

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, November 6, 2018 at 7:00 p.m., with the following members present:

Brad Lail	Hank Guess	David L. Williams
Charlotte C. Williams	Aldermen	David P. Zagaroli
Danny Seaver		Jill Patton

A quorum was present.

Also present were: City Manager Warren Wood, Assistant City Manager Rick Beasley, Assistant City Manager Rodney Miller, Deputy City Attorney Arnita Dula, City Attorney John W. Crone, III, Executive Assistant to the City Manager Deisy Zavala Vazquez and City Clerk Debbie D. Miller

- I. Mayor Guess called the meeting to order. All Council members were present.
- II. Invocation by Rev. John H. Roller, First Advent Christian Church
- III. Pledge of Allegiance
- IV. Special Presentations
 - A. Meritorious Service Award to Master Police Officer Anthony Horton – Presented by Police Chief Thurman Whisnant

Mayor Guess asked Police Chief Thurman Whisnant to the podium.

Chief Thurman Whisnant asked the Command Staff and Lieutenant Levey to the podium. He advised there was a very special presentation for exemplary service which was done by one of the Hickory Police Department staff. He introduced Master Police Officer Anthony Horton. He advised monthly they do awards for outstanding service within the Department. They do a monthly coworker of the month, and a coworker of the year. They have two awards that by policy are extremely rare. He couldn't remember the last time that one of these two awards had been awarded to a member of their staff. Possibly back when Chief Lucas was with the Police Department. He advised there was two awards, the Meritorious Service Award and the Medal of Honor. He asked Master Police Officer Anthony Horton to introduce his family in attendance.

Master Police Officer Anthony Horton introduced his wife, son, mother and stepfather, father and stepmother, sister, father-in-law and his wife's grandparents.

Chief Whisnant explained on July 12, 2018, Master Police Officer Horton was called to respond to an attempted suicide call. Upon his arrival on that evening, there were several people there that motioned him to an area where there was a gentleman hanging from a tree by his neck. Officer Horton, without delay, cut this individual down. The person was unresponsive and wasn't breathing. He began CPR for a while until more help could arrive. He commented they were happy that this person has made a miraculous full recovery. In talking to some of the other medical workers, both at the hospital, and also that responded following Officer Horton, had it not been for his quick and decisive actions then most certainly this individual wouldn't have survived. As such, he has made a full recovery. They were very proud of him. Officer Horton was nominated by his supervisor Lieutenant Levey for the Meritorious Service Award. The Command Staff reviewed it and unanimously decided that he was worthy of that award. Chief Whisnant presented Master Police Officer Anthony Horton with the great honor of a Meritorious Service Award, a pin for his uniform, and a framed letter of commendation from Chief Whisnant.

Mayor Guess commented to Officer Horton and his family, and to all of the first responders, they appreciate what they do each and every day. He knew this was a special award for Officer Horton for this occasion, but he also recognized that every day, our employees, not just our public services employees, but all of our employees, all of our coworkers perform duties that we don't often hear about. He thanked all of the coworkers for the job they do each and every day.

- V. Persons Requesting to Be Heard
 - A. Mr. Roger Cornett, 1201 Adams Circle, Conover, Regarding Homelessness

Mr. Roger Cornett was not present to speak.
 - B. Mr. Charles Schmidt, 4110 Goodson Road, Maiden, Regarding a Curbing Issue at 1122 Highland Avenue NE.

Mr. Charles Schmidt was not present to speak.
 - C. Mr. Cliff Moone, 2925 8th Street Court NE addressed City Council regarding driving down Highway 127, the left turn at the new Wendy's is getting backed up a lot and at times of the day which you might not expect it. There is no left turn light there and you are going to wait longer to get through that light than normal. He didn't know if they could look at what that

traffic pattern is since it has been changed. It may have already been looked out. He noticed that we seem to have a growing problem with citizens going through lights that have already turned red. He thought they need to think about being on top of that. The police officers would be if they were there to see it, but he had seen a lot more of that and it is kind of nerve racking occasionally. He knew they were fixed so that it turns red and there is a pause before they all turn green going the other way. He didn't know if there had been more accidents or not because of that in our City. He mentioned that in some point in time Council would need to look at the digital Ordinance question. Just because already several big churches that are in residential areas have those signs. He understood that one of the churches had applied prior to when the Ordinance occurred, and that was perfectly fine. He thought eventually this was a thing that was going to be coming. He agreed that they did not want signs flashing out at everybody through their whole neighborhoods all night long. He thought there was ways of regulating that without denying the permission to have what is going to be the future of signage. He thanked Council.

Mayor Guess asked if anyone else wished to be heard. No one else appeared.

VI. Approval of Minutes

A. Regular Meeting of October 16, 2018

Alderwoman Patton moved, seconded by Alderwoman Williams that the Minutes of October 16, 2018 be approved. 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.

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

A. Budget Revision Number 5. (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 Lail requested that items H, I, and J be removed from the Consent Agenda.

Alderman Seaver moved, seconded by Alderwoman Patton approval of the Consent Agenda with the exception of Items H, I, and J. The motion carried unanimously.

- A. Approved a Cemetery Deed from the City of Hickory to Bennie Roberts and wife, Brenda Roberts, Southside Cemetery, Containing 80 Square Feet, Plot B, Lot No. 3 and 4, Section 5. (Prepared By: Deputy City Attorney Arnita Dula)
- B. Approved a Cemetery Deed Transfer from Dr. Hugo Deaton, single to Caroll Dean Koscheski, single, Oakwood Cemetery, Section 57, Plot K, Lot 7 and 8. (Prepared By: Attorney Kimberly H. Whitley, Patrick, Harper & Dixon, L.L.P.)
- C. Approved a Special Events Activities Application, Charity Chase Half Marathon, Kevin Spiva, Co-Chair, Rotary Club of Catawba County, April 13, 2019, Sails on Union Square, 5:00 a.m. to 12:00 p.m.
- D. Approved a Special Events Activities Application, 2nd Annual St. Patrick's Day 5K, Kelly Stewart, Owner Run Time Races LLC, March 16, 2019, Sails on Union Square – Downtown, 6:30 a.m. to 11:00 a.m.
- E. Approved a Resolution Supporting an Application to the Greater Hickory Metropolitan Planning Organization for Surface Transportation Block Grant – Direct Attributable Funds for 9th Street NW Connector.

Staff requests Council's approval of a Surface Transportation Block Grant – Direct Attributable (STBG-DA) grant submittal to the Greater Hickory Metropolitan Planning Organization (MPO). The City has submitted a Surface Transportation Block Grant – Direct Attributable grant application to the Greater Hickory Metropolitan Planning Organization: connect City Walk (EB-5750) to the Old Lenoir Road Multi-Use Trail Project (EB-5911) along 9th Street NW. Adding this section of 9th Street NW would be the final piece of a 5.2 mile multi-use path from Lenoir-Rhyne University to the Catawba River and eventually to Lackey Park. The project is approximately 1,450 feet in length. The 9th Street NW Connector is part of a much larger multi-use path system being developed by the City of Hickory. This segment is critical to completing a full east-west, north-south corridor improvement project. It will add pedestrian and bike opportunities connecting Lake Hickory and the Riverwalk to Lenoir-Rhyne University through downtown via City Walk,

multiple neighborhoods and neighboring counties. By adding the 9th Street NW Connector from Main Avenue NW to Old Lenoir Road, there will be a continuous 5.2 mile multi-use trail from Lenoir-Rhyne University to the Catawba River. Staff requests Council's approval of the Resolution supporting the grant application in the amount of \$1,600,000 and committing a 20 percent match in the amount of \$400,000.

RESOLUTION NO. 18-40

RESOLUTION AUTHORIZING THE CITY OF HICKORY TO SUBMIT AN APPLICATION TO THE GREATER HICKORY METROPOLITAN PLANNING ORGANIZATION IN THE AMOUNT OF \$1,600,000 FOR SURFACE TRANSPORTATION BLOCK GRANT – DIRECT ATTRIBUTABLE FUNDS FOR “9TH STREET NW CONNECTOR”

WHEREAS, On September 5, 2018 the Greater Hickory Metropolitan Planning Organization (GHMPO) issued a call for projects to agencies in its jurisdiction for Surface Transportation Block Grant-Direct Attributable Funding (STBG-DA). Funds are available to award among four different transportation modals: bicycle and pedestrian, intersections, roadway, and transit. Each agency may submit no more than three (3) projects of not less than \$200,000 each for possible reward. The funding requires a minimum 20 percent local cash match.

The City of Hickory is applying for funding for the following project:

Connect City Walk (EB-5750) to the Old Lenoir Road Multi-Use Trail Project (EB-5911) along 9th Street NW. Adding this section of 9th Street NW would be the final piece of a 5.2 mile multi-use path from Lenoir Rhyne University to the Catawba River and eventually to Lackey Park. The project is approximately 1,450 feet in length. This segment is critical to completing a full east-west, north-south corridor improvement project. It will add pedestrian and bike opportunities connecting Lake Hickory and the Riverwalk to Lenoir-Rhyne University through downtown via City Walk, multiple neighborhoods and neighboring counties.

NOW, THEREFORE BE IT RESOLVED, that the City of Hickory is hereby authorized to submit a STBG-DA application in the amount of \$1,600,000 and will commit \$400,000 as a cash match for the 9th Street NW Connector project.

- F. Approved the Community Relations Council's Fall 2018 Grant Recommendations in the Amount of \$4,500.

The City of Hickory's Community Relations Council (CRC) requests City Council's approval for the Fall 2018 grant cycle. As part of the CRC's work plan and annual budget process, the CRC receives funds to disperse during the fiscal year through the CRC grant process. Non-profit agencies working with diverse populations in Hickory are eligible for grant funding. The grant proposal must show how the program under consideration fits into the CRC goals and mission and how the program will serve to improve human relations in the Hickory area. For the Fall 2018 grant cycle, the CRC received ten grant applications for projects totaling \$14,000 and is recommending approval of four grants: Catawba Valley Community College - \$1,500; Hickory Music Factory - \$1,000; Morning Star Baptist Church - \$1,000; and Women's Resource Center - \$1,000; totaling \$4,500. Funds are available in the CRC budget for the recommended grant approvals. The Community Relations Council recommends funding of the four grants listed above totaling \$4,500.

- G. Approved Revisions to the Vacant Building Revitalization Program.

In 2008, the City of Hickory began its Vacant Building Revitalization Grant program which provides funds to building owners looking to redevelop vacant commercial and industrial properties. These guidelines have been modified numerous times throughout their existence. Since 2012, this program has leveraged over \$33 million dollars in private investment. Recently staff was tasked with modifying these guidelines in such a way as to promote mixed use and residential development in the downtown area. The revisions build on the existing vacant building revitalization programs and create two additional programs. The Vacant Building Revitalization program is proposed to allow buildings between 5,000 and 15,000 square feet to qualify for up to \$20,000 in funding and allow buildings over 15,000 square feet to qualify for up to \$25,000 in funding. Currently buildings must be at least 10,000 square feet to qualify. These changes will provide additional flexibility to smaller buildings while allowing greater funding to potentially catalyze projects. The proposed guidelines also call for the creation of an additional incentive for projects that create additional housing units in the downtown area. Property owners could qualify for up to \$4,000 per housing unit with a maximum of \$20,000 per property as an incentive to provide additional housing in the downtown. Only C-1 Commercial zoned properties would be eligible. The proposed Fire Suppression Program would provide additional funding of up to \$8,000 for the installation of fire protection equipment. Often changing the use of buildings requires significant upgrades to fire protection equipment, and this program would help facilitate a building's reuse by providing an additional incentive to projects looking to install code required equipment. The Business Development Committee

reviewed this item at their August 1st meeting and unanimously recommended approval. Staff recommends City Council's approval of the proposed revisions to the Vacant Building Revitalization Programs.

- H. Removed from the Consent Agenda and Discussed Under "IX. Items Removed from Consent Agenda" a Deed of Conveyance from OHM Holdings, L.L.C. to the City of Hickory.

Staff requests Council's acceptance of the General Warranty Deed conveying a parking lot from OHM Holdings, L.L.C. to the City of Hickory. In 2014, in accordance with N.C.G.S. 160A-458.3, the City of Hickory and OHM Holdings L.L.C. (Transportation Insight) entered into a joint parking lot construction agreement for the construction of a public parking lot and improvements to attendant roadways at the former Lyerly Mill property which OHM purchased and developed into a corporate campus. The parking lot was constructed to meet parking needs for OHM's employees and guests as well as for public parking. OHM developed and constructed the parking lot. The City of Hickory reimbursed OHM for the development and construction costs. Upon completion of the parking lot, OHM was to convey the parking lot to the City of Hickory. OHM is now conveying the tract containing the parking lot to the City. Specifically, the General Warranty Deed conveys Tract 3 (the public parking lot) to the City. OHM retains an easement for ingress, egress, and regress across Tract 2 of the corporate campus for access to Tract 3. The City of Hickory and OHM, L.L.C. Parking Lot Construction Agreement executed by the parties in 2014 governed the construction and joint use of the parking lot by the City and OHM until the present time. The Parking and Easement Agreement will replace the 2014 agreement and govern the joint use of the parking lot going forward. Staff recommends Council accept the General Warranty Deed conveying a parking lot from OHM Holdings, L.L.C. to the City of Hickory.

- I. Removed from the Consent Agenda and Discussed Under "IX. Items Removed from Consent Agenda" a Parking and Easement Agreement between the City of Hickory and OHM Holdings, L.L.C.

On October 14, 2014, in accordance with N.C.G.S. 160A-458.3, the City of Hickory and OHM Holdings L.L.C. (Transportation Insight) entered into a Joint Parking Lot Construction Agreement for the construction of a public parking lot and improvements to attendant roadways at the former Lyerly Mill property which OHM purchased and developed into a corporate campus. OHM was designing and constructing the parking lot to meet parking needs for OHM's employees and guests as well as to meet the need for additional public parking. Upon completion of the parking lot, OHM was to convey the lot to the City in exchange for a permanent easement and other consideration from the City. OHM is conveying the lot to the City. The City and OHM now desire to amend and restate the Joint Parking Lot Construction Agreement ("Construction Agreement") and to replace it in its entirety with the Parking and Easement Agreement ("Parking Agreement"). The Parking Agreement sets forth a permanent easement the City is granting to OHM to use the parking lot for employee and guest parking on designated days and times of the week. It also sets forth a limited easement OHM is granting the City for emergency vehicle access across OHM's property to the public parking lot. The obligations and responsibilities for OHM and the City regarding the maintenance and repair of the parking lot and the cost of utilities serving the parking lot are also set out in the Parking Agreement. Additionally, the Agreement, states the parties will execute an operating agreement to specifically define the parties' maintenance obligations and responsibilities. Staff recommends Council approve the Parking and Easement Agreement between the City of Hickory and OHM Holdings L.L.C.

- J. Removed from the Consent Agenda and Discussed Under "IX. Items Removed from Consent Agenda" the Joint Declaration of Easements, Covenants, and Restrictions by OHM Holdings, L.L.C. and Olde Hickory Mill Park.

OHM is the owner of several tracts of the former Lyerly Mill property. OHM developed these tracts into a corporate campus. In accordance with N.C.G.S. 160A-458.3, the City of Hickory and OHM Holdings L.L.C. (Transportation Insight) entered into a joint parking lot construction agreement for the construction of a public parking lot and improvements to attendant roadways on Tract 3 also described as Lot 3 at the former Lyerly Mill property which OHM purchased and developed into a corporate campus. OHM designed and constructed the parking lot to meet parking needs for OHM's employees and guests as well as the need for public parking. Olde Hickory Mill Park, a North Carolina non-profit is the owner of additional tracts that make up the corporate campus. OHM is now conveying Tract 3 containing the parking lot to the City. OHM and Olde Hickory Mill Park desire to establish certain easements, covenants and restrictions that will govern the above referenced tracts they respectively own as well as Tract 3, through the Joint Declaration of Easements, Covenants, and Restrictions. The various easements include vehicular and pedestrian access easements as well as utility and storm water easements. The Declaration also sets out the maintenance and repair obligations of the respective owners. The easements, covenants and restrictions set forth in the Declaration will run with the property and will be binding on all owners. Staff recommends Council approve the Joint

Declaration of Easements, Covenants, and Restrictions by OHM Holdings, L.L.C. and Olde Hickory Mill Park.

- K. Approved an Agreement and Resolution for Airport Safety/Maintenance Projects with the North Carolina Department of Transportation – Division of Aviation.

Staff requests City Council's approval of a five year Letter of Agreement for Airport Safety/Maintenance Projects with the North Carolina Department of Transportation-Division of Aviation (NCDOT-DOA). The NCDOT-DOA created the Airport Safety/Maintenance Program several years ago to apply available State funds to assist publicly owned and operated airports with airfield safety projects. This program has been very successful and well received by many airports in North Carolina including surrounding airports of Hickory. Agreeing to this program by signing the Letter of Agreement allows the NCDOT-DOA to provide safety/maintenance services to the Hickory Regional Airport at no cost to the City. This Letter of Agreement is for a five year period (expiring December 31, 2023) and can be cancelled by either party at any time via written notice. Such safety/maintenance improvements that can be performed under this agreement may include, but not limited to joint and crack sealing, pavement repairs and patching, surface treatments, maintenance overlays, drainage improvements, pavement markings and/or other infrastructure maintenance. Entering into this agreement follows the Airport Task Force's recommendations for the airport's future expansion and economic development. The safety/maintenance services this agreement could assist in improvements to the airport's infrastructure for expansion so as to entice and resume commercial air service for the future economic growth of the airport. Airport staff recommends City Council approve the Letter of Agreement for Airport Safety/Maintenance Projects and Resolution with the North Carolina Department of Transportation-Division of Aviation.

RESOLUTION NO. 18-41
Resolution of the Sponsor

THAT WHEREAS the City of Hickory, (hereinafter referred to as "Sponsor") and the North Carolina Department of Transportation (hereinafter referred to as "Department") requires a Commitment and Release of Liability statement to be on file, in order to provide and oversee maintenance and safety improvements on the operational surfaces of the Hickory Regional Airport; in accordance with the provisions of North Carolina General Statute 63.

NOW THEREFORE, BE IT AND IS HEREBY RESOLVED, that Mayor Hank Guess of the Sponsor be and is hereby authorized and empowered to enter into a Commitment and Release of Liability with the Department, thereby binding the Sponsor to fulfillment of its obligation as incurred under this resolution and its commitment to the Department.

- L. Approved on First Reading Budget Revision Number 6.

ORDINANCE NO. 18-33
BUDGET REVISION NO. 6

BE IT ORDAINED by the Governing Board of the City of Hickory that, pursuant to N.C. General Statutes 159.15 and 159.13.2, the following revision be made to the annual budget ordinance for the fiscal year ending June 30, 2019.

SECTION 1. To amend the General Fund within the FY 2018-19 Budget Ordinance, the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Public Safety	908,363	-
Culture and Recreation	9,369	-
TOTAL	917,732	-

To provide funding for the above, the General Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	917,732	-
TOTAL	917,732	-

SECTION 2. To amend the Water and Sewer Fund within the FY2018-19 Budget Ordinance, the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Environmental Protection	694,533	-
Other Financing Uses	-	19,386
TOTAL	694,533	19,386

To provide funding for the above, the Water and Sewer revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous Revenues	60,683	-
Other Financing Sources	633,850	19,386
TOTAL	694,533	19,386

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

M. Approved Modifications to the Community Appearance and Landscape Incentive Grant Programs.

City Council created the Community Appearance Grant program in 1999 to provide economic incentives for property owners to improve the general appearance of properties located within the City's designated Urban Revitalization Area. The Community Appearance Commission (CAC) reviews applications for the grant program and forwards a recommendation of approval or denial to City Council. The grants are designed as a reimbursement grant in which the City of Hickory will match the applicant on a 50/50 basis. The maximum grant amount from the City of Hickory is \$5,000. The Office of Business conducted a review of all the City's grant and incentive programs to better refine the programs, as well as develop altogether new ones. In reviewing the grant programs the Community Appearance Commission administers (Community Appearance and Landscape Incentives), several recommended changes were made. After meeting with fellow staff members and management proposed changes to the CAC's grant programs have been developed. The proposed changes to the CAC grant programs are as follows: 1. Currently the CAC administers both the Community Appearance and Landscape Incentive Grant programs, each of which have different activities that are eligible for funding. The proposed modifications would collapse both current programs into one single program titled the "Appearance Grant". This new program would keep all activities currently eligible for funding under the current programs, but under one single program; 2. The current Community Appearance Grant program is available to any non-residential property within the defined Urban Revitalization area, while the Landscape Incentive Grant program is available to any non-residential property within the City. The proposed modifications would limit eligibility to only non-residential properties within the defined Urban Revitalization area; and 3. The current programs provides funding of up to \$5,000 for the Community Appearance Grant program, and \$2,500 for the Landscape Incentive Grant program. The proposed modifications would raise the maximum grant amount for the new program to \$7,500. The current grant budget is \$40,000, which would equate into around 5 grants annually, if all were funded at the maximum amount. There could potentially be more than 5 grants annually if some projects requested less than the maximum permitted. On August 27, 2018 staff presented the draft changes to the Community Appearance Commission for its review and consideration. After consideration, the Community Appearance Commission voted unanimously to recommend to City Council the grant guidelines be modified as presented.

IX. Items Removed from Consent Agenda

Items H. I. and J. were discussed. Alderman Lail advised these three documents were related agreements with Transportation Insight, related to the parking, maintenance, and the use of the parking, etc. They were thrilled to have Transportation Insight where they are, and they were really glad that the City was able to partner with them on this parking. In looking at these documents they seemed a little bit inconsistent with what his recollection of what the agreement was back in 2014 when the City said they were going to do this. He suggested there was no time sensitivity. When he said inconsistent, he felt they impaired the City's citizen's right and usage. He requested the legal team to review the documents and see.

Alderman Lail moved, seconded by Alderwoman Patton to postpone approval of items H. I. and J. until they could be reviewed by Legal staff and more information could be provided to Council. The motion carried unanimously.

Mayor Guess commented Council would hear further about those three items at a future Council meeting.

X. Informational Item

XI. New Business:

A. Public Hearings

1. Approved a Voluntary Non-Contiguous Annexation of Property Owned by Dayspring of Catawba County, LLC – Presentation by Planning Manager Cal Overby.

Dayspring of Catawba County, LLC submitted a petition for Council's consideration of voluntary non-contiguous annexation of 7.59 acres of property located at 2800

14th Avenue Circle SE, also identified as PINs 3721-06-38-9853, part of 3721-06-38-9405, 3721-06-48-3606, and 3721-06-38-9987. The subject property is currently vacant, but is being developed. The development underway will culminate in the construction of fifty (50) single-family townhomes. The current tax value of the property is approximately \$61,700. If annexed with its present value, the property would immediately generate \$350 in additional tax revenues. The future tax revenues generated after the construction of the previously mentioned townhomes will be substantially greater. The developer has indicated the units will be priced in the \$175,000 to \$200,000 range. Given the estimates provided the project's values could potentially increase to \$8,750,000 or higher. Upon analysis, staff has determined the petition meets the statutory requirements for voluntary non-contiguous annexation, and adequate public services are available. Staff finds the petition to be in conformity with applicable statutes, and recommends Council's approval of the voluntary non-contiguous annexation of 7.59 acres of property located at 2800 14th Avenue Circle SE.

This public hearing was advertised in a newspaper having general circulation in the Hickory area on 19, 2018.

City Manager Warren Wood asked the City's Planning Manager Cal Overby to the podium to present Council with a Voluntary Non-Contiguous Annexation of property owned by Dayspring of Catawba County, LLC.

Planning Manager Cal Overby presented a PowerPoint presentation. He discussed the petition for voluntary non-contiguous annexation of property located at 2800 14th Avenue Circle SE, owned by Dayspring of Catawba County, LLC. The applicant was Gary Dellinger, a developer of townhomes and different residential types of products. He was located out of the Lincoln County area and does work in Mecklenburg also. He advised there was approximately 7.5 acres of property. If annexed the closest ward would be Ward 3, Alderman Seaver's ward. Currently the property is under development in the City's extra territorial jurisdiction (ETJ). In order to connect to the City's utilities they will need to annex it. It was under development for a proposed 50 unit townhome development. He showed a map and pointed out the subject property, the existing City limits, and the ETJ area. He pointed out I-40, Sweetwater Road, Lowes, the subject property, and CVCC East Campus. He showed a photo of the site which was taken in 2017 and was mainly wooded, but it had been graded since then. Infrastructure was being put in at this point and time. He advised the zoning was planned development. This was initially zoned planned development 10 years or more ago. It had gone through several iterations if trying to get a developer in. The developer had finally bought into the project and is going forward with the first phase, which is the 7.5 acres of property. Most of the property in the area was zoned commercial, but there was a small existing neighborhood in an area. He advised it was basically a large area of commercial development. Staff evaluated the annexation petition to make sure the City could provide services needed to serve a new development and to also make sure that it was compliant with the General Statutes regarding annexation. Upon doing those activities they determined that annexation is possible as it meets all statutory requirements and the City is able to provide the services necessary. Staff recommended annexation of the property. He asked Council for any questions.

Mayor Guess asked Council if they had any questions. He explained the rules for conducting the public hearing. He declared the public hearing open and asked if there was anyone present to speak in opposition to the proposal. No one appeared. He asked if there was anyone present to speak in favor of the proposal. No one appeared. Mayor Guess closed the public hearing.

Alderman Lail moved, seconded by Alderwoman Patton approval of the Voluntary Non-Contiguous Annexation of property located at 2800 14th Avenue Circle SE. The motion carried unanimously.

ANNEXATION ORDINANCE NO. 446

VOLUNTARY ANNEXATION ORDINANCE (NON-CONTIGUOUS)
Dayspring of Catawba County, LLC

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE
CITY OF HICKORY, NORTH CAROLINA, PURSUANT TO
GENERAL STATUTES 160A-58.1, AS AMENDED (NON-CONTIGUOUS)

WHEREAS, the City Council of the City of Hickory desires to annex the area described herein, under G.S. 160A-58.1, as amended; and

WHEREAS, the City Council has by resolution directed the City Clerk to investigate the sufficiency of said annexation; and

WHEREAS, the City Clerk has certified to the sufficiency of said request, and a public hearing on the question of this annexation was held in the Council Chamber of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina, at 7:00 p.m. on the 6th day of November, 2018; and

WHEREAS, the City Council of the City of Hickory further finds that the area described therein meets the standards of G.S. 160A-58.1(b), to wit:

- a. The nearest point on the proposed satellite corporate limits is not more than three miles from the corporate limits of the City of Hickory.
- b. No point on the proposed satellite corporate limits is closer to another city than to the City of Hickory.
- c. The areas described are so situated that the City will be able to provide services on the same basis within the proposed satellite corporate limits that it provides within the primary corporate limits.
- d. No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation.

WHEREAS, the City Council of the City of Hickory does hereby find as a fact that said petition has been signed by all the owners of real property in the area who are required by law to sign and all other requirements of G.S. 160A-58.1, as amended have been complied with; and

WHEREAS, the City Council further finds that the annexation is otherwise valid, and that the public health, safety and welfare of the City of Hickory and of the areas proposed for annexation will be best served by annexing the area herein described.

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

Section 1. By virtue of the authority granted by G.S. 160A-58.2, as amended, the following-described non-contiguous territory is hereby annexed and made a part of the City of Hickory as of the 30th day of November, 2018:

Satellite Annexation
by the City of Hickory
known as
Dayspring of Catawba County, LLC

That certain parcel or tract of land and right-of-way lying and being about 4.1 miles east southeast of the center of the City of Hickory. Bounded on the north by 14th Avenue Circle SE, the lands of David W. Austin and Elaine Austin Brown described in Deed Book 2012E at Page 139, Della P. Gilbert described in Deed Book 3273 at Page 1839 and other lands of Dayspring of Catawba County, LLC described in Deed Book 3418 at Page 1926; on the east by other lands of Dayspring of Catawba County, LLC described in Deed Book 3418 at Page 1926; on the south by the lands of Roseman Business, LLC described in Deed Book 3455 at Page 715, other lands of Dayspring of Catawba County, LLC described in Deed Book 3418 at Page 1926 and the 60' right-of-way of 28th Street SE and on the west by other lands of Dayspring of Catawba County, LLC described in Deed Book 3418 at Page 1926 and the lands of the City of Hickory described in Deed Book 1460 at Page 954 and more particularly described as follows, to/wit.

Beginning at a ¾" existing pipe on the north side of 14th Avenue Circle SE, said pipe being located South 51 degrees 36 minutes 22 seconds East 840.85feet from the easternmost corner of the City of Hickory city limits shown in Plat Book 67 at Page 39 and running thence, as new City of Hickory city limits, the following calls: North 83 degrees 25 minutes 07 seconds East 80.50 feet to a point in 14th Avenue Circle SE; thence South 58 degrees 06 minutes 41 seconds East 10.30 feet to a point on the south side of 14th Avenue Circle SE; thence North 36 degrees 01 minutes 56 seconds East 18.36 feet to a point at the intersection of a 50 foot right-of-way shown in Plat Book 70 at Page 61 and the south side of 14th Avenue Circle SE; thence North 36 degrees 01 minutes 56 seconds East 40.58 feet to a point in the west line of Dayspring of Catawba County, LLC lands as described in Deed Book 3418 at Page 1926; thence North 36 degrees 01 minutes 56 seconds East 13.06 feet to a point the southwest corner of the Della P. Gilbert lands as described in Deed Book 3273 at Page 1839; thence, with the south line of Gilbert, South 66 degrees 13 minutes 21 seconds East 21.71 feet to a ¾" iron pipe in said

south line; thence, continuing with the south line of Gilbert, South 66 degrees 13 minutes 21 seconds 135.57 feet to a ½" rebar in said south line, the northwest corner of Dayspring of Catawba County, LLC as described in Deed Book 3469 at Page 1807; thence, continuing the south line of Gilbert, South 89 degrees 08 minutes 33 seconds 117.08 feet to a ½" rebar in the east line of Gilbert and the west line of Dayspring of Catawba County, LLC as described in Deed Book 3418 at Page 1926; thence, as said west line of Dayspring, South 04 degrees 59 minutes 41 seconds West 48.16 feet to ½" rebar, the southeast corner of Dayspring of Catawba County, LLC as described in Deed Book 3469 at Page 1807; thence South 84 degrees 30 minutes 18 seconds East 52.30 feet to ½" rebar; thence as a concave curve to the left, said curve having a radius of 715.00 feet, an arc length of 257.90' and a chord bearing and distance of North 85 degrees 18 minutes 19 seconds East 256.50 feet to a ½" rebar, the northeast corner of Tract 1 shown in Plat Book 70 at Page 61; thence North 74 degrees 56 minutes 46 seconds East 68.51 feet to a ½" rebar; thence South 15 degrees 03 minutes 10 seconds East 114.00 feet to a ½" rebar; thence South 03 degrees 25 minutes 45 seconds 144.17 feet to ½" rebar; thence South 88 degrees 52 minutes 25 seconds East 139.36 feet to a ½" rebar; thence South 00 degrees 39 minutes 37 seconds West 150.12 feet to a ½" rebar in the north line of the Roseman Business, LLC as described in Deed Book 3455 at Page 715; thence, as said north line, North 89 degrees 19 minutes 34 seconds West 128.23 feet to a 1" iron pipe in said north line; thence, continuing with said north line, North 88 degrees 53 minutes 18 seconds West 25.63 feet to a ½" rebar in said north line, the southeast corner of Tract 1 shown in Plat Book 70 at Page 61; thence, continuing with said north line, North 88 degrees 53 minutes 18 seconds West 292.60 feet to a ½" rebar in said north line; thence, continuing with said north line, North 88 degrees 53 minutes 29 seconds West 108.03 feet to a ½" rebar, the northwest corner of Roseman; thence, crossing Dayspring of Catawba County, LLC lands shown as Tract 1 in Plat Book 70 at Page 61, North 84 degrees 22 minutes 44 seconds West 313.78 feet to a ½" rebar in the east line of the 50 foot right-of-way as shown in Plat Book 70 at Page 61; thence, with said right-of-way the following calls: South 06 degrees 30 minutes 15 seconds West 93.84 feet to a point, the southwest corner of the aforementioned Dayspring of Catawba County, LLC lands and the northwest corner of the Dayspring of Catawba County, LLC lands shown as Tract 2 in Plat Book 70 at Page 61; thence South 06 degrees 30 minutes 15 seconds West 9.56 feet to a ½" rebar in said east right-of-way; thence, as a concave curve to the right, said curve having a radius of 315.00 feet, an arc length of 61.46 feet and a chord bearing and distance of South 12 degrees 05 minutes 38 seconds West 61.36 feet to a ½" rebar in said east right-of-way; thence South 17 degrees 41 minutes 00 seconds West 76.74 feet to a ½" rebar at the eastern point of intersection of the 50 foot right-of-way shown in Plat Book 70 at Page 61 and the 60 foot right-of-way, shown as Bollinger Drive in Plat Book 9 at Page 101, now known as 28th Street SE; thence, with said 60 foot right-of-way, North 75 degrees 01 minutes 43 seconds West 50.06 feet to the western point of intersection of the 50 foot right-of-way shown in Plat Book 70 at Page 61 and the 60 foot right-of-way, shown as Bollinger Drive in Plat Book 9 at Page 101, now known as 28th Street SE; thence, with the west line of the aforementioned 50 foot right-of-way and the east line of the Dayspring of Catawba County, LLC shown as Tract 3 in Plat Book 70 at Page 61, North 17 degrees 41 minutes 00 seconds East 79.11 feet to a ½" rebar in said west right-of-way; thence, as a concave curve to the left, said curve having a radius of 265.00 feet, an arc length of 51.71 feet and a chord bearing and distance of North 12 degrees 05 minutes 38 seconds East 51.62 feet to a ½" rebar in said west right-of-way; thence, with said right-of-way, North 06 degrees 25 minutes 21 seconds East 43.17 feet to a ½" rebar in the south line of the City of Hickory lands as described in Deed Book 1460 at Page 954; thence, with said right-of-way, North 06 degrees 30 minutes 46 East 413.40 feet ½" rebar; thence, crossing 14th Avenue Circle SE, North 58 degrees 19 minutes 47 seconds West 51.67 to the point of beginning. Containing 7.50 acres more or less.

Section 2. Upon and after the 30th day of November, 2018, the above-described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Hickory and shall be entitled to the same privileges and benefits as other parts of the City of Hickory. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10, as amended.

Section 3. The newly-annexed territory described herein shall become part of Ward No. 3 of the City of Hickory.

Section 4. The Mayor of the City of Hickory shall cause to be recorded in the Office of the Register of Deeds of Catawba County, and in the Office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 hereof, together with duly certified copy of this Ordinance. Such a map shall also be delivered to the County Board of Elections, as required by G.S. 163-288.1.

B. Departmental Reports:

1. Bond Project Update – Presenters Assistant to the City Manager Yaidee Fox and Morgan McIlwain, Program Management with Freese and Nichols

City Manager Warren Wood asked Assistant to the City Manager Yaidee Fox to the podium to present Council with a Bond Project update. Council had previously awarded the contract for relocating the utility poles and Mr. Greer would talk about a contract related to the City Walk moving the water and sewer lines. Ms. Fox would give Council a broader overview.

Assistant to the City Manager Yaidee Fox presented a PowerPoint presentation. She introduced Morgan McIlwain with Freese and Nichols, Beth Poovey with LandDesign and Josie Bulla with 505Designs. They would update Council on all of the Bond Projects and the recommendation from the Bond Commission. The recommendation would be brought forth to Council for their consideration and approval. She discussed the 321/70 gateway. The construction contract had been awarded to Southern Lawnsapes and Sign Systems. The project was currently under construction. The drawings for the structure had been completed and all four quadrants at that interchange will be receiving landscape improvements. She advised the Riverwalk was broken up into two bid packages. Bid package one has bond money as well as North Carolina Department of Transportation (NCDOT) State funding. That one has the entrance, the small parking lot, and the iconic bridge. Bid package number two is all bond money, which is where we come into the on land connection from the iconic bridge over to the Lackey Park. The City has been working with the project designers and coordinating with the Northwest North Carolina Mountain Bike Alliance. They had been discussing all of those projects. She showed a map of those different projects and how all of those projects are touching each other and how to coordinate that as they move forward with the designs. She advised she had addressed Council at their last meeting about the great opportunity with NCDOT for the State funding. The City was able to extend the 5.2 miles of the main multipurpose pathway to include the Book Walk. Council approved that and staff sent it to NCDOT. We should hear back from it in a month or so. Once that happens they will be able to start working with the stakeholders and their team as well as the Bond Commission in bringing that forward to Council. She asked Ms. Morgan McIlwain to the podium.

Ms. Morgan McIlwain, Program Management with Freese and Nichols discussed City Walk. They broke Union Square out as a separate bid package, which Beth Poovey and Josie Bulla would update Council on that portion. She updated Council on the spine. The spine had gone through a constructability review with NCDOT and as they were working through that constructability review with them they found that it would be beneficial to break the waterline out into a separate bid package. Public Services Director Kevin Greer would update Council on the waterline bid later in the meeting. After they worked through the constructability review with NCDOT they sent it to the railroad. That is where it is now. It is under review with the railroad. Once it gets through that review with the railroad DOT will approve and it will be sent to the Federal Highway Administration for authorization to bid and then they will move forward from there. Currently they are also doing franchise utility relocations. Duke has already went out and started trimming trees and they should be out there to do pole relocations in the next couple of weeks. She turned the podium over to Beth Poovey and Josie Bulla to update Council on Union Square.

Alderman Zagaroli advised he had one question. It is going to the railroad and then to DOT? So when will they know?

Ms. McIlwain advised that DOT was just waiting for the railroad to approve. For it to get through that process. Then they are sending it to the Federal Highway. They are not actually doing another review, they have done their review. The Federal Highway will authorize it to bid. They are hoping that this, along with Union Square, will be under construction by the first quarter of next year.

- a. City Walk (Union Square and Downtown Block) Presentation – Presenter Beth Poovey, Director of Greenways, Parks and Open Space for LandDesign.

Ms. Beth Poovey, with LandDesign, introduced Ms. Josie Bulla with 505Design. She advised that LandDesign previously was in Hickory working on the Inspiring Spaces Plan and she was happy to have been invited back to look at Union Square. When they were working on the Inspiring Spaces Plan one of the things they did was have a series of public meetings that really ask the community what the priority was for them. She referred to the PowerPoint and showed photos of Union Square from the past. Union Square was always something that was super

important to the community to be looked at. They looked at the past to help them get inspired by what they are building in the future. They wanted to make sure they had roots in the past and look at how Union Square functioned in the past. It was always sort of the heart of the community. How is it functioning today? With the City's events, as a gathering place, farmer's market Under the Sails. They think City's brand, "Life. Well Crafted." is really important. It is super important to make sure when we are thinking about how Union Square functions in the future it is really supporting the City's brand as a community. She advised they were in Hickory several months ago and had a design trip. They held meeting here for two days in the theatre. They had several stakeholder interviews, pulled some information out of the community, hung out in the square again, and they came up with some ideas. She discussed the general ideas from that charrette. It was mainly looking at the area in front of the Sails as a porch, as a community gathering area. She explained how the space between the Sails and the buildings helped to function to tie the whole area together and create a destination, it is really about an experience. LandDesign and 505 worked together regarding the retail spaces and how they become more relevant today as things are always changing. People aren't going just to shop. They are not going to just one store. If they are doing that, they are leaving too quickly. They wanted to create places that create an experience. An experience of people being together. Being alone together. Creating places where people can sit and watch other people but still have their own space. It is a mixture of experiences, of sitting, and entertainment, that are creating lively retail areas. She advised that was really critical when they think about how they are going to design or how they are going to look at retrofitting Union Square to become a livelier and vibrant retail destination. She showed some images which they used when they were thinking about that. It was creating a series of rooms. The promenade works really well right now, what is along the front works really well to be able to look into the windows, but folks are just moving right through and there are not a lot of places to stop, sit, and dwell. They are looking at a series of garden rooms that are enclosed by plantings and they can have public and private seating, and they can support the retailers, but they can also be public seating where people are comfortable just to come and hangout. She discussed the materials for the space. She referred back to their recommendations for the Inspiring Spaces Plan and the design guidelines for the downtown or the public spaces area. Spaces which the furnishing and furniture needs to be natural materials. They need to be real materials. You don't need to use materials that replicate other materials. You want to embrace the craft brand. Using natural materials like clay, concrete and wood and making the planting pallet pop in certain areas, but otherwise be very simplified. Having some benches and seating are other ways you can be artful. You can use local craft folks to help build those and design those. She showed the overall plan which they had come up with. They actually looked at the block all around there.

Ms. Poovey discussed the streets and the block around Union Square. When looking at the streetscape enhancements, right now there is just not a lot of room to have a lively street, or a lively sidewalk. They looked at areas that have yellow painting on them right now and those were areas that they could use to extend the curb out and create more of a pedestrian zone. She referred to photos on the PowerPoint as examples. It is creating small pocket parks in places that don't infringe upon how the street functions right now. It could really help you have more destinations along the street and provide places for trees. She referred to the PowerPoint image of the Union Square area and pointed out the children's playground. They looked at both entrances into Union Square. Those entrances would be enhanced with pedestrian crosswalks to make them safer and more of a gateway to announce that you are at Union Square. A promenade that comes along the front of Union Square that you can still look into the buildings, you can come up close. You still might have some outdoor tables and chairs, but then you have a clear walkway. It is now quite as wide as it is right now, but on the other side you have a series of seating opportunities and the garden rooms. A walkway will be kept with Whitener Alley. It comes across and connects to the other side towards the railroad tracks with another gateway feature that really starts to bring Union Square out a little bit more. She showed where the existing Sails were located and the area where they would create a front porch. This area would include some additional seating and it would really create an opportunity to use the Sails in that area for other things when you are not having events. It can be populated with moveable tables and chairs on a regular day, but then can function really well when you are having events. Whether it is a concert or the farmer's market the lawn area would be a place for informal seating. You could look towards the existing stage Under the Sails here and there was also a new multipurpose shade structure that could be used also for events, outdoor teaching, or informal seating as well with moveable tables and chairs on top of that. She showed the extended plaza area that can be supported. The Wine Shoppe could move to that area, but it also had opportunity for public seating. She showed a perspective that looked at that and the gateway element. She showed photos of a new bathroom facility and a multipurpose shade and rain structure. She advised

they were looking at raising the cannon and creating a feature with that. She referred to it as "cannon hill". You would be able to approach it on all sides and it also creates more of an element that is sort of playful, but also very respectful of the history. She showed more images of the ground planning and how the different seating options might be and how the promenade along the storefronts are open, but with seating right next to it. She showed an image and pointed out the multipurpose shade area.

Ms. Josey Bulla, 505Designs, discussed the multipurpose shade structure which was intended to give more options and more versatility to the space. It was similar in vocabulary and geometry to the Sails that are already there. They are trying to extend the look of that and be respectful of what is already there. It is open so you don't ever block the views into the retail areas or out to the other parts of the Square and yet it gives you a place that actually has a hard roof on it. It gives you a place where even if there is a light rain or something you could still carry on with an event, performance, or teaching opportunity that doesn't have to get shut down because there is a little bit of rain. She showed some images of gateway elements. They see those as another opportunity to extend the City's brand. They have a crafted kind of feel to them. They are looking at a vocabulary that incorporates some kind of cut metal, or something they can work with a local artisan. They also have a natural vocabulary that goes back to the idea of craft and the idea of the logo with the leaf motif. She referred to an image on the PowerPoint and explained it was a large element that connects back over by the railroad tracks and a smaller element that would also function as a directory at each end of the Square at 2nd and 3rd Street. Similar vocabulary but just a smaller version of that. She showed a view of the multipurpose shade structure. It had a little bit of a backdrop with some greenery and stuff, but nothing that will block views. The overall kind of materials are kind of metal also with warm wood on the underside. She showed views coming from down the lawn. She showed images of the restroom and storage building that also builds on that same kind of roof vocabulary and relates back to the Sails. She showed a view from "cannon hill". She showed views of the overall size and shape of the shade structure and some other views. All very open, all very light, to kind of build a relationship to what is already there, but to keep things kind of fresh.

Ms. Poovey continued the presentation and discussed lighting and trees. They wanted to use the existing lighting as much as they could but also looked at enhancing the lighting in certain areas. There would be some enhanced pedestrian lighting as well as some architectural feature lighting that they would do within the Square and look at reusing and utilizing the existing lighting along the streetscape but enhancing that. They also had to consider the fire truck access, which had been looked at. They were also able to narrow down the promenade functions right now as the fire truck access, but if they look at the two parking lots and the central walkway that allows for fire truck access in the design now, but allows more flexibility to create some different spaces in there than you have currently. They wanted to make sure that they were tying into the historic ties, so they were looking at the clock tower that was there and the monument and trying to make the monument grounded in this space so that they are not just plopped in, but they make sense and feel like they have been there and are purposeful there, but still very accessible for people to walk up to and tell the story about why they are there. She discussed the dwell time, which was creating the spaces for people to feel comfortable to sit and watch people. On top of that they also want to make sure there is increased lighting levels, WiFi is available and you can pipe in music, so audio is available as well. They are working on construction sequencing. Based on a lot of their experiences and thinking about how they need to customize that for the retailers here. There are different things they can look at to do that to make sure that they are minimizing as much disruption as possible. Making sure that storefronts are always accessible during hours that they are open and that construction in front of their doors, that needs to close them down, would happen at times when they are not open. There are a lot of different ways that they will be thinking through that and make sure that it is customized to meet the needs of the property owners and the retailers along there. She mentioned the City was doing a parking study that is looking at increasing parking and having more access and turnover time. She discussed cost estimates. They are looking at breaking this into two different ways of thinking about it. The streetscape costs and then Union Square costs. Union Square at approximately \$2.1 million dollars and improvements to the streetscapes budgeted at about a little over a million dollars, totaling \$3.2 million dollars for these improvements. She commented she was very excited to be working on this.

Assistant to the City Manager Yaidee Fox advised the City's Bond Commission unanimously voted recommendation to City Council to approve the Union Square and downtown block plan as presented to be able to move forward with construction of the plan.

Mayor Guess asked Council for discussion.

Alderman Lail had a question with regards to construction drawings and how long it would take. He asked if they had given any thought to that. He thought Ms. McIlwain suggested that they could be under construction by the first quarter of next year. That means construction drawings complete in February?

Ms. McIlwain replied yes, for the Union Square and the downtown area, they were hoping to get approval and then they will move forward. They had already started moving forward but they are going to keep working on that and working with LandDesign to figure out the timing of everything. She thought February was fair.

Assistant City Manager Rick Beasley commented they had already surveyed the areas that needed to be surveyed especially on the Square.

Ms. Poovey commented they wanted to make sure that they were designing with all of the decisions in place. That helps make it go faster if they are able to move through the decisions really quickly. There are also ways of phasing the construction. Getting construction drawings at a certain point, but thinking about getting under construction quicker and looking if they do something in front of the storefronts first and then maybe moving closer to the parking or vice versa, so they are trying to move as quickly and with least interruptions as possible.

Alderman Lail asked if they had an opportunity to involve a qualified contractor earlier rather than later and really put the gas to it.

Ms. Poovey advised that was a legal question also that the City would have to answer, but from their perspective it would help with the design speed, some of the questions and the estimating that comes forward. That was a very good solution to bring a contractor in earlier. How that could be done would be left up to the City.

Alderman Lail felt like that was something that the City would need to at least look at and get an idea on it.

Mayor Guess commented sooner rather than later. He was glad to see that it didn't just include Union Square proper, but it includes the block and enhances the entire block. He thought that had always been a question in people's minds. Why they didn't include the whole block? He was glad to see that it included that. He referred to the construction sequencing, which he had not heard of that term before. He thought that it was extremely important, and he had heard this from numerous businesses and merchants about their downtime. He had even heard from some of them that said if this causes them in anyway to be out of business for 24 to a 48 hour period that could be detrimental to their livelihood and their business. He knew they had heard it time and time again, but he just wanted to reaffirm that they would do everything possible to make sure that doesn't happen. That seems to be one of the most prevalent things that are on the minds particularly of the business owners' downtown. For them to have to shut down for even a 24 hour period was apparently something that concerns them greatly. He wanted to reemphasize that.

Ms. McIlwain responded yes, absolutely. That has definitely been a concern that they had looked at and had been at the forefront of their consideration moving throughout this entire project as well as City Walk. They had been looking very heavily at construction sequencing and phasing on City Walk as well. And all of their projects really, it is going to be really important.

Mayor Guess mentioned another aspect of that is communication with those that are involved so that they will know precisely when it is going to affect them.

Ms. McIlwain advised there would have to be prior notifications given before any work was done in front of their shops. They would work with the contractor to make sure that all of those provisions were in place before moving ahead.

Alderman Lail interjected that was one of the reasons that he hoped that they maybe could qualify a contractor, they could frontend those kinds of issues with them. If we get into a low bid deal, they might say "they didn't plan on any Sunday work", "I wasn't going to do that".

Mayor Guess wanted to make sure that everybody who was involved in this process understands that. To him that was a huge priority.

Ms. McIlwain replied absolutely. It is one of their biggest priorities in this project as well.

Ms. Fox commented that is certainly something that they had been talking about internally as a team and with the designers from the very beginning was the timing and the scheduling of the construction. Over the last several months they had all been talking about a variety of ways to communicate that and how they can work with the City's communication department, but also with the downtown, and the people that come and go into the downtown area as well as anywhere along the City Walk.

City Manager Warren Wood advised the City could do a design/build process, which Council was referring to, to get the contractor involved at the 30 percent mark. Council would have to approve it. Staff could bring something back for Council's consideration.

Alderman Lail asked if LandDesign could go to 30 percent on the drawings and then someone would qualify a contractor.

Alderman Seaver asked if that could be spelled out.

Alderman Lail commented if that could help LandDesign that is a win/win if you will.

Alderman Seaver asked if that could be spelled out in the bid process that there may be some work at night.

Mr. Wood replied yes. Council has to approve that process, but they could do that.

Alderman Seaver commented if they know that going in ahead that is going to happen.

Alderman Lail commented that would be one of the prerequisites.

Alderman Seaver commented especially right along the storefronts, if you do that at night he didn't see how that would interfere with business much at all if you could get that part done at night.

Ms. McIlwain advised it was definitely something that they could look into and consider, absolutely.

Alderman Williams thought that was great, all of the designs and everything was wonderful. He just had one problem. The same exact problem he had with the Hickory City website. Whenever you see all of these activities there aren't any Black, Hispanic, or Asian people in these pictures. He just wondered what kind of Hickory we are selling. If we are an All-American diverse City we should sell that to each of our constituents, not just one race. As he looks at those pictures and the City's website, a lot of different pictures that we have activities going on, there is no diversity. That was the only thing that he wanted to add.

Mayor Guess asked for additional questions, comments, or concerns from Council.

Alderwoman Patton commented they had talked about greater outdoor seating area for dining. She wanted to make sure that this was giving space to the restaurants that wanted to expand their dining. They had talked about the Wine Shoppe and expanding it, but the monument is seating right there when there are concerts. Whoever has the tables around that you can't see anything and then if the Tap Room wants to have outdoor seating, the blocking of moving the cannon up it is going to obstruct people's views? That was her concern of the monuments. She knew they wanted to integrate them and make them look like they are part of it, but at the same time trying to get people to enjoy and see open, it seems there is a lot of blockage there.

Alderman Zagaroli asked if she wanted the Miracle of Hickory moved.

Alderwoman Patton commented they said it would fall apart if they tried.

Mr. Beasley commented almost all of the places where we have current restaurants have an open view. They made sure to have space for them. Jason Yates was involved in this discussion.

Alderwoman Patton replied the one in particular is the Miracle, it is just right there and it seems to do a lot of blocking.

Alderwoman Williams asked if all of the businesses had input into their preference for how they want seating or extra work expansions in front of their businesses. She asked how that was going to happen.

Ms. Poovey advised what they were designing for was flexibility so businesses can come and go. They want to make it as flexible as possible. They had heard from some of the restaurants and had looked at different seating opportunities for them and had done sketches to show them how they might could configure it and different options. They also want to think in the future that there could be public space right now that has seating, and a different retailer moves into that space or a restaurant moves in they could also take over. Yes, they have been talked to and they had drawn different sketches, but also building in flexibility for change.

Alderman Williams commented the other issue that comes up a lot, is the City has some policies that don't align with what Ms. Poovey was talking about right now, regarding parking time. You are talking about dwell time, getting people to come, spend half a day downtown, go to the theatre, eat, listen to music, but we have some parking restrictions which is very unusual.

Mr. Wood advised Council would see some recommendations that change all of that, which come along with this.

Alderman Williams commented we only have limited parking time.

Mr. Wood stated that is why the City did a parking study. They are wrapping it up and it is going to have some recommendations on addressing that.

Mayor Guess asked for further questions, comments or concerns from Council. Mayor Guess moved, seconded by Alderman Seaver approval of the plan as presented. The motion carried unanimously.

2. Hickory Trails Report – Presenters: Assistant City Manager Rick Beasley; Transportation Planning Manager John Marshall; Taylor Dellinger, Western Piedmont Council of Government Senior Data Analyst; Business Services and Redevelopment Manager Dave Leonetti; and Communications and Marketing Manager Dana Kaminske

City Manager Warren Wood advised that Assistant City Manager Rick Beasley would do a report on the Hickory Trails. He mentioned that Mr. Beasley had been on board for a year. The leadership, experience and energy that he had brought to the table had really done a lot to move these bond projects forward, even though it seems like it is slow. He had done a great job with that and leading the Office of Business Development. He had done an outstanding job since he has been on board.

Assistant City Manager Rick Beasley presented a PowerPoint presentation. He advised Hickory already had an outstanding team and they added Mr. John Marshall. He advised last year Mr. Wood presented the Economic Growth Strategic Plan. In that plan there were basically three things that he wanted to come out of putting this team together and that was job growth, population growth and property tax base growth. He referred to the PowerPoint photos and advised it was one of the apartment complexes. There was 250 apartments and housing going up right now, and there were over 700 approved that should be built this year and there is probably 600 to 700 in discussion right now with the City. We are growing in terms of places people live which will also add population to the City. He discussed job growth and referred to the Trivium Corporate Center. He mentioned the signs were out there and they looked really good. The City broke ground on that just a couple of years ago, and before the streets were put in they landed the Corning center, which was a tremendous boost to our tax base. The second major component was how to build on the momentum that was already in Hickory. The momentum had already started turning once the citizens voted for the bonds and started one of the projects which they just heard about. He asked Transportation Planning Manager John Marshall to the podium.

Transportation Planning Manager John Marshall mentioned City Walk, and the year that funding took place. It was scheduled for 2023. In 2016 they worked with the Department of Transportation (DOT) to get that accelerated. So actually City Walk was ahead of schedule because it was supposed to start in 2023. He stated the City had been very fortunate in being able to leverage grant money over the past year or so. By getting this extra money we have been able to do additional projects. Hopefully we will do additional projects in the future. They had been able to stretch the bond money way further than they anticipated. Everybody knows City Walk, but where that started was they got Transportation Alternative money for that from DOT and they applied for Surface Transportation Block Grant – Direct Attributable (STBG-DA) money added to that, and that totaled a little over \$11 million dollars. So they could use the bond money for something else. They applied and got \$2 million dollars for Riverwalk. That was from the STBG-DA money. The Book Walk wasn't originally a part of the 5.2 mile spine. They were

able to get two sections of what they refer to as Book Walk and Book Walk South. By leveraging this extra money that gave us flexibility to add this project as well. They received \$2 million dollars which goes down to the library and from the library down 7th and 4th to the Walmart Grocery store. That was great being able to get that one. We got \$2 million for one phase and \$3.2 million for the other phase. We had part of a project which was Old Lenoir Road, a 12 foot multiuse path proposed from 9th Street all the way up to Geitner Road. That one was funded a few years ago and was also Transportation Alternative money through DOT. Recently they applied for the STBG-DA from the Metropolitan Planning Organization (MPO) and they added in another \$5.1 million dollar section here. We were able to get DOT money, the STBG-DA money, and of course we will have to have a 20 percent match on these projects. He advised there was one little section that goes from City Walk up 9th Street to Old Lenoir Road which the City was also awarded three weeks ago with \$1.6 million dollars for that. With all of this, also the money they got for Trivium and the 3rd Avenue project, which is over \$26 million dollars that the City has leveraged already because of the bond money. Hopefully we will continue that and be able to find even more money. He referred to the PowerPoint and advised the good news was everything that was in color had some kind of money attached to it that we had gotten elsewhere besides the City.

Mr. Beasley commented about eight months ago they decided they needed to explain economically what this means to the City. Everybody knows that it is going to be a connection from Lenoir-Rhyne through downtown all the way to the river. Everybody knows that is what this project does and you can walk and ride bikes across it. What people don't really realize is what it is going to mean in terms of jobs, population, housing, and private investment. This report was data driven and policies that sets measureable goals for staff to look at over the next 15 years as it is built and developed. He asked Mr. Taylor Dellinger from the Western Piedmont Council of Governments to the podium. He advised that Mr. Dave Leonetti from the Office of Business Development would talk about those policies that they would use.

Mr. Taylor Dellinger, Western Piedmont Council of Governments Senior Data Analyst, advised these are the quantitated goals of the report. They estimated when they completed all of the modeling and all of the data, \$500 million dollars in private investments through 2035, 1,750 new housing units, 8,000 new jobs created and 3,500 increase in population. He advised the last one was a big regional priority for them, getting the population numbers up. We are creating jobs at a rapid pace. He mentioned he had talked to Council about that a few months ago. We need to have people and we need to have housing for those new jobs plus jobs associated with the investment. He mentioned he got a lot of help from Hickory Staff getting the insight on how the zoning works, and all the rules and regulations. Mr. Cal Overby, Mr. Dave Leonetti, Mr. John Marshall, and Mr. Rick Beasley all worked as a team to come up with the numbers. He explained the numbers. They used geographic information systems (GIS) and took a quarter mile buffer of the Hickory Trail. They looked at that acreage, removed tax exempt, i.e. churches and things like that, they didn't touch the Historic District, removed 30 percent of the vacant land that was in critical watersheds. Depending on whether the parcel was vacant or not, and depending on what type of zoning it was they assigned per square footage for new construction, \$25 to \$65 per square foot. If it had a structure on it they broke it into three categories. If it was built after 1990 they assumed it would be left alone. If it was built before 1970 they assumed it would have some sort of historical value but was a remodeling opportunity. Hollar Mill would be a good example of that. If it was built between 1970 and 1990 it wouldn't quite have that historical significance so they would say eventually the building might be torn down and a new building put in its place. They broke it down by the zoning type and looked at the number of acres, looked at the potential new and remodeled square footage. They added all of those up and came up with \$555 million dollars. They took half of that to be conservative, because they know that not every last single piece of property is going to be remodeled or built new by 2035. They wanted to have a realistic number, a good conservative number. He mentioned with the non-residential this was only the building and the property, it would not include personal property like manufacturing equipment for example. They don't know at this point what that would look like in 2035, so they didn't even include that, so that would be kind of a bonus investment which is not shown here. He discussed how they calculated jobs. They looked at the total number of jobs that are currently inside the buffer, 7,612. They looked at the square footage per job that exist now, 891. They looked at the new or remodeled square footage divided that out and came up with 15,618. He reiterated to be conservative they just took half of that number, 7,809 and rounded it to 8,000. Mr. Dellinger discussed how the housing methodology. They looked at the different types of zoning and looked at the maximum number of housing units that could be put per acre based on the zoning, and the number of acres that was available. They maximized out the number of housing units, subtracted those that

already existed. When you do that for the buffer you come up with 3,313. Again they took half of that number to be conservative and then rounded it to 1,750. To get the population numbers they used two persons per new housing unit, which was the number based on the American Community Survey, you multiply 1,750 times two and you get 3,500 population. They also looked at the potential new property value of single family and multifamily units. When they added that up they come up with total property value of \$356 million dollars. To be conservative they took half of that number for a total of \$178 million dollars. They added the residential new value of \$178 million dollars, and then they added the non-residential, \$277 million dollars. When you add those two you get \$456 million dollars and they rounded that to \$500 million dollars. It was a lot of calculating to come up with four numbers. It thought it was important to have quantitated goals. The good news was they are going to be able to measure that. They have good base numbers. They know how many jobs exist today. They are going to know from the census how many people live there. They will get new census numbers after the 2020 census to help with that. They know what the current property values are within the buffer zone, and they will be able to look at how that value gets added over time. They are also going to use data from Info USA when new jobs are created inside the buffer and they can track that as well.

Alderwoman Patton asked if the COG would be doing that calculation on a yearly basis or the additions to give Council an update.

Mr. Dellinger advised they had talked about that a little bit and they will definitely be able to help out with that. As new announcements come online, when new housing say apartment complexes get built inside a zone, they will say it is 1 for 50 units, they will be able to add that in. They won't get the population numbers as frequently unfortunately because it is every 10 years with the census. The jobs numbers are usually updated every couple of years. If it is an announcement then they can say what the projection is, but they will look at the hard numbers as they go along. Yes, there will be frequent updates.

Mayor Guess commented with the population figures being only 10 years is there any kind of alternative that maybe they could do internally related to that.

Alderwoman Williams asked if they did a statistical average.

Mr. Dellinger advised one way they could kind of look at it, of course when there is new housing construction you are going to have building permits. For example, the project that Mr. Cal Overby presented, when that is done there will be 50 multifamily units. As those new single family/multifamily units are added they will have that with a total and then they can assign the number of persons to it too and they will be able to contract it that way, but then they can double check with the census number. He advised yes, they would have an estimate and then they can get a hard number every 10 years.

Mayor Guess asked if there were any further questions from Council.

Mr. Beasley commented Mr. Leonetti would speak next, but realize they were only measuring inside that quarter mile from each side, but it is going to have an impact far greater than just that quarter mile as well. Mr. Leonetti would talk about the policies and strategies to get those number.

Business Services and Redevelopment Manager Dave Leonetti advised in the plan which Council had before them there was basically six primary strategies that they are going to have in their tool box to help accomplish and reach these goals that Mr. Dellinger discussed. The first talks about creating regional destinations. That is essentially building the bond project. Building the Riverwalk, the City Walk, and leveraging the mountain bike trails, and improvements to Union Square. The idea behind the bonds was updating the infrastructure and improving the infrastructure to create that environment that will support private investment. The second was promoting a healthy lifestyle. The City has been committed to this. He was really excited back in 2017 when they were able to work to add a community health element to the City's comprehensive plan. They are continuing to work with organizations like the Northwest Mountain Bike Alliance, and partnering with Live Well Catawba. Last month the folks at Live Well Catawba and the Friends of Hickory talked about a potential bike loop. Those are other ways that they are going to look to promote that. Also connections to allow adjacent areas and neighborhoods to access the 5.2 miles, projects like the Book Walk, the additional improvements at Arrowhead Park and they had looked at smaller projects potentially with Community Development Block Grant (CDBG) money in the Green Park neighborhood and other areas to try and make sure that everyone is able to access those places by bike and pedestrian traffic safely. The third one was providing hospitality opportunities and linkages to quality of life events. Recommending continued support of all of the events that supports the City's "Life.

Well Crafted.” brand. Events like the Sails Music Series, Shuck and Peel coming up this weekend, the Hickory Christmas Parade in two week, Oktoberfest, Symphony under the Sails, all of those type of events that build on partnerships with nonprofit organizations and bring people to downtown and creates that destination feel. Number four, redeveloping idle commercial and industrial properties. This was a continuation of what they had been doing since 2008 when they first started tracking vacant buildings, vacant properties, and started the operation of vacancy initiative. Council previously approved some revisions to the vacant building revitalization program. Since it began in 2009, the first grants were given roughly in 2010. That program had leveraged over \$33 million dollars of investment and led to the reuse of over 20 existing buildings, that was not counting three to five demolitions that had led to the construction of the Walmart Neighborhood Market, the Dollar General on Highway 70 and some projects that were not included in the \$33 million dollars as well, which was significant investment. On tonight’s consent agenda Council approved some targeted incentives that will help advance this goal in terms of revitalizing and rehabbing existing buildings. One of them was increasing some flexibility. Council may have noticed that they hadn’t received has many of the grants coming before them over the last year or so. One of the things was allowing that for smaller buildings, this targets downtown buildings. Now buildings that are 5,000 square feet could potentially be eligible for funding and also additional funding to promote residential development and projects that need additional fire suppression infrastructure. They can get an additional incentive as well. A second program that was revised tonight was the Community Appearance Grant program which was simplified and combined the Appearance and the Landscape Grants into one \$7,500 grant. It doesn’t really alter the total amount of funding available but offers some flexibility in how that program is administered. Staff would continue looking for Federal Brownfield money and try to figure out other ways such as State, Local, and Federal tax incentives or grant programs. Like with the bond programs, figure out ways to make our funds stretch further. He reiterated one of the things they want to focus on was downtown housing. As part of Mr. Dellinger’s 1,750 housing units he estimated roughly about 350 of those could be in the C1, Central Core Business District. We are providing some additional incentives to developers that are looking at converting some of those properties. They are also continuously working on trying to figure out ways to promote residential development. The idea being that promotes the retail and hospitality industry in the downtown as more residents move in. He discussed number six, working on preserving values and aesthetics in existing neighborhoods. He used as an example, Ross Zelenske and the Historic Preservation Commission had been working on an expansion to the existing Oakwood National Registry Historic District. That should be finalized in the coming months through the National Register Advisory Committee at the State level. That is a way to promote and protect that area by providing, not necessarily regulatory controls over those areas, but it provides some incentives to maintain that historic integrity of those areas. They are also going to look at infield development and insuring that when that infield development occurs it is compatible with the existing neighborhood to the most extent practical. He asked Council for any questions. He asked Ms. Dana Kaminske to the podium to discuss marketing.

Mayor Guess asked Council if they had any questions.

Communications and Marketing Manager Dana Kaminske referred to the Hickory Trail book. She discussed where the City would go from here. It is nice to have all of that information in one place now. They can utilize this book in different ways. Having it in one place makes it very easy to share. They have hard copies of the book which they will distribute. There is an online link which they can share in various places like on the City’s website, on the Business Development page, as well as our Crafting Hickory Bond page. It would be easy to be able to share that as we move forward. She discussed how they will share this information. They will share it through the City’s Business Development office and through Dave Leonetti has he has discussed. As we talk to potential developers, investors, and new businesses who want to be in Hickory. As they come and speak to Mr. Leonetti in our office they will have that available to give to them or if he is talking to someone over the phone and they want to have some information put together he can send that link directly to them. They will work with our partners, the Economic Development Corporation, they would get those into Mr. Scott Millar’s hands and the staff there so they can help utilize this to bring additional business to Hickory and the Downtown Development group as well when small businesses are interested in Hickory and want information this is all good information for them to have along this buffer zone area. The City’s Business Associations, that may not even be in the buffer zone but they are interested in how they can bring business into Hickory and other strategic public and private partners that we have that may have connections that we don’t have and they are going to work with them too. It is nice when you have a connection with somebody, it makes it easier to talk to them. They will work with those public and private partners to make those connections

happen, especially in places like Charlotte and Atlanta and the bigger cities to tell them what we have going on here. They were going to research and target potential new businesses as well over the next few months and as they do that they will be sharing this information with them. She commented we have a lot going on here in Hickory and it is exciting. They are really excited about this and what we have going into the future. We already have a fabulous downtown, but they are excited about the growth of that downtown and what the buffer zone is going to do with downtown living and different things that can come with new businesses here. She thought with this buffer zone that we can now show the goals that we have and we can continue to measure that and the quality of life here as well. She thought that a lot of the pictures in the book showcased that as well. They have lots of places that they can find that information too, but this is a nice way to put it all together. They believe that this book is a way for them to share that information and be able to come back and measure those goals and comeback over the next year, 10 years, or 15 years and actually say yes what we put in place is happening and we are excited about the future of that. She thanked Council.

Mr. Beasley commented he was glad that Ms. Poovey and Ms. Bulla were present because without them, and the project that Council previously saw which LandDesign had done and where we are today with this project wouldn't happen. Hopefully what they are going to do is going to help the downtown and the whole City, because the neighborhoods represent 26 percent of the population in Hickory, just this 5.2 miles. This could impact us far greater than that. Mr. Beasley thanked City Council.

City Manager Warren Wood asked Council for feedback on what they had seen in the book and the presentation.

Mayor Guess commented the grants and what the City had been able to get in additional funds was key. He knew there was a lot of people who worked on that, it wasn't just one single person. To him that was the most substantial part of all of this to be able to have those additional funds to be able to do the things that we wouldn't have been able to do otherwise. To him that was the key in all of this.

Alderwoman Williams thought it was great for recruitment. Attraction of new population here. She referenced she was listening to the radio about the challenges of places, even larger urban areas, that are attracting businesses, they are not able to because they don't have the human resources there. If we are going to continue to expand, especially in the industrial park she thought they would have to look at really targeting and recruiting that workforce.

Alderwoman Patton commented she liked having the actual ability to measure. This is what our goal was with Inspiring Spaces and then the bonds, and what our goals were in this and this kind of fleshes it all out. This is really what we are going to accomplish and she thought it was wonderful.

Alderman Zagaroli commented we are open for business.

Alderman Seaver commented really the whole world is watching. He gets an email every now and then, or a message on Facebook that says they like what is going on in Hickory and they are following it.

Mr. Beasley commented they can take the same measurements, they have already added one project and can add two or three more, so they will be able to measure all of those projects. Good job by the staff.

Mayor Guess reemphasized that communication moving forward with everyone, as much as can be possible was key. People need to know what is going on, and they need to know what the plan is and where we are.

Alderman Seaver asked if the citizens would have access to this. He asked if there was some way that could also be online.

Alderwoman Patton commented it was on the website.

Alderman Seaver commented you can shot one by email quicker than you can mail it.

Mr. Wood commented to Alderwoman Williams' point on attracting population. There are 3,500 jobs in Catawba County right now and we don't have the workforce for it, so growing population is vital. That is a good problem to have versus what we have been seeing, having a large workforce and not many jobs so that has really flipped. He advised one of the main purposes of the bond program

was to create those amenities that was going to attract and retain the population and the workforce that we need moving forward.

Mayor Guess interjected if he wasn't mistaken, this year, or by the first of next year the Workforce Solutions facility at CVCC will be open and that will certainly be an asset for us as well.

Mr. Wood responded that Council had talked about a number of projects in executive session that relates to the bond programs and they know they are really going to move the needle when they come to pass. They will be seeing it.

Mayor Guess asked for any further comments or questions.

3. Replacement and Rehabilitation of Water and Sewer Infrastructure along Main Avenue NE/NW Related to the City Walk Project – Presenter Public Services Director Kevin Greer

- a. Accepted the Bid and Awarded the Contract to Hickory Sand Company, Inc. in the Amount of \$1,485,319 with a \$148,531.90 Contingency for the Replacement and Rehabilitation of Water and Sewer Infrastructure Along Main Avenue NE/NW Related to the City Walk Project.

Staff requests acceptance of the bid and award the contract to Hickory Sand Company, Inc. in the amount of \$1,485,319 with a \$148,531.90 contingency for the replacement and rehabilitation of water and sewer infrastructure along Main Avenue NE/NW related to the City Walk Project. Staff requested design for replacement and rehabilitation of water and sewer infrastructure along the City Walk project route to ensure aged infrastructure was replaced prior to construction of the new multi-modal path. Construction of this project will ensure the least amount of project conflicts, extended life and sustainability to customers, and overall infrastructure longevity. Staff expects to experience an increase in fire flow volumes due to the renewing of infrastructure along with improved system performance. This project is a continuation of the Central Business District Project that was successfully completed in 2018. The project was advertised for bids on October 1, 2018. Three bids were received and opened on October 16, 2018 at 2:00p.m. Bids were follows: Hickory Sand Company, Inc. - \$1,485,319; M&M Construction - \$1,732,349.25 and Neill Grading & Construction, Inc. - \$2,171,739. Staff reviewed the bid documents and found them to be in proper order. Staff recommends approval of the bid and award of the contract with Hickory Sand Company, Inc., as the lowest responsible bidder. Bids for this project are over the estimated budget. The original project did not include replacement from 4th Street NW to 9th Street NW. The bid numbers are in line with the estimated budget given the additional length. The original project was budgeted in the Public Utilities Capital Budget for FY 18-19 for \$1.0 million dollars. The additional money will be appropriated from Public Utilities Fund Balance. Staff also requests establishing a 10 percent contingency in the amount of \$148,531.90 in this budget due to the unforeseen nature of issues that may arise as we construct this water and sewer infrastructure project. Staff recommends Council's acceptance of the bid and award of the contract with Hickory Sand Company, Inc. in the amount of \$1,485,319, with \$148,531.90 contingency for the replacement and rehabilitation of water and sewer infrastructure along Main Avenue NE/NW related to the City Walk project.

City Manager Warren Wood asked the City's Public Services Director Kevin Greer to the podium to present Council with a contract for replacement and rehabilitation of water and sewer infrastructure along Main Avenue NE/NW related to the City Walk Project.

Public Services Director Kevin Greer presented a PowerPoint presentation. He discussed the City Walk water and sewer infrastructure replacement. The City Walk project is the first bond project to be out of the gate and to the point that we are starting to do some work on it. In preparation for that, the public utility side of the house tries to plan a little bit ahead, and had been planning for this placement. They decided as a group to pull it out of the bond project itself. Utilities was going to pay for it, but they decided to pull it out. The main reason for that was because they could get that stuff done so they are not in the way when they start to build the project itself. He showed a map and pointed out Deluxe Printing, Aiken and Black, and 9th Street, the waterline along Main Avenue, and Lowes Food City Park. When they did Lowes Food City Park utilities they actually replaced the water and sewer in this area. The water to this side was new with the park and with the Central Business District (CBD) project which they completed last year. They are replacing from 9th to a valve which they already have stubbed here and then they

actually jump across Union Square and get to Hong Kong Café. He showed the parking lot across from City Hall, City Hall facility, and Highway 127. They did the same thing on this side. He pointed out 2nd Street and where they had replaced the water to a valve. He showed what was new and where they were picking up at another valve and moving east. They were replacing from that valve all the way across to Highway 127 then they jump over and actually come to 2nd Avenue where it comes in. The last section was from 2nd all the way to Lenoir-Rhyne or 7th Avenue. This would all be done as one project, but he wanted to give Council perspective of what it was. There is a lot of pipe, 8,400 feet of pipe that has to be moved in that area related to water and then approximately 1,500 feet or so of sewer that has to be done in that area, but more of that is just fixing areas that are bad in there. They don't have to move a whole bunch of sewer they just have to do some dressing up and fixing up. He advised the request for Council was to accept and award a construction contract with Hickory Sand Construction Company. They were low bid in the amount of \$1,485,319 for the project and all required funding is coming from the utility side. He advised that was more than what they had budgeted, but they also added the section from 3rd to 9th after utilities had done their part of the estimation for the project itself. All the line items still line up to be exactly what they were expecting when they bid it. Hickory Sand was the company that did the Central Business District project for the City, so they know what they are getting into. They have familiarity with the project itself and Mr. Greer thought that helped them with the bid part of it also to get a good contractor and of course they are local. The waterline portion was \$1.254 million dollars in round numbers and the sanitary sewer was \$231,000. The sewer side was low, but that was more because they were really going in and rehabbing lines, fixing manholes, and there is no whole replacement there like with water. He showed photos and explained the reason they were replacing the lines. He pointed out a six inch line which had been replaced in that general area. The hole in the far end was approximately three and a half inches. That was because overtime cast iron builds up that tuberculation on the inside of the pipe which really restricts flows. That affects fire flows, water for demand for domestic, and when they are flowing hydrants and they are doing the flushing that they have to do and you get the discolored water downtown. The CBD had been a good project for them and shown to be a success. He thought they had only had one discolored water call since they finished that project almost 18 months ago. He showed Council a photo and pointed out the stamped date of 1904 on a piece of pipe close to a fire hydrant. They know they are dealing with really old infrastructure that is there. He showed a photo of a pipe that was stamped 1931 and advised that is where they had actually connected to the valve at Lowes Food City Park. That was one of the valves which they had connected to, 1931 was the new stuff that was in that area. He showed pictures on the sewer side of repairs which they have to do. It was terra cotta pipe and he noted several places that you could see failures, meaning that a piece of pipe was busted out, or cracked over time. Those have happened. When you have water standing there means there is a swag like a low spot, and of course you have to fix those to try and keep the water flowing. The thing they don't want to do is build this type of project and then have failing infrastructure underneath. They want to take care of that stuff ahead of time. He reiterated the request for Council was to accept and award the construction contract with Hickory Sand Company Inc. in the amount of \$1,485,319. He asked Council for questions.

Alderman Lail asked in terms of sizing, was there any upsizing.

Mr. Greer responded yes. It is all six inch pipe now, and they are actually going to 8, 10, and 12. They are stepping everything up to try and account for apartments and the investments that are going to be downtown. They are trying to account for that stuff as well.

Alderman Seaver asked if they were going to mark those pipe with dates too, so City Council would have something to talk about.

Mr. Greer advised they were all dated but not as neat. When the guys dig this up 80 years from now it won't be as impressive as being cast inside of a piece of pipe, it is going to be an ink stamp on the pipe.

Mayor Guess asked for any discussion. He asked for a motion to approve the contract with Hickory Sand.

Alderman Seaver moved, seconded by Alderwoman Williams approval of the contract with Hickory Sand Company, Inc.

Alderman Lail referenced sequencing and the merchants' downtown. This will impact them. It skips Union Square, so it doesn't necessarily affect the folks on the Square, but it will affect traffic patterns with these open cuts. He thought Hickory Sand did a good job actually downtown. They were appreciative at that. He wanted to make that point was important for this project too.

Mayor Guess agreed and not only doing it in a timely fashion but communicating what the time is. Mayor Guess took the vote. The motion carried unanimously.

4. Appointments to Boards and Commissions

COMMUNITY APPEARANCE COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 2 (C. Williams Appoints) VACANT

COMMUNITY RELATIONS COUNCIL

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

HICKORY REGIONAL PLANNING COMMISSION

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

INTERNATIONAL COUNCIL

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

PARKS AND RECREATION COMMISSION

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

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 1 (Lail Appoints) VACANT
At-Large (Mayor Appoints) (Lisë Swensson Resigned 9-13-18) VACANT

Alderman Lail nominated Laurie Childres as the Ward 1 Representative on the Public Art Commission.

RECYCLING ADVISORY BOARD

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

YOUTH COUNCIL

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

ADVOCACY GOALS CONFERENCE

Voting Delegate/Alternate for the Advocacy Goals Conference, Thursday, November 29, 2018 10:00 a.m. to 4:00 p.m. at the Raleigh Convention Center.

Alderman Seaver nominated Mayor Guess as the voting delegate for the Advocacy Goals Conference.

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

B. 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

City Manager Warren Wood commented Forbes Magazine rated Hickory the best place in the country to do business in terms of business costs. We were 25 percent below the national average for business costs in Hickory. He thought that was the 6th consecutive year that we were number one. We were number one last year because we were 23 percent below the national average, so that is great for Hickory. Along those lines, to dovetail on Mr. Beasley's presentation, in terms of growing jobs and tax base, we talk about 3,500 jobs in Catawba County that we don't have a workforce for, but in Hickory we have 1,000 apartment units at some level of development and those were not done speculatively so there is a market and a demand, so that is a good thing. And

it is also single family. We are seeing our single family numbers increase. We have done more this year than we did last year and for a number of years. Typically during the course of the fiscal year we will do \$100 million dollars in building permitting value. Through the first four months of this year we are at \$56 million dollars. Things are good in Hickory right now. This is the best that he has seen in terms of our numbers since the late 90's, so we are in a good place right now. Hopefully with the momentum that we have with bonds, 2019 is going to be a busy year. We have got a lot of projects coming on line. NCDOT has \$325 million dollars' worth of road improvements in the next few years coming up. With the bond money, we talked about \$26 million dollars and have applied for another \$17 million dollars with the BUILD Gant and will find out about that in December. That would be more than \$40 million dollars in grant funds compared to the \$40 million dollars in bond money if we are to get that. Even if we don't we have done really well there. The message was we are at a good place right now with our economy.

Alderman Seaver commented when he first came on Council, which was a longtime ago, he heard that Hickory was a tough place to do business. He hadn't heard that in a longtime. Forbes Magazine putting us in there helps a lot too and solidifies the feeling he has gotten since being on Council that has gotten better. He thanked staff because that was a direct result of the way they work.

Mayor Guess commented all the Councilmembers had the 2018/2019 Adopted Budget at their seats. He recognized Business Service Manager, Dave Leonetti over the office of Business Development and he was also a member of the Hickory Young Professionals. He was recently named one of the top 10 under 40 by the Chamber of Commerce. He congratulated him and commented they were glad to have Mr. Leonetti has a part of the team and look forward to having him for many years to come. He thanked Mr. Leonetti. He echoed what Alderman Seaver said, we have the best staff of any municipality that he knows of. They work with the guys and girls every day and he never hears any issues. Everybody is so cooperative, and everybody is on board and a part of the team. That is the reason for the successes that we have had and the successes that we are anticipating are a direct result of coworkers and staff, not only that, but our citizens as well. They appreciate it very much.

XIV. There being no further business, the meeting adjourned at 8:34 p.m.

Mayor

City Clerk