

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, July 14, 2015 at 7:00 p.m., with the following members present:

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

A quorum was present.

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

I. Mayor Wright called the meeting to order. All Council members were present.

II. Invocation by Alderman Seaver

III. Pledge of Allegiance

IV. Special Presentations

A. Recognition of Retiring Boards and Commissions Members

Jeff Neuville (present)	Business Development Committee
Dave Gissy	Business Development Committee
Dave Paist (present)	Business Development Committee
Michael Holland (present)	Citizens Advisory Committee
Steven Bowman	Community Appearance Commission
Neal Orgain	Community Relations Council
Ray Cerda	Community Relations Council
Christopher Wilson (present)	Historic Preservation Commission
Thomas Dobbins	Historic Preservation Commission
Kathy Ivey	Library Advisory Board
Bee Yang	Parks and Recreation Commission
Michael (Tony) Wood	Parks and Recreation Commission
Thomas McBrayer (present)	Public Art Commission
Clement Geitner	Public Housing Authority
J.C. Epting Jr. (present)	Recycling Advisory Board
Bill McBrayer (present)	University City Commission
Joseph Butler	Youth Council
Kathryn McKenna Shaver (present)	Youth Council
Laura Velazquez	Youth Council
Darion Best	Youth Council
Jordan Hatch	Youth Council
Zackariah Amrani	Youth Council
Marina Pitofsky	Youth Council
Jamen Beck	Youth Council

Mayor Wright recognized each of the retiring Boards and Commissions members. He presented those present with a Certificate of Appreciation.

Mr. Dave Paist commented that it was an honor to serve on the Business Development Committee. He was one of the people that helped establish the Committee approximately five years ago. There was a need for something more formal between the small business community and the City government. He commented that the people that were taking the retiring members places are in a better position and are better folks to carry it forward. He thanked City Council for putting some trust into this group and for the opportunity.

Mayor Wright stated that the comment had been made that the new people coming in might be better qualified to carry the torch. He disagreed with that and said that they are in a better position because the prior members had laid the groundwork. Every commission has left their responsibility better covered than it was when they started. He thanked them. The City is in better shape today, and in a better position than it was five years ago.

B. Educational Video by Office of Communications

Mr. Berry asked Mrs. Dana Kaminske to the podium to present a video to Council and discuss the background of how it was produced.

Communication Specialist Mrs. Dana Kaminske advised Council that she helps put together and run Neighborhood College for the City and the citizens. Through that process they had some citizens ask questions after attending City Council meetings. They addressed those questions in a video. She thanked the Leadership 2000 students for their assistance, as well as City Staff and interns. She presented Council with the educational video and advised that it would be put out on YouTube. She commented that the video would make it more fun for people to find out how and why they should come to City

Council meetings. Mrs. Kaminske thanked intern Melissa Loveless and Staff for their creativity.

Mayor Wright commented that he could see this video going viral.

V. Persons Requesting to Be Heard

- A. Mr. Mark Faruque, 2080 6th Street NW, requested City Council indefinitely postpone approval of the plan to construct a secondary parking lot for Glenn Hilton Park on the property contiguous to his home located on 6th Street NW. He believed there had been a serious lack of communication by the parties involved and felt that up until the past few days the City had shown little concern or sensitivity for the negative impact that this parking lot might have on the value and privacy of their 22 year old home. He stated that on or about June 14, 2014 he arrived home from work to find an aerial picture of the lot with a hand written note to the effect "proposed parking lot, call with any questions". He called and left a message but neither he nor his wife were contacted that day. The following evening they arrived home from work and were shocked to see that the lot had already been cleared. They saw some men surveying the lot at that time. He commented that it was obvious that the clearing was well beyond the marking stakes. They were surprised to find out last week that some of the Council members were completely unaware that approximately 2,000 square feet of their property had been cleared at that time. He advised that they had been told that the lack of direct communication from the City was in large part due to the fact that they had hired an attorney from Charlotte immediately after the lot was cleared. Once attorneys are involved correspondence usually occurs through them. They did not hire an attorney to sue the City of Hickory, but when they saw what had transpired without any forewarning they felt that they had to get legal advice on what the local laws were, and what their rights were as property owners. They did not have any idea that it was within the City's right to construct a parking lot on a piece of land designated as residential. They found it difficult that anybody in their position wouldn't have done the same thing. A meeting was arranged and occurred on July 16, 2014 at the site and included both attorneys and Mr. McLeod. At that time no specific plans were laid out but they were repeatedly assured that they would be kept closely apprised of all plans as they were developed and the goals were to have the least impact on their property as possible. No construction would be undertaken until they were satisfied. Following this meeting there was no additional correspondence until they received a set of plans to review in April of this year. They provided concerns and feedback that were forward to Ms. Dula by their attorney, but her response did not address the specifics of their concerns and they were never contacted directly by the City Planners, or by Mr. McLeod. He advised that the next time that they became aware of any activity was two weeks ago when they saw the article in the Hickory Daily Record that City Council had approved a motion to accept a bid from a local contractor. At that point they felt that the City had failed to keep their promise of allowing them significant input in the final planning and had chosen to create an adversarial relationship over this issue when it had previously been very amicable. They contacted their attorney who recommended that they reach out directly to Council members. At this point they contacted Alderwoman Patton. They met with Mr. McLeod and Mr. Miller last night and several miscommunications and omissions were resolved, but there is still much that needs formalized and discussed prior to their acceptance of the current proposal. Much has happened to bring everyone to the table this past week and it is still their desire to work with the City to find a resolution that is satisfactory to everyone.

Mayor Wright asked if anyone else wished to speak to Council. No one appeared.

VI. Approval of Minutes

- A. Regular Meeting of June 16, 2015

Alderman Zagaroli moved, seconded by Alderman Seaver that the Minutes of June 16, 2015 be approved. The motion carried unanimously.

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

- B. Special Meeting of June 22, 2015

Alderwoman Patton moved, seconded by Alderman Lail that the Minutes of June 22, 2015 be approved. The motion carried unanimously.

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

- C. Special Meeting of June 25, 2015

Alderman Seaver moved, seconded by Alderwoman Patton that the Minutes of June 25, 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.

- VII. Reaffirmation and Ratification of Second Readings. Votes recorded on first reading will be reaffirmed and ratified on second reading unless Council Members change their votes and so indicate on second reading.

Alderwoman Patton moved, seconded by Alderman Meisner that Item "G" be deferred until Staff could work with the Faruque's to develop a plan that would protect their property for screening. The motion carried unanimously.

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

Alderwoman Patton moved, seconded by Alderman Seaver that Items "A" through "F" be reaffirmed and ratified on second reading. The motion carried unanimously.

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

- A. Approval of Community Development Block Grant Funding Agreement with Hickory Soup Kitchen, Inc. for Fiscal Year 2015-2016 in the Amount of \$20,000. (First Reading Vote: Unanimous)
- B. Approval of Community Development Block Grant Funding Agreement with AIDS Leadership Foothills-Area Alliance, Inc. for Fiscal Year 2015-2016 in the Amount of \$15,000. (First Reading Vote: Unanimous)
- C. Approval of Community Development Block Grant Funding Agreement with Exodus Outreach Foundation, Inc. for Fiscal Year 2015-2016 in the Amount of \$10,000. (First Reading Vote: Unanimous)
- D. Approval of Community Development Block Grant Funding Agreement with City of Refuge Community Development Center, Inc. for Fiscal Year 2015-2016 in the Amount of \$3,550. (First Reading Vote: Unanimous)
- E. Approval of Community Development Block Grant Funding Agreement with Habitat for Humanity of the Catawba Valley, Inc. for Fiscal Year 2015-2016 in the Amount of \$20,000. (First Reading Vote: Unanimous)
- F. Consideration of Rezoning Petition 15-01. (First Reading Vote: Unanimous)
- G. Approval of an Invitation to Bid and Contract to Huffman Grading Co. Inc. in the Amount of \$121,287 for Additional Parking at Glenn C. Hilton Jr. Recreation Park. (First Reading Vote: Ayes: Alderman Meisner, Alderman Seaver, Alderman Guess, Mayor Pro Tempore Zagaroli and Alderwoman. Nay: Alderman Lail)

- 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. Called for a Public Hearing for Consideration of Voluntary Contiguous Annexation of 2.001 acres Located at 2191 13th Avenue Drive SE. (Authorize Public Hearing for August 4, 2015)

RESOLUTION 15-17
RESOLUTION DIRECTING THE CLERK TO INVESTIGATE A PETITION RECEIVED
UNDER G.S. 160A-31 AND/OR 160A-58.1, AS AMENDED

WHEREAS, a petition from Burgin-Hickory Properties, LLC requesting annexation of an area described in a petition was received on June 16, 2015 by the City Council of the City of Hickory; and

WHEREAS, G.S. 160A-31 and G.S. 160A-58.1 provide that the sufficiency of the petition shall be investigated by the Clerk before further annexation proceedings may take place; and

WHEREAS, the City Council of the City of Hickory deems it advisable to proceed in response to this request for annexation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY:

THAT, the Clerk is hereby directed to investigate the sufficiency of the above-described petition and to certify as soon as possible to the City Council the result of her investigation.

CERTIFICATE OF SUFFICIENCY

TO THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

I, Debbie D. Miller, City Clerk, do hereby certify that I have investigated the petition attached hereto and have found as a fact that said petition is signed by all owners of real property lying in the area described therein, in accordance with G.S. 160A-31 and/or G.S. 160A-58.1, as amended:

2191 13th Avenue Drive SE, Hickory, NC, containing 2.001 acres more or less

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory this 19th day of June, 2015.

/s/ Debbie D. Miller, City Clerk

(SEAL)

RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION, PURSUANT TO G.S. 160A-31 OR G.S. 160A-58.1, AS AMENDED

WHEREAS, a petition requesting annexation of the area described herein has been received; and

WHEREAS, the City Council of the City of Hickory has, by Resolution, directed the clerk to investigate the sufficiency thereof; and

WHEREAS, certification by the Clerk as to the sufficiency of said petition has been made.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY:

Section 1: That a public hearing on the question of annexation of the area described herein will be held at 7:00 p.m. on August 4, 2015, in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 2: The area proposed for annexation is described as follows:
Property of Burgin-Hickory Properties, LLC located at 2191 13th Avenue Drive SE, Hickory, NC containing 2.001 acres more or less.

Section 3: Notice of said public hearing shall be published in *The Hickory Daily Record*, a newspaper having general circulation in the City of Hickory, at least ten (10) days prior to the date of said public hearing.

RESOLUTION NO. 15-18

A RESOLUTION DETERMINING THE INTENT TO ANNEX INTO THE CORPORATE LIMITS OF THE CITY OF HICKORY CERTAIN PROPERTY OWNED BY BURGIN – HICKORY PROPERTIES LLC AND CALLING FOR A PUBLIC HEARING ON THE SAME

WHEREAS, Burgin-Hickory Properties LLC is the owner of certain real property as described herein, which property is located at 2191 13th Avenue Drive SE, Hickory, NC, containing 2.001 acres more or less; and

WHEREAS, such property is immediately adjacent to the existing corporate limits of the City of Hickory; and

WHEREAS, it is in the best interest of the health, safety and well-being of the residents of the City of Hickory to annex such property into the corporate limits of the City of Hickory as authorized by N.C.G.S. Section 160A-31; and

NOW, THEREFORE BE IT RESOLVED by the Hickory City Council, sitting in open session this 14th day of July, 2015, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, as follows:

Section 1: That the Hickory City Council does determine that it is in the best interest of the health, safety and well-being of the residents of the City of Hickory to annex the property described hereinafter into the corporate limits of the City of Hickory.

Section 2: That a public hearing on the question of annexation of the area described herein will be held at 7:00 p.m. on August 4, 2015, in the Council Chamber of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 3: The same being that property reflected on a maps entitled Map 1, Existing City Boundary, Burgin-Hickory Properties, LLC – Voluntary Contiguous Annexation, subject property outlined in red, Map 2, Existing Land Use Burgin – Hickory Properties, LLC – Voluntary Contiguous Annexation, subject property outlined in red and Map 3, Existing Zoning Hickory Properties, LLC – Voluntary Contiguous Annexation, subject property outlined in red.

Section 4: Notice of said public hearing shall be published in *The Hickory News*, a newspaper having general circulation in the City of Hickory, at least ten (10) days prior to the date of said public hearing.

- B. Called for a Public Hearing for Consideration of Designating the Whisnant Hosiery Mills Complex as a Local Historic Landmark. (Authorize Public Hearing for August 4, 2015)
- C. Approved the Renewal of Taxicab and Other Passenger Vehicles for Hire Franchises.

Company	Taxicabs	Passenger Vehicle for Hire
Mile High Enterprises dba The Hickory Hop	0	5
Yellow Cab	13	1
Diamond Cab of Hickory	3	0
Hickory Limousine	0	3
Platinum Limousine LLC	0	3
Total	16	12

Annually, these companies apply for a renewal of their Certificate of Convenience and Necessity for the operation of taxicabs and other vehicles for hire.

- D. Approved a Cemetery Deed from City of Hickory to Jacqueline E. Connor, (Southside Cemetery, Plot 4B, Lot Number 9 and 10, Section 4) (Prepared by Deputy City Attorney Arnita Dula).
- E. Approved the Transfer of a Cemetery Deed from Daniel C. Dillon and wife, Catherine H. Dillon to Sherry Lynn Pruitt, (Oakwood Cemetery, Section, 57A, Lot Nos. 1 and 2) (Prepared by Attorney Jimmy R. Summerlin Jr.).
- F. Approved the Transfer of a Cemetery Deed from Peggy F. Flowers, Widow of John R. Flowers and the Estate of David S. Flowers to Peggy F. Flowers, (Oakwood Cemetery, Section 38, Block G, Lot 3, Plots 001, 004, 005, and 008) (Prepared by Attorney Rufus F. Walker Jr.).
- G. Approved the Transfer of a Cemetery Deed from Peggy F. Flowers, Widow of John R. Flowers and the Estate of David S. Flowers to Peggy Flowers, (Oakwood Cemetery, Section 36, Block J, Lot 3, Plots 001, 002, 003, 004, and 005) (Prepared by Attorney Rufus F. Walker Jr.).
- H. Approved on First Reading the Purchase of a CAD, RMS and Message Switch Server from OSSI in the Amount of \$123,419.

Hickory Police Department requests approval to purchase a CAD, RMS and Message Switch Server in the amount of \$123,419 from OSSI. The CAD, RMS and Message Switch Server will allow Hickory Policy Department to receive calls from citizens, dispatch those calls to the officers, allow officers to write the necessary reports and submit the reports using the message switch. This purchase is a sole source as OSSI is the police

department's current vendor of this product and switching vendors would be cost prohibitive. Funds were approved in the FY2015-2016 budget.

- I. Approved the Adoption of the Amended Memorandum of Understanding regarding the Greater Hickory Metropolitan Organization for Alexander, Burke, Caldwell and Catawba Counties.

On May 27, 2015 the Greater Hickory Metropolitan Planning Organization Technical Advisory Committee approved the amended Metropolitan Planning Organization (MPO) Memorandum of Understanding (MOU). Several changes were made to the MOU with the most important involving the MPO officially accepting the Unifour RPO into the MPO's planning boundary (all four counties). Due to the significance of this action, the MPO member municipalities must approve the amended MOU by resolution. Staff requests approval of adoption of the amended Memorandum of Understanding regarding the Greater Hickory Metropolitan Organization for Alexander, Burke, Caldwell and Catawba Counties.

RESOLUTION 15-20

THAT WHEREAS, it is recognized that the proper movement of travel within and through the Hickory urbanized area is highly desirable element of a comprehensive plan for the orderly growth and development of the area, and;

WHEREAS, there are a number of governmental jurisdictions within the Hickory urbanized area which have been authorized with implementation and regulatory responsibilities for transportation by North Carolina General Statutes, and;

WHEREAS, it is desirable that coordinated, comprehensive and cooperative transportation planning processes be maintained in the Hickory urbanized area to ensure that the transportation system is maintained on an efficient and economical basis commensurate with the public health, safety and welfare, and;

WHEREAS, a revised Memorandum of Understanding between the Town of Brookford, Town of Cahaj's Mountain, Town of Catawba, Village of Cedar Rock, City of Claremont, City of Conover, Town of Connelly Springs, Town of Drexel, Town of Gamewell, Town of Glen Alpine, Town of Granite Falls, City of Hickory, Town of Hildebran, Town of Hudson, City of Lenoir, Town of Long View, Town of Maiden, City of Morganton, City of Newton, Town of Rhodhiss, Town of Rutherford College, Town of Sawmills, Town of Taylorsville, Town of Valdese, Alexander County, Burke County, Caldwell County, Catawba County and the North Carolina Department of Transportation has been prepared that sets forth the responsibilities and working arrangements for maintaining a continuing, comprehensive and cooperative transportation planning process, and;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

That the Memorandum of Understanding between the Town of Brookford, Town of Cahaj's Mountain, Town of Catawba, Village of Cedar Rock, City of Claremont, City of Conover, Town of Connelly Springs, Town of Drexel, Town of Gamewell, Town of Glen Alpine, Town of Granite Falls, City of Hickory, Town of Hildebran, Town of Hudson, City of Lenoir, Town of Long View, Town of Maiden, City of Morganton, City of Newton, Town of Rhodhiss, Town of Rutherford College, Town of Sawmills, Town of Taylorsville, Town of Valdese, Alexander County, Burke County, Caldwell County, Catawba County and the North Carolina Department of Transportation, be approved and that the Mayor and City Clerk are hereby directed to execute the Memorandum of Understanding.

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

ORDINANCE NO. 15-33
BUDGET ORDINANCE AMENDMENT NUMBER 20(A)

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
Debt Service	144,100	
TOTAL	144,100	0

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

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	144,100	
TOTAL	144,100	0

SECTION 2. 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.

- K. Approved on First Reading Budget Ordinance Amendment Number 1.

ORDINANCE NO. 15-34
BUDGET ORDINANCE AMENDMENT NUMBER 1

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 for the fiscal year ending June 30, 2016.

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

FUNCTIONAL AREA	INCREASE	DECREASE
General Government	146,200	-
Other Financing Uses	-	146,200
Culture and Recreation	73,604	-
Public Safety	12,180	-
Transportation	1,366	-
TOTAL	233,350	146,200

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

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	1,366	-
Other Financing Sources	85,784	-
TOTAL	87,150	0

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

FUNCTIONAL AREA	INCREASE	DECREASE
Environmental Protection	242,814	-
TOTAL	242,814	0

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

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	242,814	-
TOTAL	242,814	0

- L. Approved the Special Events Activities Application, Mel's Jingle Run (Benefitting Operation 300 & PORCH), Sarah Prencipe (Op300 Volunteer), Leslie Knapp (Mellow Mushroom), and Mandy Pitts (PORCH Volunteer), Operation 300, PORCH, and Mellow Mushroom (Peace-A-Pie Makers, LLC), December 12, 2015, Sails on the Square Stage and 5K Route, 6:00 a.m. to 12:00 p.m.

- IX. Items Removed from Consent Agenda – None

- X. Informational Item

- A. Proposed Technical Amendments to Blue Bloodhound, LP Economic Development Agreement.

In review of the final agreements with Blue Bloodhound, LP, it was determined the intended three year improvement period was incorrectly defined to end 12/31/2017. The unintended effects of this error are reflected in some additional provisions of the agreement. Documentation for the State of North Carolina One NC grant award, for which these grants are being used as a match, allow 36 months for investments and job creation beginning 6/23/2015. Scott Millar, Catawba EDC President, requested mirroring the State filings in his presentation to the Board. Carrying the technical correction throughout the document include extending the initial date of 12/31/2017 to June 23, 2018 in the following provisions:

- 1) Second Whereas, in the date defining the Improvement Period
- 2) Paragraph 1.1
- 3) Paragraph 5.
- 4) The Chart in Paragraph 7.c. and text in 7.e, and
- 5) Exhibit A., section (b).

City Manager Mick Berry advised City Council that at their Special Meeting they had approved an Economic Development Agreement with Blue Bloodhound. He clarified that there was a date which needed to be changed in that contract. Defined as the three year period of time that Blue Bloodhound would have to create the jobs that were required per the agreement actually needed to be the date of June 23, 2018 instead of December 31,

2017. He advised of the sections of the agreement that required the date change so they have a full three years from the time Council approved the incentive agreement to fulfill the obligations of the contract.

- B. Report of City Manager Mick Berry's travel to North Carolina City County Managers Seminar, Wilmington, North Carolina, June 18 – 21, 2015. (Lodging - \$127.44; Meals - \$51.00; Registration - \$250; Mileage - \$348.45; Tips for Parking - \$12.00)

Mr. Berry reiterated his travel which occurred June 18-21, 2015 to the North Carolina City County Managers Seminar in Wilmington, North Carolina.

XI. New Business:

- A. Public Hearings

- B. Departmental Reports:

- 1. Approved on Second Reading Budget Ordinance Amendment Number 20.

To appropriate Tourism Development Authority (TDA) revenue to repay debt on new parking deck in FY2014-15 budget. The City entered into an agreement with the Tourism Development Authority (TDA) in August 2014 to build a parking deck to accommodate visitors to the convention center. The City secured a \$3 million loan with BB&T for a term of 15 years at 2.94% with an increase in TDA rental payments pledged to repay the debt. The first debt payment came due in April 2015, yet an appropriation of the rental payments was not established in the FY2014-15 budget. The attached Budget Ordinance Amendment appropriates the additional revenue that has been received from the TDA as a result of their increase in rental payments.

Mr. Berry asked Assistant City Manager/Chief Financial Officer Rodney Miller to the podium. He advised Council that Mr. Miller would explain Budget Ordinance Amendment Number 20, which Council approved on first reading in the Consent Agenda. The Budget Amendment was necessary to cleanup some changes at the end of the fiscal year so everything would be in order for the auditors to move forward with the audit. He advised Council that Staff was requesting a second reading on that amendment after Mr. Miller's presentation.

Assistant City Manager Rodney Miller discussed Budget Ordinance Amendment Number 20 which was to appropriate revenue that was received from the Tourism Development Authority to repay the debt that City Council entered into in August of 2014 to build the parking deck at the Convention Center. Occupancy tax proceeds were pledged for that. Those are given to the City in the form of rental payments to repay that debt. The debt is with BB&T, term of 15 years, 2.94 percent interest. That payment became due and was paid in April 2015, yet an appropriation did not exist for that debt payment. The annual budget ordinance is the legal document which allows Staff to proceed with expenditures in a fiscal year. That ordinance expired as of June 30, 2015. The action requested was to clean up the books per se but it will not fix the ordinance as of June 30, 2015. He advised that the members serving on the audit committee would hear this item again from the City's external audit firm, Martin Starnes and Associates. That will be an audit finding as of June 30th because the City exceeded appropriations for that functional area for debt service at year end. This action will clean that up for future financial statements, but as the audit did expire on June 30, 2015, and that budget ordinance expired, that will be reflected in the annual audit.

Mayor Wright commented that Tourism Development Authority (TDA) rental payments pay the debt and the TDA rental comes principally from the occupancy tax, but also from operating revenues of the TDA and the Convention Center.

Mr. Miller confirmed that was correct.

Mayor Wright commented that the City of Hickory and City of Conover own it, but the City had taken on the responsibility of being the disbursing agent. He confirmed that this was just an oversight.

Mr. Miller confirmed that was correct, likewise there is an arrangement with Conover and the County for the expansion of the Convention Center. Also paid for with those rental payments and occupancy tax proceeds.

Mayor Wright advised the City of Hickory has always had a representative on the TDA Board who has been well advised of what is going on and what the sources of repayment were and what the City's actual commitment is.

Mr. Miller advised that is correct.

Alderman Seaver moved, seconded by Alderwoman Patton approval of Budget Ordinance Amendment Number 20 on second reading. The motion carried unanimously.

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

Mayor Wright commented that as you drive down and you see that activity going on over there in front of the Convention Center it looks like a happening area. It looks like things are going on in Hickory. Together with all of the new hotels that have been built in that area it gives a great impression to passersby and visitors.

2. Approved on First Reading the Purchase .890 Acres Located at 1352 12th Avenue NE, Hickory, PIN 3713-14-43-2647 in the amount of \$100,000.

Staff requests approval to purchase .890 acres next to the existing Public Services Complex. The property owner, Ms. Katie Childers, approached the City about purchasing this parcel located at 1352 12th Avenue NE, PIN 3713-14-43-2647. The City owns the property to the south and east. The purchase of this property would close out the northwest corner of the public services property. There is an old skating rink structure on the property that would be of no use to the City. The estimated cost to demolish the structure would be approximately \$9,000 - \$10,000, and would eliminate an eyesore in the neighborhood. Also on the property is a metal building that is approximately ten years old, which could be utilized by Public Services. A budget amendment was previously approved by City Council for the purchase of the property. Staff recommends approval of the purchase of the property in the amount of \$100,000 and approval of the demolition of the old skating rink building located on the property.

Mr. Berry asked the City's Public Services Director Mr. Chuck Hansen to the podium to present City Council with a request to purchase property next to the Public Services facility.

Public Services Director Chuck Hansen presented a PowerPoint presentation. He advised that the request was for approval of an offer to purchase approximately .89 acres adjacent to the existing Public Services facility. The funding was out of last year's budget and had been set aside in that budget. He advised that the offer came to them from Mrs. Childers for the property located at 1352 12th Avenue NE. Mrs. Childers ran a business there, known as the old skate rink in Highland. He commented that some of the citizens in Highland would like to see that building disappear due to its age and structure. There had been a viable business ran in that location for years. Mrs. Childers is getting out of the business she was in and is ready to get rid of the property. He advised that they were approached approximately a year ago about this transaction evolving. He showed a photo and pointed out the Public Services facility property, the front entranceway of the facility, and the existing fire station water tower that is located there. He pointed out the subject property and advised that public services is located on two sides of it. He pointed out 12th Avenue on the north side of the property. He advised that this cleans up the last parcel on that side. They intend to demolish the old skate building on the property. He pointed out a metal building that was approximately 10 years old and approximately 2500 feet in size. They will incorporate it into operations of public services using it for storage in the winter time to keep items from freezing up. This will open up a spot in the garage. They will incorporate that in the fence line and clean the building up from 12th Avenue to the Highland neighborhood side. The offer was for \$100,000. The property is on the books for a little more than that. They had an appraisal done approximately a year ago and the appraisal was a little more than the tax value. He advised that this offer was a little less than tax value realizing that they would have to spend a little bit of money on it to demolition it. They will be cleaning the corner up with relationship to the complex for the future and getting an eyesore in the neighborhood out of the way at the same time. He requested Council's approve of the offer to purchase.

Alderman Lail moved, seconded by Alderman Meisner approval of the purchase of the property located at 1352 12th Avenue NE, Hickory. The motion carried unanimously.

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

3. Presentation of Crafting Hickory Logo

Mr. Berry asked the City's Communications Director/Brand Manager Mandy Pitts to the podium to present City Council with Crafting Hickory Logos.

Communications Director Mandy Pitts presented City Council with a PowerPoint presentation. She advised that Crafting Hickory had been a process that Staff had embarked on since last winter when discussions were being held about the next steps of the bond and all of the projects moving forward. They contracted with North Star Destination Strategies who helped develop "Life Well Crafted" which is almost four years old. She advised that the brand continues to be strong as it has been tested in different markets and they have feedback from people that have invested in Hickory and people that have visited Hickory. She advised that we are not replacing the Life Well Crafted Logo. This is an initiative under the Life Well Crafted brand. She commented there is a family of brands. We have the libraries, Parks and Recreation Well Crafted; the Convention Center, Meetings Well Crafted, Visitors Well Crafted and Well Treated. We also have the symphony, Music Well Crafted. This is a family of brands with our Youth Council, as well as the Community Relations Council. This is another logo that is just part of the family. Crafting Hickory initiative includes more than the bond. It includes the Deidre Lackey Memorial Park; the Friends of Hickory Downtown Park; the future Kiwanis citywide splash pads that have been in discussion; several civic and business partnerships projects coming up once all of these project start coming along; it also includes projects that we have been doing like Operation No Vacancy, the entire mill district; Community Appearance Landscape Grants. That all works together and even adds an Inspiring Spaces Plan and the communities campaign Boost Hickory. She advised that they met with the Chairs of the Bond Committee and they narrowed down the logos to two. She showed renderings of two options. The logo stays with the brand. She commented that it is really the "verb", Life Well Crafted is the "noun". She asked Council for their thoughts.

Mayor Wright questioned which of the two that the Bond Committee likes?

Ms. Pitts advised that it was split. She commented that this is the look. A lot of times we spend a lot of time thinking about the colors, and they are important, and the leaf, and how big words are. It is really about the initiative. We need to focus on this is going to be the "verb" moving forward. In her experience over the years in working with the brand we need to make a decision and move forward with the initiatives.

Alderman Zagaroli commented that option two looked dated and option one was "with it".

Mayor Wright commented that option two looked so traditional. Mayor Wright polled the audience which was split as well.

Alderman Patton commented that Alderman Zagaroli was an "artsy" kind of guy. He has the "eye".

City Attorney John Crone suggested City Council to make a motion to approve one.

Mayor Wright moved, seconded by Alderman Patton approval of the Crafting Hickory logo option number one. Vote: Ayes: Alderman Lail, Alderman Seaver, Alderman Zagaroli, and Alderman Patton. Nays: Alderman Meisner, Alderman Guess and Mayor Wright. The motion carried.

4. Appointments to Boards and Commissions

BUSINESS DEVELOPMENT COMMITTEE

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

At-Large	VACANT
At-Large	VACANT

Mayor Wright nominated Cheryl Garnett and Ed Henson to Business Development Committee, At-Large Representatives.

CATAWBA COUNTY ECONOMIC DEVELOPMENT BOARD OF DIRECTORS FOR HICKORY

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

Position One Gary Garvey and Stephen Shuford have expressed interest

CITIZENS ADVISORY COMMITTEE

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

At-Large	VACANT
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Mayor Wright nominated Bert Showfety to Citizens Advisory Committee, At-Large Representative.

COMMUNITY RELATIONS COUNCIL

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

Caucasian VACANT
Other Minority VACANT
Other Minority VACANT

HICKORY REGIONAL PLANNING COMMISSION

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

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)

Mayor Wright nominated James Noggle to Hickory Regional Planning Commission, Caldwell County Representative.

HISTORIC PRESERVATION COMMISSION

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

Licensed Architect VACANT
At-Large (3) VACANT

Alderman Guess nominated Ernest Sills to Historic Preservation Commission, Licensed Architect Representative.

INTERNATIONAL COUNCIL

(Appointed by Mayor with the Concurrence of City Council)

(10) Positions VACANT

LIBRARY ADVISORY BOARD

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

Ward 1 VACANT
Ward 3 VACANT

PARKS AND RECREATION COMMISSION

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

At-Large Minority VACANT
At-Large (2) VACANT

Mayor Wright nominated Angie Aycock to Parks and Recreation Commission, At-Large (2) Representative.

PUBLIC ART COMMISSION

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

Ward 3 VACANT
At-Large (Mayor Nominates) VACANT
At-Large (Mayor Nominates) VACANT

Mayor Wright nominated Mylinda Strittmatter to Public Art Commission, At-Large Representative.

PUBLIC HOUSING AUTHORITY

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

Position 3 (Mayor Nominates) VACANT
Tenant Representative (Mayor Nominates) VACANT

Mayor Wright nominated Matthew Fallaw to Pubic Housing Authority, Position 3 Representative.

RECYCLING ADVISORY BOARD

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

Ward 3 VACANT
At-Large (1) VACANT

Mayor Wright nominated Jeffrey Enders to Recycling Advisory Board, At-Large (1) Representative.

UNIVERSITY CITY COMMISSION

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

YOUTH COUNCIL

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

Hickory Career Arts Magnet VACANT

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

Kyle Chang – Challenger High School – Challenger High School Representative

Mayor Wright acknowledged the recommendation of Kyle Chang to Youth Council, Challenger High School Representative.

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

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

Mayor Wright commented because of some dramatic changes being proposed by HUD, he probably would recommend to Council that they expand the numbers of members of the Board of the Public Housing Authority to get broader representation and to insure the best representation for the neediest people in Hickory. That would require a Resolution and perhaps a change in the State Statute regarding Hickory's Public Housing Authority. He commented that it is not as simple as it might sound, but it is probable that he would be proposing that.

Alderman Seaver questioned the number of seats currently on the board.

Mayor Wright advised seven. Six are filled after the appointment tonight and one is held by a tenant representative. The existing tenant representative is not physically in a position to hold that seat. Another tenant representative would need to be found, and perhaps expand it beyond that.

C. Presentation of Petitions and Requests

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

Ms. Delores Hammer requested to speak to Council regarding the addition of more bus lines if the housing project was in an area where there were no bus lines.

Mayor Wright advised Ms. Hammer that she would need to speak at the next meeting. He explained the process. There is no requirement to sign-in to speak, but he had asked if anyone else wished to speak to Council earlier in the meeting.

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

Mayor Wright congratulated City Manager Mick Berry on becoming a grandfather.

Alderwoman Patton requested an update from Staff regarding data from the recycling program.

City Manager Mick Berry advised that Staff would do that in a few months, which would give citizens time to get used to the recycling program.

Alderwoman Patton commented that it would be nice if there was pickup for recycling every week and trash pickup every other week.

Mayor Wright mentioned that Alderman Guess, Alderman Zagaroli, Assistant City Manager Andrea Surratt, City Manager Mick Berry and himself would be going to Washington on Thursday to lobby for the 22 million dollar TIGER grant that the City is well entitled to. They will be speaking with the City's Representatives and Senators to ask for their assistance in obtaining the grant. He commented think what that could do on top of what we have already accumulated through tax credits, grants, donations, private investments and 40 million dollar bond issuance. What could be done for Hickory with another 22 million dollars?

Mr. Berry introduced interns: Will Sigmon, an ASU student; Bradley Setzer, interning in the Legal Department, a Wake Forest University student in his third year of law school; Paul Wood, a St. Stephens High School rising senior; Melissa Loveless interning in the Communications

Department, she attended Western Carolina University. Mr. Berry introduced the new Library Director, Ms. Sarah Greene. She previously served as Library Director in Caldwell County.

City Attorney John Crone requested Council go into closed session (Per NC General Statutes 143-318.11(a)(3)) to discuss settlement of two matters of litigation concerning the airport: AGI Associates LLC versus the City of Hickory, Federal Case 5:13-CV-61-RLV which is pending in the United States District Court for the Western District; and an ejectment action that was filed by the City of Hickory in Burke County (15-CVM-350) regarding what is known as the Moose Hangar at the airport. Council was aware that a mediation had taken place that was very lengthy. Mr. Crone advised that he had a proposed settlement agreement and resolution for discussion in closed session. He requested Council return to open session and consider approval of the terms of settlement and the resolution that approved the terms of settlement.

Mayor Wright moved seconded by Alderman Seaver to go into closed session to consult with the attorneys on the items requested by City Attorney John Crone. The motion carried unanimously.

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

Council convened to closed session at approximately 7:54 p.m. Alderman Lail excused himself from the meeting at that time.

Council reconvened to open session at approximately 8:21 p.m.

City Attorney John Crone requested Council approve a Resolution authorizing the settlement of disputed issues between the City of Hickory and AGI Associates LLC, and CRA Enterprises LLC, concerning the Hickory Regional Airport. The Resolution included terms of settlement that were negotiated by the City of Hickory and the other opposing parties on July 13th during a 12 hour mediation in Charlotte. Mr. Crone had reviewed the documents with Council in closed session. The terms of the settlement agreement were attached to the Resolution. Mr. Crone requested a motion to approve.

Alderman Zagaroli moved seconded by Alderwoman Patton approval of the Resolution and the attached settlement agreement. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderman Zagaroli seconded by Alderwoman Patton and the motion carried unanimously. He advised that Alderman Lail was unable to stay for the closed session and was not present for the vote.

RESOLUTION NO. 15-21

A RESOLUTION AUTHORIZING SETTLEMENT OF DISPUTED ISSUES BETWEEN THE CITY OF HICKORY AND AGI ASSOCIATES, LLC AND CRA ENTERPRISES, LLC CONCERNING HICKORY REGIONAL AIRPORT

WHEREAS, the City of Hickory is the owner of the HICKORY REGIONAL AIRPORT ('Airport') located partially in Catawba County and partially in Burke County; and

WHEREAS, AGI ASSOCIATES, INC. ("AGI") is a corporation that is a purchaser for value of security interests in certain Airport property ("the Airport Security") given by PROFILE AVIATION CENTER, INC. ("Profile") to RBC Centura Bank (the "Bank") to secure the financing of four hangars constructed by Profile on land at the Airport leased from the City (the "Encumbered Hangars"); and

WHEREAS, CRA ENTERPRISES, LLC ("CRA") is the lessee from the City of that hangar at the Airport known as the "Moose Hangar"; and

WHEREAS, AGI and CRA are controlled by a common entity;

WHEREAS, Profile defaulted on its obligations to RBC and the City and filed bankruptcy, and as a result the City was put in possession of the Encumbered Hangars and Profile went out of business; and

WHEREAS, AGI purchased the Airport Security from the Bank and sued the City for the value of the Encumbered Hangars under the legal theory of unjust enrichment; and

WHEREAS, the City acknowledges that it has received financial benefit from the return to it of the Encumbered Hangars and has agreed to pay AGI \$850,000 in settlement of the suit; and

WHEREAS, the City wishes to repossess the Moose Hangar to support the operations of the Airport and filed an action of Summary Ejectment against CRA in Burke County; and

July 14, 2015

WHEREAS, the City and CRA have agreed to settle the Summary Ejectment action and to terminate the lease of the Moose Hangar in consideration of a payment by the City to CRA of \$50,000.;

WHEREAS, representatives of the City, and AGI, and CRA have executed a summary Settlement Agreement and have further agreed to execute a detailed Settlement Agreement and Settlement Documents upon the approval of the Hickory City Council;

NOW, THEREFORE BE IT RESOLVED by the Hickory City Council, sitting in open session this date, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, that the dispute between the parties be resolved in accordance with the Settlement Agreement proposed and attached hereto, the same being incorporated herein by reference, and the City Manager is authorized to execute such documentation as may be deemed necessary in their opinion to complete the transaction, the same to be effective immediately upon execution of the appropriate documents.

Done this 14th day of July, 2015.

TERMS OF SETTLEMENT

1. The City of Hickory, North Carolina (the "City") will pay the sum of \$850,000.00 to AGI Associates, LLC ("AGI") upon delivery of executed settlement documents in full settlement of claims including, without limitation, those claims asserted by AGI in Civil Action No. 5:13-CV-61-RLV pending in the United States District Court for the Western District of North Carolina. AGI will file a voluntary dismissal with prejudice within 5 days of receipt of the payments set forth in paragraphs 1 and 2 herein.
2. The City will pay the sum of \$50,000.00 to CRA Enterprises Inc. ("CRA") for early termination of that certain lease to CRA of property known as the Moose Hangar which is subject to a summary ejectment proceeding pending in the District Court for Burke County, North Carolina under Case No. 15-CVM-350 (the "State Court Action").
3. Settlement Documents shall include, with limitation:
 - Comprehensive Settlement Agreement including mutual releases.
 - Dismissal with Prejudice of the State Court Action.
 - Consensual Termination of the Moose Hangar lease.
 - An order/resolution of the City Council of the City of Hickory approving these Terms of Settlement.
4. Representatives of the City shall use their best efforts to bring this matter on before the City Council on July 14, 2015 for consideration/approval in open session and to expedite authorization of the applicable disbursements.
5. AGI and CRA will furnish evidence of appropriate authority for their signatories to the Settlement Documents.
6. The parties acknowledge that this is a binding settlement agreement, although the parties intend to enter a more formal settlement agreement that will replace this agreement.

This 13th day of July, 2015.

XIV. There being no further business, the meeting adjourned at 8:23 p.m.

Mayor

City Clerk