

A Special Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, November 1, 2016 at 4:30 p.m., with the following members present:

Brad Lail	Rudy Wright	Hank Guess
Vernon Tarlton	Aldermen	David P. Zagaroli
Danny Seaver		Jill Patton

A quorum was present.

Also present were: Interim City Manager Andrea Surratt, Assistant City Manager Rodney Miller, Deputy City Attorney Arnita Dula, City Attorney John W. Crone III, Parks and Recreation Director Mack McLeod, Planning Director Brian Frazier, Public Services Director Chuck Hansen, Catawba County Economic Development Corporation President Scott Millar, Communications Specialist/Policy Analyst Sarah Prencipe, Communications and Marketing Manager Dana Kaminske, Budget Analyst Cameron McHargue, Bond Project Manager Kyle Butler, Fire Chief Fred Hollar, Chief of Police Thurman Whisnant, Assistant Public Services Director Kevin Greer, Deputy City Clerk Cari Burns and City Clerk Debbie D. Miller

I. Mayor Wright called the meeting to order. All Council members were present with the arrival of Alderman Seaver at 4:35 p.m.

II. Food Trucks Overview

Interim City Manager Andrea Surratt advised Council that the next two hours would be spent updating them on some critical projects that we have. Everything from food trucks to bond projects, to project 1764. She advised Council that Staff had their information prepared but they did want the meeting to be interactive. She commented if Council had questions that they could interrupt them and they would take it from there. She asked Parks and Recreation Director Mack McLeod, Planning Director Brian Frazier, and Deputy City Attorney Arnita Dula to the podium. They had been researching and working with the Parks and Recreation Commission on food trucks, which is a popular topic among cities. There are a lot of different ways to do it. She turned the discussion over to Mr. McLeod, Mr. Frazier, and Ms. Dula to discuss where the City stands on that.

Parks and Recreation Director Mack McLeod addressed Council on mobile food vendors. He presented a PowerPoint presentation and advised Council they would like some input and feedback from them. He turned the discussion over to Deputy City Attorney Arnita Dula.

Deputy City Attorney Arnita Dula explained three definitions. The first two definitions came from either the North Carolina Food Manual or the North Carolina Administrative Code. She defined "food establishment", which included two different situations. The first reference, more likely they are not a brick and mortar facility. She pointed out the second bullet and explained that a food establishment also includes an operation that is conducted in a mobile, stationary, temporary or permanent facility or location and where consumption is on or off the premises, which would cover food trucks. One exclusion, certain establishments are not covered as food trucks or mobile food vendors such as vendors that sell dip ice cream, popcorn, candied apples, or cotton-candy. She advised that was not an exclusive list. Those were just some of the items not covered under food trucks. She defined "Mobile Food Unit", also referred to as a mobile food vendor, a food establishment or a pushcart designed to be readily moved and vend food. She commented what we typically would think of would be a food truck or a pushcart. She gave an example of a pushcart, the unit that Mr. Crosby uses to sell hotdogs from during the Farmer's Market. She defined "vendor", a person who sells food from a food establishment or pushcart. In this instance they would be referring to someone operating the food truck or the pushcart.

Planning Director Brian Frazier addressed Council on current regulations regarding private property. Currently the City does not regulate mobile food vendors on private property in any way, shape, or form. The only way that they are regulated is with an agreement between the property owners into which they are situated. He advised there were approximately four food trucks which are fairly non-mobile now, currently Hispanic businesses, and they are located along LR Boulevard, and Fairgrove Church Road and Springs Road. The arrangements are made between the private property owner and the owner of the food truck. All they need currently is County Health Department approval.

Mr. McLeod discussed public property. Currently there is a pushcart policy for Union Square. There is no ordinance or policy currently in place which governs other mobile food vendors either food trucks or ice cream trucks which come through. There is an exception through our special event application process to allow those. He discussed some proposed regulations identified by Staff. They had some discussions among Parks and Recreation Staff, and City Staff, and some preliminary discussions with the Parks and Recreation Commission to get some input. The proposed regulations would be applicable to public property only at this point. He referred specifically to the parks, some of the tentative areas for consideration that could be suitable for food trucks that were identified were: Glenn Hilton, Kiwanis, Stanford, Henry Fork, Neill Clark, and Taft Broome parks. These potential locations for food truck use were just based on the function and what goes on in those parks. Any specific locations within the parks or operating times had not been addressed at this point. He advised some of the proposed regulations that they had talked about was the permitting process. Mr. Frazier and Mr. McLeod were both in agreement that the regulation of that, whether it is a policy or an ordinance, would come through the Planning and Development Services Department because that process is already in place.

Mr. Frazier commented if there is an ordinance Ms. Dula would talk about that. He recommended an ordinance instead of handling it through the LDC (Land Development Code). An applicant would come through the permitting staff just like a standard application would and they would apply for the permit. Planning would handle the intake and the permitting process and the issuance of such for a mobile food truck vendor, and they would also handle the zoning enforcement on that.

Mr. McLeod commented one thing for consideration was fees. What are those fees to be charged? Whether it is a one-time permit application fee or monthly fee. There are some legal requirements for consideration; North Carolina State General Statutes, Administrative Code, Food Code Manual which was where Ms. Dula had gotten the definitions from. Also permitting by Catawba County Public Health Department. Some other considerations were insurance, background checks of the vendors had come up at the Parks and Recreation Commission meeting. Any volunteers, coaches, or instructors go through a criminal background check. He advised that was certainly something that would be considered as a requirement with children around. He asked for Council's interest and direction to Staff as to how they would like them to proceed from this point. Some type of regulation, which Mr. Frazier mentioned, ordinance or policy. He discussed the timeline for development/implementation, from the Parks perspective, which would probably be in the spring timeframe. As of today the park hours changed back to 6:00 p.m. as the closing time. The timeframe, if Council chooses to consider food trucks, would be implementation in spring 2017. He discussed public participation in development of those regulations. They have currently started those initial discussions with the Parks and Recreation Commission. He mentioned some public policy consideration, private businesses use of public property to make profits; which is private business using public property for personal gain. They wanted to hear feedback about fees being charged as a revenue source for the City. Should food trucks be Hickory based only with a permanent location in Hickory? He advised there was a lot of question marks. They wanted to spur some discussion.

Ms. Dula commented on the public policy consideration goals. That tied into why do you want it, or if you do? Why? What is the goal in allowing food trucks or pushcarts? In some cities for example they looked at food trucks as being able to provide food to areas which perhaps are not serviced or don't have restaurants. That is a public policy consideration that they would like for Council to keep in mind if they determine to go in that direction. What is the ultimate goal behind having those?

Mrs. Surratt advised Council at this point, the question proposed to them, would they be interested in food trucks in park areas. Starting with that as a pilot project and then letting Parks and Recreation Commission and Staff work through how those permits get approved. What the rules are and that kind of thing. That is the emphasis that Staff is seeing from people who have food trucks or want to do a food truck. They just want to be in the park spaces. The Zahara Baker Park area, Kiwanis Park, and eventually along City Walk, and Riverwalk. Food trucks are a trend right now across the City. You can do a food truck in a special event permit right now. For example if the Friends of Hickory wanted to have a special event related to the park they could put a food truck as part of their permit and it is permitted right now through that process. The question was did Council want to open it up to public property in particular looking at the parks.

Alderman Guess asked if there was any way to gauge what kind of interest there was.

Mr. McLeod responded he had one prospective food truck. He advised this person asked his opinion/position on food trucks particularly in the parks because that was what his interest was in. Mr. McLeod was all for it, he felt food trucks were great. He advised the person who expressed interest that currently there were no rules or regulations to guide those. He didn't want for a particular park to become a food court truck row. There would have to be some rules and regulation guidelines.

Alderwoman Patton asked if he had any feedback from people in the parks, commenting that they wished there was something more than an ice cream truck.

Mr. McLeod advised they had not heard that. If they have a special event, for example Catawba Valley Youth Soccer Associations annual tournament coming up next weekend, they will bring in food vendors, but they do that under the special event application. They had seen the mobile ice cream trucks come through the park. They can't regulate them and they ask them to keep moving. When they hear that bell they come. He had not had any direct calls saying that they would like to have them here. The only call that he received was from the perspective food truck vendor.

Alderman Zagaroli was very much in favor of it as long as they conform to Catawba County Health requirements and the fees are reasonable. He felt that a lot of people would like that as these events if the food trucks are there.

Mr. McLeod asked what Council's feelings were on fees? Should fees be charged for this? Should that be a one-time fee? Monthly fee? The research which was done showed some charging a one-time fee, and a lot charge a monthly fee. They wanted to hear what Council's feelings were from a fee standpoint.

Alderman Guess asked regarding the places where we have concessions, what is the fee for that?

Mr. McLeod stated that the City operates our own concessions. The only time they bring in somebody is for a special event. They do that as a percentage, typically 10 percent of their gross sales for that day. For a concession at the ballparks, we operate those ourselves. They had already talked about that. He used Kiwanis Park as an example because there are four fields down there and two concession stands. They felt they would still operate their concession stands because they only sell popcorn, candy, drinks, water, Gatorade, those type things, both could coexist together.

Alderman Lail suggested to handle it under a concession agreement, not concession in the terms of selling it, but as a legal term. He asked if they could do it that way.

Ms. Dula commented they could. She hadn't seen any. You would have to have an individual agreement with each food truck vendor. Most of the entities, Raleigh, Greensboro, Charlotte, and other places that they looked at were either regulating them through a policy or an ordinance. We are talking about people locating for example in the parks, it could be five days a week or every day of the week that the park is open. It is more like an ongoing thing, rather than the special events where they come in for that event and then they are gone.

Alderman Tarlton commented a lot of things to be considered.

Ms. Dula commented that she wasn't saying there weren't any she hadn't seen anywhere the city has an individual concession agreement with each vendor.

Alderman Lail's thought was the City might grant food truck "A" and food truck "B" a concession license for Hilton Park for a six month period. Otherwise Mr. McLeod will be pulling his hair out with these food trucks fighting about who is going where, it is my turn, I want to be there. They are going to be first in line.

Ms. Dula referenced the "Title Slide" which said proposed regulations. It is not exclusive. Based on the amount of time that they had, there are many, many more pieces that would be put into an ordinance or policy. That would be a consideration. Whether it is by lottery. You are awarded for this particular season. Whether it is first come first serve. That definitely is a consideration as to how a determination would be made. Who is allotted and when.

Alderman Tarlton commented it probably wouldn't be bad if there was a parking space for them to let two or three go in there and let competition sort it out.

Alderman Lail's ideal thing would be in a policy rather than an ordinance, because we are not going to get it right on an ordinance on the first round for sure. That would give us flexibility. To the extent that we can have these folks sign agreements such that if we need to ask them to vacate we can, and have the authority to ask them to vacate and our sole discretion to do that. On the fee side he would make it a one-time deal, and not try to get into getting any kind of percentage of revenues or anything like that. It is not a moneymaker.

Alderman Zagaroli thought a yearly fee and renewable.

City Attorney John Crone recommended that they do it like taxi cabs. You would need to come up with a small list of criteria. He didn't know if there was any special permit that you get from Catawba County or somebody. You just don't want somebody coming in there selling raw hamburger and everybody getting sick.

Council understood that would be part of it.

Ms. Dula advised that there were all kinds of regulations, not only from the County Health Department but the reference to State Statutes, Administrative Code, and the North Carolina Food Code Manual. There are regulations in all of those areas that pertain to food establishments and or mobile food vendors. They would have to meet those, just not local.

Alderman Tarlton commented some type of insurance.

Ms. Dula responded sure, definitely.

Alderman Lail commented if they were going to do this in the parks, then perhaps Parks and Recreation could identify the appropriate spaces/locations for these vendors. Some parks are going to have more than others available. There is the list of how many potential options are out there. Then maybe we could then receive applications for the permit to operate in those areas.

Alderman Zagaroli thought if they designate certain areas for 3-5 food trucks, or whatever maybe, but there is just a designated food truck area. Staff should designate an area for the food trucks in the different venues that we have.

Alderwoman Patton recommended having enough trash cans. She doesn't want the parks to become trashy and then Staff has to clean up after them.

Alderman Guess suggested a provision in there that they have to clean-up after themselves.

Alderman Lail agreed. He commented not every park obviously, not even all of our active parks are appropriate for food trucks probably. They could take it as sort of a beta test, Zahara Baker park maybe.

Mr. McLeod advised they just identified those as potential parks.

Alderman Lail suggested taking one or two to just test.

Alderman Seaver commented if he was a food vendor he would want to go to a park that has a big event going on with lots of people. He mentioned Kiwanis and the four baseball fields. When all four of those fields are going you can't find a parking place anywhere and the vendors are taking up several. It is going to be a lot of congestion.

Alderman Lail commented on the weekend Hilton Park doesn't have parking spaces for enough people.

Mrs. Surratt stated Staff knew this topic would be exciting because they had a lot of this conversation too. Staff just wanted to say they are working on it, and they appreciated Council's feedback and the questions that they had ask. They had had similar ones and Council had raised some new ones. Staff will be coming back in the December/January timeframe, after they flesh through some of these, with a proposal for Council's consideration.

Alderman Seaver asked if this had come up because of a lot of vendors wanting to come to Hickory. He reiterated that Mr. McLeod had stated one.

Ms. Dula wasn't aware of any.

Mr. Frazier advised that he had spoken to two gentlemen who are business partners, and the same folks that Mr. McLeod had spoken to. They are talking about investing \$60,000 to \$70,000 for a state of the art modern food truck. They know that they have to go through Environmental Health, and they have already spoke to Scott Carpenter at Catawba County about it. This is an initial step because beyond parks he had talked to them about parking on a City street, not parking on a City street, at government facilities including Public Services, City Hall, Fire Departments. They talked all about that, Union Square and those issues that may be raised. This is an initial step because they are counting on eventually parking and selling their wares at City Walk, Riverwalk and the like.

Mayor Wright had heard from the young people and they want these food trucks. The people that he is hearing from are not looking for hotdogs, hushpuppies, and tacos. The successful food truck operations offer an eclectic opportunity to get foods that you just don't find everywhere else. It is not all about fast food. He would hate it if we ended up it turning out to be only hotdogs and hamburgers and too many of them and they are just beating each other to death. He commented we are not going to make a lot of friends with that kind of an operation. If we can get somebody who specializes in whatever these youngsters want, something that says this is neat this is something we didn't have available before. Instead of oh this is neat we can go to the park and get a hot dog instead of going somewhere else and get a hotdog. He commented he was just expressing his opinion. We get too far down the road and it is all turning into mobile fast food units, he didn't know if they were going to make anybody real happy.

### III. Lackey Project Update

Interim City Manager Andrea Surratt advised Council that Mr. Mack McLeod and Assistant City Manager Rodney Miller would be presenting them with the latest rendering, drawings and information related to the Lackey Project. She commented they would wrap-up the presentation with a short video, which was a 3-D conceptual flyover of the park space.

Mr. McLeod advised they are at a point now where they are getting ready to wrap-up the schematic design process with TSW. They met with TSW on Oct 2<sup>nd</sup>. He showed slides of the schematic design drawings on the park. He showed the layout of the park, and pointed out 12<sup>th</sup> Street Drive NW, the existing park entrance location and where the new park entrances would be. Because this map would be in the agreements between the City and the Lackey's they had asked TSW for some revisions to show the overall site plan and one to show some responsibility from the construction standpoint of the City and the Lackey's. He pointed out the area which was the City's responsibility versus the lake house and the parking lot which was the Lackey family. The third map they requested was showing the phases, Phase 1, and what would be Phase 2. He pointed out Phase 1 which included the lake house, parking, the fishing pier, boat dock and the event dock. Phase 2, at a later time, will be what the ridgeline trail is. He pointed out the existing bikeway which is currently on the ground, there will be some improvements. He pointed out an area, including the canopy and the conservatory which would be in the second phase. He pointed out the gateway to the Riverwalk to the stadium, boat dock, and fishing dock. They envision it as an event hub. Whether it be Riverwalk festivals, bike races/festivals, fishing events, boating events, this would evolve into an event hub. They are also looking at the infrastructure, making sure they are blue/green structure, he noted repairing the buffers there and water recapture with a cistern. They are being conscious of that. He pointed out the circulation, 12<sup>th</sup> Street Drive and the entrance into the park. He commented these are basically the zones. He noted the area which would be available to the public. The lake house, identified as semi-public, if there is a private event going on at the lake

house it would not be open to the general public. The conservatory, ridgeline, and everything else would be open to the public. They envision the lake house at certain times would be, but most of those events would be private events. He showed photos of the lake house, the event dock, and a schematic of the interior of the lake house. He advised it was approximately 9,100 square feet. There was approximately 288-300 seating inside at the round tables and additional seating available on the outdoor plaza. He showed a photo of the entry into the lake house, the available outdoor seating pointing out the event dock. He referenced the location of the existing fishing pier at Rotary Geitner Park and advised that it was in that same general vicinity.

Alderman Seaver asked if it was going to take a lot of grading around through there to build that.

Mr. McLeod respond yes sir there will be. More so when you are getting up into the conservatory due to the topography.

Alderman Tarlton asked if there was still going to be a boat dock there.

Mr. McLeod advised there would be a boat dock, there will not be a boat launch. He showed another photo of the lake house zone, a photo of the event dock and pointed out the terrace seating. If there is an event going on this would also be available for terrace seating. He discussed the park zone which would be the City's responsibility. He pointed out the boat dock and the event dock. Currently there is a boat launch at Rotary Geitner Park. During the schematic design phase they made the decision not to put a new boat launch in. Simply for the fact the one that is there now is very difficult to get in and out. If they put a new one in, they felt there would not be enough parking and they were concerned with the neighbors. What they wanted to do was to have a boat dock. What they envision is people coming in off the lake, docking, and coming into the park on the Riverwalk. They are adding a kayak/canoe launch there. He noted the fishing dock and advised that it may turn a little more. They will know more about it when they actually get into construction drawings. He pointed out the area which contained shallow water and advised they would probably have to turn that some. The water was much shallower in that area compared to where the event dock would be. He showed an open space area of the park, family shelter, and restrooms.

Alderman Tarlton commented there was some talk earlier about relocating the boat ramp down to the 321 bridge where there is already a boat ramp.

Mr. McLeod advised they looked at that in the initial Riverwalk design, but from a security standpoint, with the Water Plant there, they didn't feel that they would put in a public access point there. He showed a photo noting the canoe/kayak launch. He showed another photo of the entry plaza, a drawing of the family shelter and restroom area which would be a combined restroom facility and picnic shelter. They are still working with TSW through the conceptual schematic design of this. The picnic area is about the same size as the new shelter that was just built at Kiwanis Park. He showed some photos of the view from the shelter, swings, the boat dock, and the access zones. There are plans for 127 parking spaces between the main lot and the overflow lot. He showed the ridgeline trail zone, the existing bikeway. This area will be in the second phase. He showed conceptual shots of the conservatory and views if you are standing at the exterior of the conservatory to the lake. In the schematic design they asked TSW to provide access to the parking lot and down to the side of the park in the event there is an event going on at the lake house. They didn't want the public, who may enter the Riverwalk from the outside, coming down and interfering with that. He showed the Riverwalk and advised this would provide access back into the parking lot. So if someone is coming into the park, if there is an event going on in the Lake House, and event dock, they could park here and still be able to come and access the Riverwalk and not interrupt any events going on there. He showed another photo of the Riverwalk, and a conceptual view coming from the Riverwalk into the park.

Alderman Tarlton questioned an area on the trail.

Mr. McLeod advised it was the canopy walk. Because of the elevation where the conservatory is planned there was an elevator to take you up to the canopy and over to the conservatory. This was not in this phase but down the road. He showed a conceptual view from the Riverwalk and one from the canopy walk. He showed a photo looking out if you were standing at the top coming off the elevator at the top of the canopy walk. He asked Assistant City Manager Rodney Miller to the podium to continue with the presentation.

Assistant City Manager Rodney Miller commented that TSW had done a great job and had done a flight over, a two to three minute video which gives the perspective from each of the areas within the park as to what that might look like. He discussed the cost breakdown. Phase 1 of the project encompasses the lake house, the overflow parking and the City's part of the scope. He pointed out in Phase 2, they had been told from the Lackey's it included everything in the conservatory but did not include the canopy walk. At this point they are calling it Phase 1, 2, and 3. Phase 1 being the initial phase with the lake house, Phase 2 being the ridgeline trail, a roundabout, and the conservatory, and Phase 3, which was not included in the numbers that he would be showing Council, the canopy walk. Mr. Miller passed out a breakdown of the cost for the City. As of three weeks ago these were the latest cost estimates that they had. The lake house, which is the Lackey's responsibility, is estimated at almost \$3.9 million in cost estimates. He pointed out that they have engaged David E. Looper. David Looper had provided some cost estimates to review TSW's engineering estimates. They are at approximately \$3.9 million for the lake house which

would be part of Phase 1. In addition, Phase 2 would be the conservatory and the access trails as well as the overflow parking which is another \$2.2 million dollars, also the Lackey's responsibility. The first three items were Lackey's responsibility and those total approximately \$6 million dollars. The City of Hickory's share totaled \$1.8 million as of three weeks ago. They had asked TSW to look at a few numbers. He pointed out items which they had discussed. Under "Demolition", demolishing the existing restroom structure currently there, Staff felt that number was high so they had requested for them to look at that. Mr. Looper had agreed to take a look at these number on behalf of the City and see if TSW's estimates were in line. Mr. Looper was in the process of doing that. Under "Building" right now the restroom facility and shelter that Mr. McLeod described is combined into one facility though it was shown separately on the cost breakdown. Staff felt that number was low. They felt that number was in excess of \$200,000 based on the shelter/restroom facilities that the City had already done. The City had done one at Optimist Park and Kiwanis Park. That area they felt could be low. He pointed out that they had spoken originally and the Lackey family was going to pay for the family shelter. We want to keep that number separately and hopefully they will agree during the negotiations of cost breakdown, to either "A" pay for the shelter or "B" contribute to that shelter in light of the fact it may be one facility. The \$52,000 will be discussed with the Lackey family. He discussed "Drainage & Grading", the fine grading for the overall site had been requested to be looked at. They had kept the original entrance into the facility off of 12<sup>th</sup> Street Drive NW so there is less grading than what was originally planned. Although there is some grading that is part of the project. They had asked them to look at that. They asked them to look at the drainage and storm water number. Are there opportunities where the cost can be minimized to keep those cost down? Right now they are at \$155,000. He discussed "Site Furniture". Mr. McLeod had identified and given them site furniture, some furniture that the City had already purchased for some other parks. There could be some opportunity for some small savings there. He discussed "Lighting". There had been some discussions with lighting, certainly the City wants to explore any type of partnership/relationship with Duke Energy to try to see if those lighting costs can be reduced. He referenced the contingency number of ten percent, which he felt was reasonable and justifiable. The general conditions number was 20 percent which the City felt was significantly high, so they had asked them to look at that to give us a breakdown of what that is, which is forthcoming from TSW. As of today, the estimates are at a little over \$1.8 million dollars.

Alderman Lail commented that the estimate had grown in the last three months from \$1.3 million dollars to \$1.8 million dollars.

Mr. Miller advised over a year and half ago we were in the several hundred thousand dollar range.

Alderman Lail commented it keeps growing. He requested Staff talk to TSW, he knew they were going to pushback, and ask them to consider getting away from the real granite and going with synthetic stone. You can't hardly tell the difference. He was sure that landscape architects want the real stuff but they are not paying for it. There would be no degradation of aesthetics feel by using that culture. It was \$65,000 worth of granite in there.

Alderman Tarlton agreed.

Alderman Lail continued that something was not right with the fishing pier at \$250,000. They are going to have to look at that one too. \$250,000 for a fishing pier, you can build a huge house, heating and air conditioning, driveway, everything.

Mayor Wright commented most of that was probably footage.

Alderman Tarlton commented when you start doing stationary, driving piles and all of that it will get up there fast. He had built a residential dock and it was \$100,000 not long ago.

Mayor Wright agreed with Alderman Lail to question that.

Alderman Lail continued on top of the fishing pier, they are adding \$50,000 for upgraded railings. Hardwood with cable. He was okay with it needing to look nice, they want it to be first class. They also have to be mindful of the City's expenses, of the public funds.

Alderman Seaver questioned the size of \$250 boulder. He asked if that was hauling for the rock or the cost of the rock and you still have to haul it.

Mr. Miller advised one challenge that we have is where the pier currently is, it is in shallow waters. We have to go deeper out into the water so the length is long.

Alderman Tarlton asked how wide the pier was.

Mr. McLeod advised about eight by eight feet, we have to also make it ADA accessible.

Mr. Miller commented we could either go small or go big at the start. The discussions that had been made related to the pier was they wanted the wood to look nice. They had priced in a higher end wood for the pier so it mimics and matches the wood characteristics of the lake house. They don't have to do that.

Alderman Tarlton questioned if it was lpe or something like that.

Mr. McLeod confirmed it was Ipe.

Mr. Miller continued that causes the costs, especially when you lengthen that out into the lake so that is expensive.

Alderman Tarlton commented compost decking works nice too.

Mr. Miller advised they had talked about something like a trex that could work that might bring that number down.

Alderman Tarlton advised trex was still four times more than pine. Then you have the Ipe and exotic woods and that is probably another four times more.

Mr. Miller advised they had discussed Ipe, pine, and trex.

Alderman Tarlton commented you don't want pine.

Alderman Lail advised them to check the sizes too. They were showing a 4,000 square foot pier. If that pier was 10 feet wide that means it would go out 400 feet into the water. There is no way Duke is going to give us a permit for 400 feet into the water. He was sure there was an error somewhere.

Public Services Director Chuck Hansen advised that it widened out at the end too.

Mr. Miller addressed the boulder rock work question. They would ask. They didn't think that sounded unreasonable as they are large rocks. They envision people sitting on those. He showed a photo of them. They envision at the back of the property to use these as seating as well.

Alderman Seaver asked if that included hauling them in there. He didn't think that was bad then.

Mr. Miller pointed out that people would be using them as seats as well.

Alderman Tarlton commented they better pick some nice flat ones then.

Mr. Miller advised they had discussed granite to synthetic. The question was where is the price point? Do they want to have synthetic or do they want to have granite? He didn't know if there was a strong opinion one way or another. He commented that is good feedback. Is \$1.8 million the number? He addressed the cost increases. This has been an almost four year process. It is part of the policy discussions. The original documents were written in a manner so that the Lackey family was basically building this park and then were going to turn it over to the City. Now the cost have shifted. Their initial construction costs, they are at \$6 million and the City is at \$1.8 million, not knowing how much we might be able to reduce our \$1.8 million dollar share. He mentioned a couple of thoughts come to mind. Is that a "fair split of public/private partnership" and if so should the City recoup some revenues associated with the amenities out at the park. If we have more costs and/or skin in the game should we have some more control over the events and/or activities out there. What should that number be? What is an equitable share between the City and a private developer?

Mayor Wright commented that you can't really look at any of those things by themselves because for example the people of Hickory are going to get a hundred uses a year of a top notch facility and a medium level cost that offsets some of the other stuff. We have got to end up with a relationship and a cost sharing that makes it look like a win for the people of Hickory.

Alderman Lail commented to go up a level, who should be responsible for what. He was entirely comfortable with the City being responsible for the things related to access, drainage, parking lot, overflow parking, even the ridgeline trail. He felt that was reasonable because that needs improvement. That needs to be widened to get fire engines up there to cover the conservatory at Phase 2 if it is built. He felt that was a reasonable request. Where he starts to get nervous is really the super high-end amenities. As a Council they have to decide if that is what they want to deliver to the public. They have had no input as a Council to TSW. It maybe that is where they want to go. It certainly doesn't need to be inconsistent with what the Lackey's are doing at the lake house but maybe it doesn't have to be...

Alderman Tarlton interjected it needs to be consistent with the Riverwalk.

Alderman Lail agreed it needed to be consistent with the Riverwalk.

Mayor Wright commented it would be nice to know what the high-end upgrade cost the people of Hickory.

Mr. Miller clarified for Council, two of the things mentioned were not currently in the budget, the ridgeline trail. They see that as an additional cost that City's services are required now, i.e. fire trucks, to be able to provide fire access to the conservatory, which is completely paid for by the Lackey family. That was the City's position and they at this point have accepted that position. As a City park we don't need almost 200 parking spaces here for our events outside of the lake house,

for someone to have a picnic or rent the family shelter, or to put a canoe in, or to come up from a boat they won't use parking anyway. The overflow parking is in the Lackey family's "bucket" because they will drive that parking with the events out at the lake house. Primarily weddings they have been told. If you have a large wedding they pay for the overflow parking because typically that parking lot on a normal weekend when the lake house is not having an event the City would not require that much parking for the City taxpayers. That was the City's logic and they have also agreed to that. The amenities that were added basically were: the environmental, the drainage, the parking lot, 128 parking spaces or so, which is our parking lot, adding the picnic shelter and restroom facility, adding the boat dock, replacing the boat dock that we currently have, replacing the fishing pier that we currently have, adding a few swings and allowing a passive park environment like we currently have out there. That is currently the \$1.8 million dollars.

Alderman Lail commented he understood. He did not realize that everything was good with the split of cost with regards to overflow and the ridgeline trail had been settled.

Mr. Miller added this is a level one first class facility that we are envisioning. The gardens that are going to accompany the conservatory and outside of that are very, very nice. In fact Mr. Lackey envisions those being similar to the Biltmore gardens. Our landscaping budget on the City's side is a little over \$100,000. Our vision for the park is as you come in off of 12<sup>th</sup> Street on both locations that you see this first class facility. We don't think we should diminish that experience. That is the first thing that maybe an out of town guest or residents see. That is why the landscaping number was included. He advised Council in addition to the items that Staff had identified they would certainly look at the fishing pier. Right now \$300,000 of the \$1.8 million dollars was identified. They will look at the rocks as well, make sure they are flat and the landscaping. There had been some discussion about an irrigation system. The irrigation was currently on the Lackey's side. That is in Phase 2, he noted it was the area of the gardens around the conservatory. That was in the Lackey's budget as well as an irrigation system. The City is trying to have low maintenance plants that will last year round. He advised they would look at all of those items. We are at a step now with TSW as this is the schematic design and we are finished. We had almost a \$27,000 contract with TSW for the City's share of the project. That was the \$1.8 million dollar costs estimates. Are we ready to take that next step and have them beginning that design development and then going to construction drawings because that is the next phase? With a few of these tweaks that we get over the next couple of weeks we are prepared to take that next step if Council is.

Alderman Tarlton asked if they were working for the Lackey's also.

Mr. Miller responded they were.

Alderman Tarlton asked if they were also going to provide construction drawings.

Mr. Miller replied yes.

Alderman Guess commented this goes back to what was said from the very beginning. Where do you get to spend \$1.8 million dollars and get \$8 million back out of it? Basically that is what is happening here. The City has the potential to spend \$1.8 million dollars but look what we are getting for that \$1.8 million dollars. Where else do you get that kind of return on your money?

Alderman Seaver questioned if the City controlled the events.

Mr. Miller advised that the Conservancy is currently scheduling those events. That is the board that the City appointed three members to, and the Lackey family has four members to appoint. That Conservancy Board would manage the facilities themselves.

Alderman Seaver asked about keeping the name "Rotary" there, he asked if the Rotary Club had any skin in the game.

Mr. Miller responded no sir.

Alderman Lail didn't think Council could legitimately enter into a design contract with TSW until they have documents with the Conservancy.

Alderman Tarlton commented which is Phase 2.

Alderman Lail responded no. We don't even have our signed agreement with the Conservancy which outlines, explains what Phase 1 is and who is paying for what. In other words it puts it on formal paper. He thought to go into the design contract would be getting the cart before the horse.

Alderman Patton asked when Staff thought they may have something back from Mr. Loper after having him look over the numbers.

Mr. Miller advised they could ask for that this week. He felt they were close. They meet on October 7<sup>th</sup>.

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Alderwoman Patton commented based on the comments here, by this grade, or is there something else factored into when he is looking at this. This is what he is seeing, but this is a way to tweak it to get those numbers down.

Mr. Miller responded certainly this month. He was hopeful that it would be as early as next week. He knew that Mr. McLeod had several conversations with them about some changes. In fact the presentation that was sent to Council, they wanted some of the slides to be changed too. They had not heard back from them since October 7<sup>th</sup>. They are still working on all of those items. Staff would add the additional items that Council raised as well. What he was hearing, if that was some consensus, that Council wanted to wait until the Conservancy Board was established and maybe we get closer on some of the agreements before we enter into the design contract.

Alderman Tarlton interjected that the City's construction drawings were not anything compared to what Lackey's are going to be.

Mr. Miller replied that is true.

Alderman Tarlton commented that shouldn't take as much time at all.

Mr. Miller responded a lot of civil engineering related with the City's.

Alderman Tarlton commented it is pretty much all civil, the boat docks are civil too.

Mr. Miller commented the shelter would require some construction.

Alderman Seaver commented another thing that Council needed to look out for the taxpayers, they approved the \$40 million dollar bond referendum. He questioned the buying power of that \$40 million dollars that they approved then and what the buying power was now. He asked if anyone had ran any numbers on that. Can we only buy \$38 million dollars-worth of stuff now? Or is it \$35 million. If we wait two more years it is going to be \$30 million. What is it going to be? The value of the dollar changes daily, on the hour.

Alderman Zagaroli commented they should spend it before it changes.

Alderman Seaver commented are we going to fish or cut bait.

Mr. Miller discussed future discussion points; work on the Conservancy Board. He mentioned some high level items which they would be discussing with the Lackey family. What revenue sharing opportunities does the City have in the project? Whether that is a fee revenue, a one time, an annual fee, or a percentage of concessions, a percentage of event revenue? All of those things will be discussed. Before they can do that we need a business plan. He questioned how many events that they were going to have per year, how many weddings? Give us some pro forma data. They had engaged David Carter which most of Council had met. He advised Mr. Carter would be in town next Friday for a Lackey meeting and the City had been invited. Mrs. Surratt and he had discussed that and he would be attending that meeting. They will start working on seating the Conservancy Board, three members appointed by the City, Mr. Lackey and his son Rob are two of the members, they still have to appoint the final sixth and seventh member. Mr. Miller advised he would be listening to that discussion. They will also have to have an operation and maintenance plans for the gardens. Who is going to maintain them? Who is going to provide the maintenance? How does the HVAC in the lake house work? All of those things need to be part of the operations and maintenance plan. The expansion of the amenities, the documents currently allow the Conservancy Board to expand in the park an additional 18 acres or so which is now an expansion in the buffer zone. That was something that the City was certainly interested in. What might that look like and what seat at the table does the City have for them to expand any facilities down the road. He stated those were just some of the questions that Staff had related to all of the documents that they had drafted.

Alderman Tarlton asked if we had a draft document.

Mr. Miller responded yes sir. In fact it was June or July of last year that Council went through those documents with their attorney, prior to Alderman Tarlton being seated on Council. Staff had looked at those over a hundred times he would imagine and made multiple comments. We just need to get a seat. Unfortunately we don't have a board to discuss them with. Staff is waiting on the Conservancy Board.

Alderman Lail commented the City has to execute them. Council executes on behalf of the City of Hickory with the Conservancy Board. He asked does Council have outside counsel working on those documents.

Mr. Miller stated at this point we do not. They had reached out to one firm who declined. It was Staff's opinion at this point that they want to wait at least until the November 11<sup>th</sup> meeting, they would like to have that Conservancy Board set. Allow David Carter to discuss with them about a business plan before the City is ready to sign-off on all of those documents because we don't know what they entail. There is a four three split, there is two classes of directors on that board. There is a lot of outstanding issues and or questions that the City has. Until they seat that board we don't

know exactly what that is going to entail. At this point we do not have legal counsel. David Carter advised the City that we want to give him an opportunity because he has just now been engaged and brought back into the picture for next Friday's meeting. Maybe even a meeting or two after that before we execute those documents and engage in outside counsel to review those documents.

Alderman Lail commented we need a good set of eyes. This is great, great stuff, but because it has such a long horizon, because it is such a heavy commitment, we just need a disinterested party to look after our taxpayers and our citizens from the City's perspective. All those renderings and views are some serious eye-candy but the real nuts and bolts will be in those documents.

Mr. Miller advised for outside counsel, our struggle, and that person's struggle will be how much money we are talking about on an annual basis. What is their pro forma? Is this a million dollar operation? A \$10 million dollar operation? There are going to be at a disadvantage. They are going to be asking us questions that we can't answer. Until we have those answers from the Lackey family and the Conservancy as to here is what revenue the facility is going to generate, and here is what cost are associated with that, and City here is your share. We need to know that so we can expect what the City's long term maintenance and operation plan looks like.

Alderman Tarlton asked if the Lackey's were being patient with this process.

Mr. Miller commented they have been very patient. They had a great discussion. They met in April. They had some separated meetings where they would be with TSW in the afternoon and City Staff would meet with them right after, and vice versa. He thought that Mr. Lackey was being very prudent and very careful. He felt Mr. Lackey was very passionate about the project. Part of that passion he is not on City Staff so they don't see him every day or even every week. Mr. Lackey's restaurant just opened last month. He felt that Mr. Lackey had rededicated himself to this project and he thought that Council would see that it is going to start taking a little more shape quickly, as opposed to the past. He thought that next Friday's meeting is a good next step towards the process and they would know more then. He showed the video of the Deidre Lackey Memorial Park. He advised that the view was from 12<sup>th</sup> Street Drive as envisioned. Mr. Miller explained some of the scenes in the video. He advised that some of the other considerations that the City might have, they had asked Mr. Frazier to look at zoning. If there is an event dock and/or a concert or play they want to make sure that noise is being considered so they don't have neighbors complaining about the noise. Staff will need to look at that as well. He explained that the topography was significantly higher than where the lake house was located.

Alderman Tarlton asked if the conservatory was open air.

Mr. Miller responded that it looks more like a greenhouse. It would be enclosed with glass which had been what had been shown to staff to date. He pointed out the canopy walk, and reiterated that was not in this current scope as far as the cost. He pointed out the seating which TSW thought was the most-high priced seats for any outdoor event which overlooked the whole park.

Alderman Seaver asked when that was put in.

Mr. Miller advised it was originally put in but because of the cost it made it prohibitive. The original estimate was over \$10 million dollars for just the Lackey's portion. Mr. Lackey advised them that he had decided at this point to make that a future phase. Whether that is another donor, or fundraising, family, at this point we are unsure. Nor or we sure about the cost for that. We have not been given a canopy walk costs.

Alderman Tarlton asked if they had to have the elevator for ADA access.

Mr. Miller thanked Council.

Alderman Zagaroli thought the presentation was fabulous.

Alderman Seaver asked if the video was going to be available on the website.

Mrs. Surratt confirmed it would. Dana Kaminske had been waiting anxiously for Council to see it first and now she is ready to post it on Facebook and social media.

Alderman Tarlton requested that the link be sent to him.

City Council took a break at approximately 5:45 p.m.

#### IV. Non-Bond Project Discussion

City Council returned at approximately 5:55 p.m.

Mr. McLeod discussed Bruce Meisner Park. The original master plan for 63 acres was completed in 2009 with a total project cost estimate of \$2.9 million dollars. A portion of North Carolina Outward Bound's \$900,000 donation will go towards the park development design fees. He noted the location of Phase 1 and advised that is what they would be doing the construction and design work on.

Mr. McLeod discussed the City Park – Tennis Courts. This is a public/private partnership with the Greater Hickory Tennis Association. Currently they are at approximately 50 percent plus on the completion with the construction/design bid documents. He explained the timeline with an anticipation of distributing and receiving bids back prior to Christmas and the award of the bid and contract to City Council in January 2017, with notice to proceed in February 2017. They anticipate six months for the construction period. He advised those dates are subject to change. As a reminder he advised the intent of increased parking from the original plan was to assist with also meeting required parking needs and demands for both the improvements being made at Rotary-Geitner Park by the Lackey family and the addition of the future Riverwalk. He showed a map and pointed out some minor revisions which had been made to the site plan increasing the existing parking from 20 spaces to 122 spaces and also a new picnic shelter, restroom and meeting room facility.

Mr. McLeod updated Council on the Friends of Hickory Park, official known as Lowes Foods City Park. We are 90 percent plus complete on construction. He advised he had visited the site and everything looked great. Friends of Hickory had raised over \$650,000 in funding through grants, donations and pledges. The Artist Leslie Scott had completed the mosaic tile art for the park and then it has to be installed on site. He showed a rendering of the park.

Public Services Director Chuck Hansen updated City Council on projects which they had previously seen and heard about. He discussed the Sandy Ridge Road roundabouts. He advised the total project was \$4.8 million. The City received \$3.7 million in Congestion Mitigation Air Quality funds. He advised there was a 20 percent match for that. The City's share is approximately \$1.1 million which equates to approximately a 23 percent match. Right of way acquisition would occur later in 2017, with utility relocation in 2018, and the start of construction September 2018. That would fall in with the capital improvement plan for funding the City's component of this. We may, over the next year, still have a chance to add a few dollars to this, some monies that are available over the next couple of years, that is not a guarantee but they are going to give it a shot to see if they can add a little bit more of that same kind of money to this project which would help this percentage number just a little bit. It is still going to be 20 percent, but it can knock it down a couple hundred more.

Alderman Lail asked if it was under Department of Transportation (DOT) design yet.

Mr. Hansen advised that it was actually designed in house. It had been sent to DOT for review which is where it stands right now.

Alderman Lail asked what Mr. Hansen had designed profile wise.

Mr. Hansen pointed out Lowes Foods, 29<sup>th</sup> Avenue, Sandy Ridge Road, 21<sup>st</sup> Avenue, a single lane roundabout, a dual lane roundabout. He advised it was still essentially two lane traffic curb and gutter and sidewalk.

Alderman Lail commented curb and gutter and sidewalk, but no bike lanes. He asked if there was sidewalk on both sides.

Mr. Hansen advised they were trying to get the right of way squared away in there for both sides. Right of way is tough. He commented what has changed statewide with some of these type of projects is, when a project like this goes now the local entity is responsible for picking up the right of way for the overhead utility relocation. There are some overhead utility locations in this area. That was part of what is driving the City's part of a big expense here. From that standpoint they are trying to minimize that relocation costs. It is almost a complete street.

Alderman Lail asked if it was mast arm lighting.

Mr. Hansen advised there was none. There are no signals here, but from a lighting standpoint there will be streetlights along that which will be basically mast arm lighting, or a cobra head type of lighting.

Mr. Hansen continued his discussion with Wayfinding. Bids had been received and the contract had been awarded. They had been through two iterations of shop drawing reviews and it is back in the contractor's hands. They have located 102 locations around town and had the underground utilities located and had to make a few adjustments based on what was found out there. He thought they still had to work with a private property owner on one location due to underground fiber. Foundations had been submitted to the County for review and approval. We are getting ready to start the manufacturing process of the signs. The work will begin in January and February on the project itself out in the field.

Alderman Tarlton asked about the calendar schedule for the widening of 29<sup>th</sup> Avenue.

Mr. Hansen advised the widening of 29<sup>th</sup> Avenue which essentially runs from Springs Road westward to 127 is in the DOT's State Transportation and Improvement Plan. That didn't make the seven year plan last year. Now we are in what they call "Spot 5.0" it is the next generation, that project ranked fairly well at the regional level. The Metropolitan Planning Organization, State

Division Engineer, and State Raleigh Engineers are all ranking those projects. It is essentially a scoring mechanism. That is getting near the end to see if that actually makes the next seven year funding cycle. We are still 7-10 years away.

Alderman Tarlton asked if there was anybody that they could lobby to see if they could move it up the list.

Mr. Hansen advised that Staff was doing that has much as they could. That is one of the reasons that the City is actually doing this project. If they can improve this intersection you are going to see a totally different function on 29<sup>th</sup> Avenue for the next 6-10 years. This is probably one of the most congested intersections around worktime.

Alderman Tarlton commented it might be a demolition derby after you take the lights out but they would see how it works.

Alderman Lail questioned the use of the City's name at the top of the wayfinding signs.

Mrs. Surratt advised that we are not using the name on every sign. As you get off the interstate and the main exits it will have Hickory on it. It just won't repeat on every sign.

Mr. Hansen commented that these signs get pretty busy as it is. You can only read so many lines. They are tying in with the logo and the colors and that was a way to help solve that.

Alderman Seaver commented that people would know where they are coming.

Alderman Zagaroli questioned the number of words you could read.

Mayor Wright commented it depends on the speed limit.

Alderman Guess teased and how old you are.

Mayor Wright asked if the bids were very favorable compared to what we expected.

Mr. Hansen responded yes sir.

Mayor Wright confirmed that included installation.

Mr. Hansen stated manufacturing and installation.

Mayor Wright questioned if everyone had seen the sign.

Mr. Hansen advised he had it in his truck.

#### V. Bond Project Prioritization

Interim City Manager Surratt discussed the bond project process and where we are at currently. She displayed option "A" which was what the Bond Commission developed and City Council approved. The \$35.5 million dollar program of which they had let design contracts for City Walk and also two of the gateways, Clement and Highway 321, and Highway 70 and Highway 321. She advised there would be interviews on Thursday for the Riverwalk design contract so the Bond Commission members would be busy Thursday. They are starting to develop the scorecard as a way of tracking what has been happening with the bond program and the dollars spent. She showed a quick snapshot to date. She mentioned that Park 1764 was listed as well. She noted that the expenses and encumbrances included the design contracts for the work done and also Freese Nichols' program management work done to date. Construction estimates were also listed for Park 1764 and City Walk because the information was available to date. She discussed the grants and partnerships line item which was the key part of the slide. There was quite a large amount of grant funding identified for City Walk, \$9.6 million and \$4.5 million of which both of those are coming through NCDOT and through Federal Transportation Funds. They are working with the COG and with the State on making sure those dollars go to City Walk construction. She advised that there were a lot of other calculations and there was a full spreadsheet, in draft form, at Council's seat for their review. The spreadsheet included information about bond projects, as well as projects which are related to the bond, private investments that had been generated by the proximity to bond projects, and other important City projects and how those dollars are shaping up. She recapped the STP-DA grant for \$4.5 million dollars total of which there is a City match of \$900,000 is for the City Walk project. That specifically also goes to the upgrade for additional funds for the pedestrian bridge. That was a key component of that grant. She mentioned the second grant through STIP, \$9.6 million dollars. On that plan, the State level plan for transportation identified in 2020, they were in the process of identifying how to ask for those dollars early. They will update Council when they get more information on that.

#### VI. Highway 321 Bridge Update

Mrs. Surratt transitioned into discussion regarding the Highway 321 Bridge. She mentioned the second larger grant that the City had received through STP-DA was for the Highway 321 bridge

span, the new bridge construction. She reminded Council that this project came from the Inspiring Spaces plan identifying that as one of the gateways into the City of Hickory. The bond program put the project out into the future and there were no bond funds identified for that particular project in the \$35.5 million dollars. As a way to achieve the project's success, in the time that we have, because this is getting ready to go into design at the State, Staff had accessed the STP-DA grant funds obtaining \$3.5 million dollars for that particular project. They had talked at the end of the summer about this project and about the timeliness, if Council wanted to make improvements to how the 321 bridge spans look, the new bridges, this would be the time to use these funds to access that new design. She distributed information to Council to show them what DOT calls enhancements. She commented it was really not what the City was looking for. She pointed out the church railings, and stamped sidewalk, which were not of the scale that was appropriate for the 321 bridge. She advised in the meetings that she had in Raleigh with the DOT staff, they had advised her if the City wants more significant enhancements, a true gateway possibly, then the conceptual design drawings needed to be shared with the current bridge designers, RK&K out of Raleigh. She didn't know what that might look like, pillars, archways, lighting and nicer railings. The \$3.5 million dollars goes to pay for that. She noted there were some design funds that the City would need to obtain in order to design something nicer than these types of improvements.

Alderman Guess questioned the timeframe for that.

Mrs. Surratt advised in terms of the design that could really happen over the next eight months or so. By next summer the City needs to be handing conceptual designs to the engineering firm and let them work that into their design process for the bridge. DOT is going into design/build in September of 2017. The City has some time over this next year to work with DOT to say here are the things that we want to see happen to that bridge and the \$3.5 million dollars goes toward that and then we present the conceptual designs to them so they can start incorporating that into their final design/build project.

Alderman Lail commented the City would appropriate whatever cost to that conceptual design.

Mrs. Surratt confirmed that was the City's responsibility.

Alderman Lail commented it shouldn't be huge.

Mrs. Surratt estimated \$150,000 to \$200,000, but that buys us the design. One possibility is to think about any efficiencies with AMEC already doing the 321 gateway projects and would they create a repeating theme along the whole 321 corridor. Their designs might be really significant. Then that theme would repeat at 321 and 70 and 321 and Clement. That was just a possibility but Staff could also search out design firms to do that.

Alderman Seaver questioned what if the City wanted something different than what was covered by NCDOT.

Mrs. Surratt responded if the City wants something different than we need to design it, or have it designed.

Alderman Seaver asked if they would still construct it.

Mrs. Surratt responded yes. They just want to be told what the different designs are and the \$3.5 million dollars goes towards that.

Alderman Seaver asked what if the materials are more.

Mrs. Surratt advised that is part of the design. We have to tell the designers that we have \$3.5 million dollars and what does that buy us. She noted that is the grant amount but we have to think about the best use of those funds.

Mrs. Surratt continued the discussion with the STIP U-4700 project. The City got a grant where we won't actually have to administer the grant itself, those funds are shifted to the State. She showed a view of the lake and the bridge. It is quite a tremendous expansion across the body of water. The highest point on the new construction is on the Hickory side of the lake. You could do most of the gateway improvements on the end which lines up nicely with Riverwalk right at the base of the 321 bridge. She didn't know if the City envisioned spending money on both sides, mostly on the south side.

## VII. 1764 Update

Mrs. Surratt asked Catawba County Economic Development Corporation President, Scott Millar to the podium to update Council on Park 1764.

Catawba County Economic Development Corporation President Scott Millar commented they had been tightening down the nuts, screws, and bolts on the development plan process for Park 1764 taking into account the fact that they had received the initial award of a grant from the Industrial Development Fund of \$671,000, making the City's money go a lot further. He commented that Council was very familiar with the park and the planning process. He mentioned the parks that

some of the Council members had visited on the bus tour last week and commented they would be pleasantly surprised as this park unfolds. The type of development that they are envisioning and hoping that Park 1764 is going to turn into, with the white fences, berms, landscaping, and the grand entry which Council had seen in other parks as well. He reminded Council of discussions earlier in the year when Catawba County Commissioners and City Council agreed to expenditures of almost \$1.1 million dollars on a 50/50 basis and where those monies would go now that we were awarded this grant of \$671,000 that applies specifically to the sewer and the entry road. He mentioned that Andrea Surratt, Rodney Miller, Kevin Greer, Chuck Hansen and himself had been working on trying to apply what matching requirements there are with that grant to the specific allocations that they have for the IDF program and making sure that the numbers that we have are current. The pending grant awards which they got for the sewer and the entry road totaled \$671,000. He noted that the expenses were slightly higher, a difference of approximately \$94,000 and then the application of \$577,000 to that matching grant will basically match the amount of expenditures that are being funded by the grant. We only have to match those on a 50/50 basis so the other expenditures for entrance, berming, and landscaping are going to be not matching expenditures. Those can occur at any point we decide we go in and start doing the entrance, berming, and landscape requirement. He advised there was a breakdown in the slides. They were trying to build up the improvements as quickly as possible. There are some slower things that are going to happen as a result of getting that \$671,000 grant, but it is certainly worth a month or two in the processes to be able to get that kind of money from an outside source in essence for free. One of the things that it triggers is you go building these improvements into the park. You have the option in five years, if you have not developed the park and acquired it, you have the option of taking any of those improvements out at the landowner's request. He felt that would be crazy to do that if they were handed the property back to them, but they could ask to have those improvements taken back out. The other option is it triggers the expenditure improvement on these properties. It might make good sense to go ahead and budget funding of those for safety's sake. If the City and the County were to share the total cost of the build out of this park over the next four years and build it into a budget for each of those four years they would be looking at approximately \$460,000 into the budget for the City and \$460,000 for the County. He reiterated just for safety's sake if no properties were developed or sold during that period of time. He advised that this would demo a lot of the structures that are out there and it installs the berms, and the fencing that is similar to the Sarstedt property that is south of there. It really makes this any entry that is worth the type of cost that they are asking for this piece of property. It makes it a really fine entrance way. It also does landscaping along Robinwood Road and it does sewer installation of the trunk line of the backside of the property. It really gets the visible aspects of the park. He wanted to make sure that Council was okay with the expenditures so far, matching this grant and moving along in the next few months on the park development.

Alderman Lail asked what Mr. Millar was asking Council if they were okay with? He commented they were definitely okay with the grant. He asked if Mr. Millar was asking Council to spend an addition \$577,000 to do the demolition and fence relocation. What is over and above?

Mr. Millar stated in order to receive the grant you have to receive a matching amount of funds.

Alderman Lail conceded to do that. He asked if there was anything that Mr. Millar was asking Council to spend in addition to that, if it is berming and landscaping.

Mr. Millar replied yes.

Alderman Lail asked if he was asking Council to commit to \$417,000.

Mr. Millar confirmed that was correct. Which is actually within the amount of funds that City Council and the County agreed to in their last discussion. It does not increase any expenditures that Council already had planned.

Alderman Lail questioned the \$460,000 safety discussion.

Mr. Millar commented the options require us to purchase the property by 2021. Any property that has been improved but not sold to other users. The \$460,000 a year is an allocation of a "safety net" so to speak because you have triggered that acquisition of those entire properties. You would own those at the end of the time but you wouldn't necessarily enter into this blindly without agreeing that yes, we are improving this property and maybe would should look at setting aside money in order to own this property at the end of the time.

Alderman Lail asked if would trigger the buy of the whole thing.

Mr. Millar stated not immediately, but yes, acquisition of any of these properties triggers the purchase of all of the properties by the City or an end user.

Alderman Lail stated that is a lot more than \$460,000.

Mr. Millar responded it is \$3,600,000 left of acquisition by 2020 that the City and the County or another end user hopefully.

Alderman Lail asked at what point did the City need to get with the County to at least be planning this out.

Assistant City Manager Rodney Miller advised that the \$400,000 that Mr. Millar referenced setting aside each year, for four years, is the \$1.8 million dollars that the City would pay and the \$1.8 million dollars that the County would pay to buy out the \$3.6 million dollars of the balance of the land. He did not know of any action that Council needed to take tonight. What has go to happen on the City's book is: (1) the \$547,385 that Hickory has committed includes water and sewer money for that half of the sewer trunk line. Which we do not need anymore because the IDF sewer grant came and paid for most of that. He would send Council a budget revision to reimburse sewer because the grant funds are paying for that. In total we have the \$1,094,000 between Hickory and the County and the \$671,000 in grant for a total of a million seven twenty something already allocated once we receive the grant. It is how we spend those dollars that he has to fix in the budget. That is action step one. (2) Once we tear the first house down or do any work that triggers the buy of that land. The initial discussion that they had with the County, obviously it is a 50/50 match and they have to do that by 2021, we have to buy the rest of the land. We can budget that on a \$400,000 plus per year for the next four years until we have to pay cash to buy to it out. He advised it would be his suggestion that would be what the bond funds are for. We have \$4.5 million dollars in economic development bond funds for Park 1764. That will more than cover over \$2 million dollars share of the left over land. They had not worked that out with the County as to if they are going to write a check or if they are going to issue bonds. One issue that had been raised is that they would like the City to issue that debt, similar to the TDA and Convention Center debt, and they pay their 50 percent share each year that the debt comes due plus interest of course. That is something that they would have to explore but they hadn't got that far down that road yet.

Alderman Lail stated let's put some governance together for 1764. Take two people from Council, two people from the Commissioners, Mr. Millar, Mr. Miller, whomever, but they need elected officials really involved in the details there, so Mr. Millar is not coming bringing Council back up to speed in both places. Then Council has somebody involved in making those decisions.

Mr. Miller replied great idea. At Council's last meeting they adopted a Resolution to apply for the grant. The COG received that information on Monday. By the end of November we should be receiving the grant award. He felt sometime between that time-period or in December that Council and the County get this forum together. We certainly don't want to turn dirt out there until Council and the Commissioners know what the trigger is and how that land purchase applies.

Alderman Lail replied that is good.

VIII. There being no further business, the meeting adjourned at 6:30 p.m.

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Mayor

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City Clerk