setup)	\$179.00	\$181.00
Supervisor Fee Per Hour	\$22.00	\$22.25
(Add \$100 for clean up deposit)	\$100.00	\$100.00
(Add \$75 per team admission fee if charged)	\$75.00	\$75.00
Community Room		

	FY14-15	FY15-16
Resident - Full Room	\$334.00	\$337.00
Resident - Half Room	\$168.00	\$169.00
Non Resident - Full Room	\$420.00	\$423.00
Non Resident - Half Room	\$252.00	\$254.00
Room Setup Fee- Half Room	\$33.00	\$0.00
Full Room	\$64.00	\$33.25
(Add \$100 for clean up deposit)	\$100.00	\$64.50
Full Room	\$100.00	\$100.00
Fitness Center		
Resident - Youth (13-17) Daily	\$1.50	\$1.50
Resident - Youth (13-17) Monthly	\$11.50	\$11.50
Resident - Youth (13-17) Yearly	\$95.00	\$96.00
Resident - Adult (18-49) Daily	\$3.00	\$3.00
Resident - Adult (18-49) Monthly	\$16.25	\$16.50
Resident - Adult (18-49) Yearly	\$129.00	\$130.00
Resident - Senior (50+) Daily	\$1.50	\$1.50
Resident - Senior (50+) Monthly	\$11.50	\$11.50
Resident - Senior (50+) Yearly	\$95.00	\$96.00
Resident - Family (Up to 4 people; each additional child \$1.00) Daily	\$8.50	\$8.50
Resident - Family (Up to 4 people; each additional child \$1.00) Monthly	\$33.00	\$33.25
Resident - Family (Up to 4 people; each additional child \$5.00) Yearly	\$319.00	\$322.00
Non Resident - Youth (13-17) Daily	\$3.00	\$3.00
Non Resident - Youth (13-17) Monthly	\$23.00	\$23.25
Non Resident - Youth (13-17) Yearly	\$189.00	\$191.00
Non Resident - Adult (18-49) Daily	\$6.25	\$6.25
Non Resident - Adult (18-49) Monthly	\$32.00	\$32.25
Non Resident - Adult (18-49) Yearly	\$257.00	\$259.00
Non Resident - Senior (50+) Daily	\$3.00	\$3.00
Non Resident - Senior (50+) Monthly	\$23.00	\$23.25
Non Resident - Senior (50+) Yearly	\$189.00	\$191.00
Non Resident - Family (Up to 4 people; each additional child \$1.00) Daily	\$17.25	\$17.50
Non Resident - Family (Up to 4 people; each additional child \$1.00) Monthly	\$66.00	\$67.00
Non Resident - Family (Up to 4 people; each additional child \$5.00) Yearly	\$637.00	\$642.00
Fitness Class Fees		
Current Fitness Center Card Holder per class	\$0.00	\$0.00
Non Fitness Center Card Holder per class-Resident	\$1.00	\$1.00
Non Fitness Center Card Holder per class-Non Resident	\$2.00	\$2.00
Non Fitness Center Card Holder yearly-Resident	\$101.50	\$102.00
Non Fitness Center Card Hold yearly-Non-Resident	\$203.00	\$205.00

FY14-15 **FY15-16**

APPROVED BY CITY COUNCIL ON _____

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Andrea Surratt, Assistant City Manager
Contact Person: Andrea Surratt, Assistant City Manager
Date: May 20, 2015
Re: Authorize Staff to Apply for US DOT TIGER Grant funding

REQUEST

Authorize staff to apply for TIGER Grant funding from the US Department of Transportation

BACKGROUND

The TIGER Discretionary Grants provide funding up to 80 percent of project costs in urban areas for surface transportation infrastructure projects that will have a significant impact on the nation, a region, or metropolitan area. There is a \$10 million minimum funding request. The City of Hickory's TIGER request will be \$27.5 million.

The grant will serve as the catalyst for the City's economic development initiative, which is focused on revitalizing city infrastructure and connecting the Central Business District to surrounding neighborhoods, commerce, recreational and education facilities. This project was discussed as a priority focus area by the City of Hickory during the Inspiring Spaces Master Plan initiative.

ANALYSIS

Funds will be used for critical infrastructure improvements such as streets, sidewalks, crosswalks, gateways, trails, and streetscapes to promote the City as a choice location to live, work and play and one where businesses want to locate, invest and expand. The project will streamline transportation modes to the City, provide improved access to low and moderate income neighborhoods and underutilized areas and provide safe accessibility for bicycles and pedestrians. The city's grant application would focus on the improvements along Main Avenue from 4th Street NW to Lenoir-Rhyne University.

The match requirement is 20 percent of the grant award. The \$40 million bond referendum will serve as the non-federal funding match. The previous planning processes over the years, including the 2035 Hickory Long Range Transportation Plan, Hickory by Choice 2030 Comprehensive Plan, and Inspiring Spaces, have made this project ripe for completion.

RECOMMENDATION

Staff recommends that City Council authorize staff to apply for the TIGER Discretionary Grant in the amount of \$27,500,000.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

No funds will be expended unless the grant is awarded and accepted by City Council.

Reviewed by:

[Signature]
Initiating Department Head

Date

[Signature]
Deputy City Attorney, A. Dula

5-26-15
Date

Asst. City Manager, W. Wood

Date

[Signature]
Asst. City Manager, A. Surratt

5-29-15
Date

[Signature]
Finance Officer, Melissa Miller

5-27-15
Date

Administrative Services Director
M. Bennett

Date

[Signature]
Purchasing Manager, Bo Weichel

5-27-15
Date

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

[Signature]
City Manager, M. Berry

Date