A G E N D A

HICKORY CITY COUNCIL

May 20, 2025



6:00 p.m.

AGENDA
www.hickorync.gov

If you have any questions about any item on this agenda or if you need more information about any item in addition to the information contained in the agenda package, please call the City Manager at 323-7412. For more information about the City of Hickory go to: www.hickorync.gov.

Hickory City Council
76 North Center Street

May 20, 2025
6:00 p.m.

I. Call to Order

II. Invocation by Reverend Karla Woggon, Rector, Episcopal Church of the Ascension

III. Pledge of Allegiance

IV. Special Presentations

A. NC-American Public Works Association Equipment Roadeo Presentation by NC-APWA President Chip Vanderzee

B. Presentation of a Proclamation for Building Safety Month – May 2025. **(Exhibit IV.B.)**

V. Persons Requesting to Be Heard

VI. Approval of Minutes

A. Special Meeting of May 1, 2025. **(Exhibit VI.A.)**

B. Regular Meeting of May 6, 2025. **(Exhibit VI.B.)**

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

A. Approval to Amend the Traffic Ordinance by Adjusting the Current Speed Limit along Fairgrove Church Road between US Highway 70 to the Northern Corporate Limit to 45-mph to Make the Speed Limit Consistent Along the Roadway. **(First Reading Vote: Unanimous)**

B. Approval to Amend the Traffic Ordinance by Repealing the Current Speed Limit of 45-mph along 2nd Avenue NW (SR1306) between US Highway 321 to the Western Corporate Limit, Approximately 0.1-mile West of 18th Street Place NW, and Enacting the Speed Limit to 35-mph. **(First Reading Vote: Unanimous)**

C. Budget Revision Number 20. **(First Reading Vote: Unanimous)**

VIII. Consent Agenda: All items below will be enacted by vote of City Council. There will be no separate discussion of these items unless a Council Member so requests. In which event, the item will be removed from the Consent Agenda and considered under Item IX.

A. Approval of Awarding the Service Weapon and Badge to Chief of Police D. Reed Baer III upon his Retirement July 1, 2025. **(Exhibit VIII.A.)**

Hickory Police Department requests City Council's approval to award Chief of Police D. Reed Baer III his service weapon (Glock Model 45- Serial # CDAM856) and badge upon his retirement July 1, 2025. Chief Reed Baer will retire from the City of Hickory Police Department, after completing over 30-years of qualifying service to the citizens of Hickory. By authority of NC General Statutes, City Council may award the service weapon and police badge to Chief Reed Baer upon his retirement from Hickory Police Department. Upon approval from the City Council, the police badge and service weapon will be declared surplus and removed from the City's fixed asset inventory. Staff recommend approval of awarding the service weapon and police badge to Chief of Police D. Reed Baer III upon his retirement from Hickory Police Department.

B. Approval of an Authorizing Resolution to Submit a Building Reuse Grant for "Project Bond". **(Exhibit VIII.B.)**

Staff request approval of the Authorizing Resolution to submit a Building Reuse Grant application for "Project Bond". The Building Reuse Grant is offered by the North Carolina Department of Commerce to provide funding to businesses looking to occupy existing buildings. The total funding amount is based on a formula involving the number and type of jobs created. The program pays 50 percent of eligible rehabilitation costs up to a maximum of $500,000. "Project Bond" proposes to invest at least $1 million and create 23 new jobs in a manufacturing enterprise in Hickory, paying an overall average wage of $63,000, which is above the Catawba County average wage of $54,280. "Project Bond" is requesting a $287,500 grant from the NC Department of Commerce. If the grant is approved, a 5 percent match from the City of Hickory and Catawba County (up to $7,187.50 each) would be required. Staff recommend that City Council approve the Resolution authorizing staff to apply for a Building Reuse Grant for "Project Bond".

C. Call for a Public Hearing for Consideration of the City Manager's FY2025-2026 Recommended Budget. **(Authorize Public Hearing for June 3, 2025, at 6:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).**

D. Call for a Public Hearing for Consideration of a Voluntary Non-Contiguous Annexation of Property Owned by Century Communities Southeast, LLC, located at 3220 Kool Park Road NE, Containing 36.456-Acres, Identified as PIN 3724-19-51-7045. **(Authorize Public Hearing for June 3, 2025, at 6:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building). (Exhibit VIII.D.)**

E. Approval of the 2026 Urgent Repair Program Assistance Policy and Procurement and Disbursement Policy. **(Exhibit VIII.E.)**

In January of 2025, the City of Hickory Community Development Division applied for funding through the North Carolina Housing Finance Agency's Urgent Repair Program. The City of Hickory has been awarded $165,000 through this program in order to assist approximately 10 very low-income homeowners with urgently needed repairs in an amount not to exceed $15,000 per housing unit. The City of Hickory will provide an additional $5,000 in matching funds, which are available from Rental Rehabilitation program income. The total program budget will be $170,000. NC Housing Finance Agency requires the City of Hickory to prepare Assistance and Procurement Policies. These policies must be made available to the public and explain the guidelines of the URP26 program. These policies incorporate program requirements, applicant eligibility standards, and program capabilities. Upon approval, these policies will be submitted to the NC Housing Finance Agency in order to finalize the City's grant agreement. Upon receipt and final acceptance by NCHFA, funds will be dispersed to the City of Hickory in order to begin repairs to eligible homes. Staff recommend approval of the post approval documentation and the URP Assistance Policy and Procurement and Disbursement Policy.

F. Approval of a Professional Services Agreement with KCI Technologies, Inc. in the Amount of $199,600 for Directed Appropriations Project – Raw Water Pump Station Generator Engineering and Design. **(Exhibit VIII.F.)**

Staff requests Council's approval of a Professional Services Agreement with KCI Technologies, Inc. for Directed Appropriations Project – Raw Water Pump Station generator engineering and design in the amount of $199,600. The City of Hickory owns and operates a 32 MGD conventional surface water treatment facility near Lake Hickory. The raw water pump station that serves the water treatment facility consists of five raw water pumps. Currently the raw water pump station's power is backed up by the diesel generators located at the water treatment facility and fed by a concrete encased duct bank that was installed over 30 years ago. The City of Hickory was granted funds by the NC State Legislature through the Water Infrastructure Fund for several water and sewer projects related to economic development and system resiliency along the Highway 321 corridor. To ensure resilience of the raw water pump station, Public Utilities would like to locate a new diesel generator and new Duke Energy service at the raw water pump station, install a new automatic transfer switch and replace the existing switch gear. A Request for Qualifications was issued for this project in January 2025. Statements of qualifications were received from interested firms and reviewed by City Staff. KCI Technologies, Inc. was selected as the firm best positioned to complete the project. Staff recommend Council's approval of a Professional Services Agreement with KCI Technologies, Inc. for Directed Appropriations Project – Raw Water Pump Station generator engineering and design in the amount of $199,600.

G. Approval of a Professional Services Agreement with KCI Technologies, Inc. in the Amount of $43,300 for Directed Appropriations Project – Long View EST Engineering and Design. **(Exhibit VIII.G.)**

Staff requests Council's approval of a Professional Services Agreement with KCI Technologies, Inc. for Directed Appropriations Project – Long View EST engineering and design in the amount of $43,300. In 2023, City Council approved the purchase of the Long View Water Treatment Facility. The City of Hickory was granted funds by the NC State Legislature through the Water Infrastructure Fund for several water and sewer projects related to economic development and system resiliency along the Highway 321 corridor. The City of Hickory currently has five 1-million-gallon storage tanks in the central pressure zone of the water distribution system. To provide additional storage capacity in the system, Public Utilities would like to rehabilitate the existing storage tanks at the Long View Water Treatment Facility, which will add approximately 1.3 million gallons of capacity. The first phase of this project will consist of data collection, water modeling, and preparing a technical memorandum. A Request for Qualifications was issued for this project in January 2025. Statements of qualifications were received from interested firms and reviewed by City Staff. KCI Technologies, Inc. was selected as the firm best positioned to complete the project. Staff recommends Council's approval of a Professional Services Agreement with KCI Technologies, Inc. for Directed Appropriations Project – Long View EST Engineering and Design in the amount of $43,300.

H. Budget Revision Number 21. **(Exhibit VIII.H.)**

1. *To appropriate a total of $2,000 in vehicle sale revenues for maintenance and repair costs for the Airport.*
2. *To appropriate $648 in sports registration revenues to be paid to One Purpose Parks and Recreation for programming expenses.*
3. *To appropriate $661 in donation revenues from Keep Catawba County Beautiful towards grounds maintenance.*
4. *To appropriate $50 in donation revenues from Ivey Arboretum towards grounds maintenance.*
5. *To appropriate $370,000 in investment earnings for improvements to Parks and Recreation and Fire Department facilities.*
6. *To appropriate $200,000 in General Fund Balance to be used towards equipment for the Hickory Fire Department.*

7. *To establish a Capital Project Ordinance for Hurricane Helene Recovery. A prior budget revision appropriated $613,618 in FEMA reimbursement revenue for repairs to the raw water intake at the Hickory Water Treatment facility.*

IX. Items Removed from Consent Agenda

X. Informational Item

XI. New Business

A. Public Hearings

B. Departmental Reports

1. Appointments to Boards and Commissions

CITIZENS ADVISORY COMMITTEE
(Terms Expiring 6-30; 3-Year Terms) Appointed by City Council
At-Large (Council Appoints) VACANT
At-Large (Council Appoints) VACANT

Alderwoman Patton to Nominate David Myers as an At-Large Representative on the Citizens Advisory Committee.

COMMUNITY APPEARANCE COMMISSION
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
At-Large (Outside City but within HRPA) (Council 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
(Term Expiring 6-30; 3-Year Terms with Unlimited Appointments) (Appointed by City Council)
Burke County Representative (Mayor Appoints with Recommendation from Burke County) VACANT

HISTORIC PRESERVATION COMMISSION
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Historic Properties Owner (Council Appoints) VACANT

RECYCLING ADVISORY BOARD
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 6 (Patton Appoints) VACANT
At-Large (Council Appoints) VACANT

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

Youth Council Applicant Review Committee Recommends the Following Appointments:

Homeschool VACANT

C. Presentation of Petitions and Requests

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

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

XIV. Adjournment

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

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

**The City of Hickory holds all public meetings in accessible rooms.
Special requests for accommodation should be submitted by individuals
with disabilities at least 48 hours before the scheduled meeting.
Phone Services (hearing impaired) – Call 711 or 1-800-735-2962**

HICKORY
North Carolina
Life. Well Crafted.

Proclamation
Building Safety Month — May 2025

WHEREAS, the City of Hickory is committed to recognizing that our growth and strength depends on the safety and essential role our homes, buildings and infrastructure play, both in everyday life and when disasters strike; and

WHEREAS, our confidence in the resilience of these buildings that make up our community is achieved through the devotion of vigilant guardians—building safety and fire prevention officials, architects, engineers, builders, tradespeople, design professionals, laborers, plumbers and others in the construction industry—who work year-round to ensure the safe construction of buildings; and

WHEREAS, these guardians are dedicated members of the International Code Council, a nonprofit that brings together local, State, territorial, tribal and Federal officials who are experts in the built environment to create and implement the highest-quality codes and standards to protect us in the buildings where we live, learn, work and play; and

WHEREAS, these modern building codes and standards include safeguards to protect the public from hazards such as hurricanes, snowstorms, tornadoes, wildland fires, floods and earthquakes; and

WHEREAS, Building Safety Month is sponsored by the International Code Council to remind the public about the critical role of our communities' largely unknown protectors of public safety—our code officials—who assure us of safe, sustainable and affordable buildings that are essential to our prosperity; and

WHEREAS, "Game On!," the theme for Building Safety Month 2025, encourages us all to get involved and raise awareness about building safety on a personal, local and global scale; and

WHEREAS, each year, in observance of Building Safety Month, people all over the world are asked to consider the commitment to improving building safety, resilience and economic investment at home and in the community, and to acknowledge the essential service provided to all of us by local, State, tribal, territorial, and Federal building safety and fire prevention departments, in protecting lives and property.

NOW, THEREFORE, I, Hank Guess, Mayor of the City of Hickory, on behalf of Hickory City Council, do hereby proclaim the month of May 2025 as

Building Safety Month

in the City of Hickory. Accordingly, I encourage our citizens to join with their communities in participation in Building Safety Month activities.

Proclaimed this, the 20th day of May 2025

Hank Guess, Mayor

A Special Meeting of the Hickory City Council was held in Hickory, North Carolina on Thursday, May 1, 2025, at Catawba Valley Community College, in the Workforce Solutions Complex, located at 1980 Startown Road.

On Thursday, May 1, 2025 at approximately 8:06 a.m., a Special Council-Staff Retreat was convened.

The following members were present: Mayor Hank Guess, Alderman Tony Wood (arrived at 8:14 a.m.), Alderwoman Charlotte Williams, Alderman Danny Seaver, Alderman Anthony Freeman, Alderman David Zagaroli and Alderwoman Jill Patton. A quorum was present.

Staff present were: City Manager Warren Wood, Assistant City Manager Rick Beasley, Deputy City Manager Rodney Miller, Assistant City Manager Yaidee Fox, Planning Director Brian Frazier, Public Works Director Steve Miller, Director of Parks and Recreation and Sports Tourism Mark Seaman, Fire Chief Matt Hutchinson, Airport Manager Chad Hunsucker, Library Director Sarah Greene, Police Chief Reed Baer, Deputy Chief of Police Bryan Adams, Communications and Marketing Manager Dana Kaminske, Communications Specialist Sarah Killian, Human Resources Director Mitch Friar, Business Services Manager Dave Leonetti, Transportation Planning Manager John Marshall, Finance Officer Kari Dunlap, Public Utilities Director Will Hamblin, Special Projects Manager for the City Manager Natalie Jackson, Administrative Assistant Iris Childers, Deputy City Clerk Crystal Mundy, and City Clerk Debbie D. Miller

Others Present were: Hendersonville City Manager John Connect, Hendersonville Assistant City Manager Brian Pahle, and Catawba County Economic Development President Scott Millar

I. Welcome

Mayor Guess welcomed everyone to the retreat. He mentioned that it appeared to be Staff and Council present, except for Catawba County Economic Development President Scott Millar, but he was part of the team. He expressed his appreciation to Staff for all they do. They sincerely appreciate what they do every day. For the most part what Council hears was positive. He asked the Department Heads to pass their gratitude along to their staff who were not in attendance. He asked City Manager Warren Wood to introduce the first speakers.

Overview

City Manager Warren Wood appreciated everyone's time commitment, and he hoped that it would be beneficial. A PowerPoint presentation began. He mentioned that Council was where City Council was in the mid-80s, planning for future needs. He referred to Hurricane Helene and noted that the City of Hickory received about 1/3 of the rain from Helene as Hendersonville did. Hendersonville received approximately 28 inches of rain. He advised the Hendersonville City Manager John Connet previously attended the Staff Retreat. City Manager Connet and Hendersonville Assistant City Manager Brian Pahle would be presenting to Council. Also, they would discuss the Innovation District.

Assistant City Manager Yaidee Fox briefed Council and Staff on the itinerary for the afternoon tour. She mentioned that the RFP was going out today for the restaurant at the Aviation Museum.

City Manager Warren Wood mentioned that they had planned to go to the Microsoft site but there was too much traffic going on there. He introduced Hendersonville City Manager John Connet and gave a brief bio of his work history. He worked at the City of Hickory in 1992. He was in the Planning Department and moved to Risk Management. He reminisced about Mr. Connet's time at the City of Hickory.

II. Hendersonville, NC Case Study on Water System Resiliency – Hurricane Helene – Hendersonville City Manager John Connet and Hendersonville Assistant City Manager Brian Pahle

Hendersonville City Manager John Connet introduced Hendersonville City Assistant City Manager Brian Pahle. He advised their discussion would be on what they had experienced with Hurricane Helene. He shared a story that when he left Hickory he went to Eastern North Carolina, and he went through Hurricane Floyd at that time. He stressed the point of the need for redundancy and backup in emergency events. Hendersonville was without power for 14-days due to the hurricane, but they were still able to have water. Their neighbors to the north were out of water for 57-days. He commented that the local citizens expect them to step-up and address their concerns. These projects take a long-time, and long-term planning. The industry was more demanding.

Mr. Connet discussed their utility overview. They serve 80,000 customers with water and 25,000 with sewer. It was an enterprise fund, with a $27.5 million-dollar annual operating budget as of fiscal year 2025. They have 100 dedicated customers.

Hendersonville Assistant City Manager Brian Pahle advised their capital plan was over $300 million dollars.

Mr. Connet discussed revenue bonds. They issue those above every 2-years, and that was essentially their capital fund financing.

Alderwoman Patton inquired how they sell this to the community.

Mr. Connet advised they have to invest in the utility system. They need good reliable water. Businesses need it to operate. He noted they had done this incrementally over time.

Mr. Pahle commented they went out and talked with the citizens, businesses, and industries. They got the community members involved.

Alderwoman Williams mentioned it was similar to what they had done with the trail systems.

City Manager Warren Wood referred to revenue bonds and advised Council that revenue bonds did not require citizens' vote, but General Obligation (GO) bonds do.

Mr. Connet displayed maps on the PowerPoint and pointed out their service area. They experienced power outages, road closures, and issues with communication as cell sites were down. He displayed a photo of City of Hickory tankers in Asheville supplying water to citizens. He displayed a slide which had headlines from publications regarding the water issues that came about due to Hurricane Helene. There were talks of people drilling their own wells. Once you lose those water customers you will never get them back. The utility system affects their credit rating. He noted that the credit rating of Hendersonville was reviewed after the Hurricane Helene incident because of the utility situation.

Mr. Pahle noted that Hendersonville relied on Asheville and Buncombe Counties doing well. There was concern about businesses closing in downtown Asheville.

Mr. Connet discussed lessons learned from the incident. They discovered that there was a heavy reliance on technology and there was a need for a backup plan. Since the cell sites were down they had to rely on 2-way radios for their staff.

Mr. Pahle mentioned old school and new school were married together for a solution.

Mr. Connet commented that staff need to be cross trained too. They had to repurpose their staff. The recovery effort was a marathon, not a sprint. He stressed the need for emergency response planning, practice was essential. He noted they could not have done without mutual aid from their neighbors and also critical infrastructure resiliency. He referred to the PowerPoint and displayed a photo of their water treatment plant. They have three water sources. He explained the reservoirs they have in place which are gravity feed, so electricity was not an issue. He displayed a photo of the wastewater plant, the only one in the city. This plant went underwater during Hurricane Helene. He displayed a graph of the production of their water treatment plant, and photos after the storm. He mentioned before the storm they had filled their tanks to their maximum levels. Due to the storm waterlines were undermined and broke. They lost approximately 10 million gallons overnight; they almost lost the core part of their system. He advised they had AMI meters, and were able to determine where the leaks were and isolated those areas. They had to cut it off to save the core part of the system.

Mr. Pahle commented that they created virtual reads to find the leaks in the system. The AMI meters was a recent investment.

Mayor Guess commented that the storage was great, but with an event like this was the system beneficial.

Mr. Pahle advised that they could turn it off where it was leaking.

Alderwoman Williams asked where the population for Hendersonville was.

Mr. Connet advised approximately 16,000, but they served 80,000. He referred to the PowerPoint and displayed a map of the current water system alert status. He pointed out the major area in their system. They kept the core system running with water which included two hospitals. He pointed out areas which were isolated due to major leaks. The area was completely washed out. He noted that 95 percent of the system never lost water, and 98 percent was back on in five days, 100 percent in 14-days. He displayed photos of their Emergency Operation Center which was flooded and had to be evacuated. They set up their Emergency Operation Center in the Fire Department. He displayed photos of their Mayor and staff working during the incident. The citizens knew that the government was working, and they would take care of it.

Mr. Connet discussed emergency generators. He advised that generators were critical at facilities. He estimated they have 153 generators system-wide. He mentioned that their pump stations were remote and without power, but they were able to use the generators for operating them.

Mayor Guess commented that if the systems were underwater they would not work.

Mr. Connet advised that staff shut it off if it was underwater and then they would bring it back on.

Mr. Pahle mentioned that they used natural gas generators and budget for those annually.

Alderwoman Williams inquired about Hickory's situation.

City Manager Warren Wood advised they have two generators at the water plant, and also generators at the major pump stations, Police, Fire, Public Services, Airport, and City Hall have diesel generators.

Mr. Connet discussed SCADA and advanced metering systems. The AMI system could detect leaks, and they could isolate that area. He noted that 80 psi was normal pressure. It was valuable for customers to monitor their own system. He referred to the PowerPoint and displayed a photo of the French Broad River intake and pump station. He noted this was their fourth system and they started this facility over 10-years ago. It had capacity of 12 million gallons per day. With this system online they had the ability to go to 30 million gallons. He advised them to think about 10, 15, and 20 years in the future. It takes a long time to come online with these systems. Businesses want to know what plans were for 10-15 years out. He commented that this facility withstood the storm of the century, and they would get it back online this summer.

Mr. Connet discussed their wastewater treatment plant ultraviolet disinfection improvements. They have replaced aging equipment and added additional capacity. They used ARPA grant funding at a cost of $3.9 million dollars. At their water treatment facility, they had expanded to 15 million gallons per day. They had installed additional filters. The costs for this project were $2.4 million dollars. Additional capacity was necessary as they were pushing their limit. He discussed their water treatment plant sludge transfer and backwash pump upgrade. They could locate single points of failure. They replaced the pumps. The cost for this project was $3.2 million dollars. He discussed their wastewater treatment plan expansion and improvements which included influent pump station and headworks, an equalization basin, blower improvements, filter replacement, flooding resiliency, additional capacity of 6.0 million gallons per day. The estimated costs of this project were between $60-80 million dollars. He discussed the wastewater treatment plant biosolids thermal dryer which produced high quality biosolid, reduction in solids management costs, a solar photovoltaic system, and outlet resiliency. The costs for this project were $18 million dollars, a $14.75 million direct appropriation.

City Manager Warren Wood noted that the City had a .01 percent interest rate on their loan for the biosolids project.

Mr. Connet referred to the PowerPoint and discussed annual operational savings. The current disposal cost was $670,000. Operation and maintenance costs $170,000, debt service, $235,000, electricity savings (-$20,000), for a total of $385,000. Estimated annual savings $285,000.

Mr. Connett discussed sewer collections master plan update. This update was to their 2019 Master Plan which included population projections, identified deficiencies, and prioritized projects. He discussed the Howard Gap Road water extension project, which was four miles of water pipe, going from Sugarloaf Road to Upward Road. This would improve the pressure and the fire flow and would have a redundant feed. Estimated costs for this project were $9.5 million dollars. He mentioned the ratings for the Fire Department and the benefits with the hydraulic models. This helps the Fire Department know how much pressure they have.

Mr. Pahel advised they were master planning their systems approximately every 6-years. It was not cheap, and they budget every year. The projects were driven by the Master Plan. He explained what happened with Asheville's system when they experienced a freeze and a leak. The public wants clean and available water. North Carolina had historically been known for cheap water. Water was a number one economic incentive back in the day. The State was forcing them to go to a uniform rate. Raise rates to pay for these systems. He mentioned that theirs were not complete, and they still had a long way to go.

Alderman Freeman inquired how the revenue bonds affected what was coming out of citizen's pockets.

Mr. Pahel explained the process they used. They had 11 percent water and 13 percent sewer rates at one time.

Mr. Connet advised that the Master Plans would indicate the rates that they would need to be at. They had a rate study done to determine the rate structure and rate consultants can help set-up the rate for the community.

Mr. Pahel mentioned the tier system they use for their rates.

Discussion ensued regarding the tiered rates and how those rates were determined.

At approximately 9:20 a.m. City Council and Staff convened for a break.

At approximately 9:30 a.m. City Council and Staff reconvened.

III. Investing Our Future: Strategic Water and Wastewater Resiliency Planning – City Manager Warren Wood

City Manager Warren Wood referred to the PowerPoint and displayed a picture of Highway 127 Bridge which showed debris in the water from Hurricane Helene. He displayed a picture of Oxford Dam and Hydro Station under construction in 1927. He played a short video of the dam gates open the day after Hurricane Helene. He mentioned that there were 10 gates and 5 of those were open. He played a short video of the current in the lake after Hurricane Helene. He mentioned that the hurricane damaged one of the City's intake pipes. He advised that Duke Energy managed the lake levels, which was why the levels were controlled. He played a short video depicting the collapsed hangar at the Airport. He referred to photos on the PowerPoint which were the Brookford sewer crossing which was damaged and a sewer line at Catawba Springs. He advised they did not experience any waterlines being washed out. He displayed an aerial photograph of the area at the Riverwalk where the water intake was located. Currently the City has one intake. He displayed a photo of a portion of a tree which was removed from Sally Fox Park; Public Works Director Steve Miller was in the photo.

City Manager Warren Wood discussed lessons they learned from Hurricane Helene. After Hurricane Helene cell sites were down and staff resorted to using their handheld radios.

Mayor Guess inquired about the future for Starlink.

City Manager Warren Wood commented they City did not currently have Starlink but may need to look at that in the future. He advised that they had $2.2 million reimbursement requests to FEMA so far. The stormwater system had withstood the storm.

Public Works Director Steve Miller advised there was 11-inches of rain from Hurricane Helene. Duke Energy did a good job of managing the system and Hickory fared well.

City Manager Warren Wood mentioned in 2013 they had a bridge washout. This time the local street system held up except for down trees. He noted that the major City facilities were strategically located above flood levels. The backup generators worked when and where needed. The water intake was damaged but could have been lost. That resulted in a $600,000 repair. He explained the process of the intake system. Council may need to discuss a second water intake, but the permitting would take a while to get. He mentioned that the storm created the second worst ever turbidity in the lake, but they were still able to treat water. The elevated water tanks operated with no issues. He stressed there was a need for technology to pinpoint waterline breaks. He advised that a number of sewer pump stations were under threat of flooding and a number of sewer lines at creek crossings were broken. He discussed the inability to assist neighboring communities through connected water systems. The City, delivered by tankers, 18 million gallons of water to Western North Carolina following the storm.

City Manager Warren Wood discussed investing in the future, strategic water and wastewater resiliency planning. He noted that the City of Hickory was in a better position on some things than Hendersonville. The AMI system would be complete in approximately 2-3 years.

City Manager Warren Wood advised in 1985, City Council had conversations about upgrading the water plant. In 1990 a General Obligation Bond Referendum for $16 million dollars was held in Hickory to expand the water treatment plant to 32 million gallons per day. It passed with 1,089 in favor and 186 against. There were 13,000 eligible voters. If it had failed there would have still been the need to expand the plant. He estimated it would be worth $40 million dollars today.

Alderwoman Williams questioned what they were proposing to do now.

Deputy City Manager Rodney Miller explained that interest rates were lower on General Obligation (GO) bonds because they were covered by the City residents.

City Manager Warren Wood noted in 1990 that in 1990 another piece of that was street expenses. A portion of the expanded capacity in the plant was meant to be sold to other jurisdictions to offset some of the costs which had happened. Between rate increases and selling excess capacity, using property tax revenue to service the debt was never necessary.

City Manager Warren Wood discussed water and sewer fund budget and rates. The annual budget in the water and sewer fund was $38,810,000; composting (Bio Solids) fund was $2,300,000; and water and sewer capital reserve fund $3,300,000 for a total of $44,410,000. The monthly water and sewer bill (5,000 gallons) water - $28.63 and sewer - $37.87 for a total of $66.50 per month. He mentioned they had gone up on a volume charge before which did not cause an increase to the citizens.

Alderwoman Patton asked how the City's monthly charges compared to Charlotte.

City Manager Warren Wood referred to the PowerPoint slide and pointed out the rate for all other Catawba River watershed utilities median rate for water was $36.80 and median rate for sewer was $39.31 for a total bill median rate of $70.30. The maximum amount for water was $57.50 and the minimum amount was $21.95. The maximum amount for sewer was $71.36 and the minimum amount was $14. He discussed the water production capacity for one treatment facility and one water intake that was 32 million gallons per day. Annual average daily use of 12 million gallons per day, summer average daily use 17 million gallons per day for a total annual water production of 4.38 billion gallons per day. The service area for Hickory was 70 square miles: Alexander County contract service area 90 square miles and Catawba County contract service area 145 square miles for a total of 305 square miles. He discussed revenue sharing agreements that were in place. He mentioned that in geographic size Hickory was probably the 2nd largest in the State for a water provider, Charlotte was bigger than Hickory. He mentioned the miles of water lines maintained, Hickory owned water lines 634 miles; Alexander County contract water line 216 miles; Catawba County contract water lines 125 miles for a total of 975 miles. Water meters maintained, Hickory owned 22,000 meters; bulk customer 25 meters; Alexander County contract customer 5,500 meters; and Catawba County contract customer 3,000 meters; for a total of 30,525. They are working on a revenue expense analysis for Alexander and Catawba Counties.

Discussion ensued on the metrics to calculate the capacity. Alexander County's contract was up for renewal in 2027, and Catawba County's contract was up for renewal in 2040.

City Manager Warren Wood discussed water storage tanks. Hickory water storage tanks 9; Alexander County contract elevated storage tanks 4; and Catawba County contract elevated storage tanks 4; for a total of 17 tanks. The Hickory population served on Hickory owned lines was 60,000; bulk customer population served 35,000; Alexander County contract population served 13,750; and Catawba County contract population served 9,000 for a total population served 117,750. He discussed allocated water plant production; Bulk Customers: City of Conover capacity purchased 3.0 million gallons per day with an actual average use of 1.87 million gallons per day. Icard Township capacity purchased 1.0 million gallons per day with actual average use of .52 million gallons per day. Town of Long View capacity purchased 2.5 million gallons per day with actual average use of .79 million gallons per day. Town of Catawba capacity purchased .225 million gallons per day with actual average use of .07 million gallons per day. Contract customers Alexander County capacity purchased 2.0 million gallons per day with actual average use of 1.18 million gallons per day and Catawba County (SECC) 1.7 million gallons per day and actual average use of .44 million gallons per day. Total allocated capacity 13.425 gallons per day with actual average use of 5.92 million gallons per day. He advised that the City was not selling anymore capacity.

City Manager Warren Wood discussed the wastewater system. The Northeast Wastewater Treatment Plant (NEWWTP) capacity of 6 million gallons per day and actual daily flow of 3 million gallons per day. Henry Fork Wastewater Treatment Plant (HFWWTP) 9 million gallons per day with actual daily flow of 3 million gallons per day. Hickory-Catawba Wastewater Treatment Plant 1.5 million gallons per day with actual daily flow of .45 million gallons per day. Total capacity 16.5 million gallons per day and total actual daily flow 6.45 million gallons per day. The NEWWTP was updated approximately 10-years ago. HFWWTP was updated around 1995. Sewer was much more expensive because of the pump station. He noted that the bio-solids at the HFWWTP were separate funds. He discussed the miles of sewer line maintained: Hickory owned sewer lines 467 miles; Alexander County contract sewer lines 13 miles; Catawba County contract sewer lines 56 miles for a total of 536 miles of sewer lines maintained.

Discussion ensued on how chemically intensive it was to treat water and sewer.

Alderwoman Patton asked if the growth in Catawba County would add more meter accounts.

City Manager Warren Wood responded yes. He discussed the wastewater system customers served. Hickory population served (Hickory owned lines) 49,000; bulk customer population served 8,400; Alexander County contract population served 1,175; Catawba County contract population served 3,200 for a total customers served 61,775. Wastewater pump stations maintained: Hickory wastewater pump stations maintained 60; Alexander County contract wastewater pump stations maintained 4; Catawba County contract wastewater pump stations maintained 17 for a total of 81 wastewater pump stations maintained. He noted that Alexander County and Catawba County were responsible for capital costs.

City Manager Warren Wood discussed the water and sewer systems capital planning and prioritization tool risk-based assessment. There were two types of risk: condition – likelihood of failure and criticality – consequence of failure. Under condition – likelihood of failure was due to age, material and work order history. Under criticality – consequence of failure was resiliency, diameter, traffic impact and critical customers. He explained a point system based on risk-based

assessment results. He referred to the PowerPoint and displayed the risk-based assessment results which were displayed in graphs.

At approximately 10:22 a.m. City Council and Staff convened for a break.

At approximately 10:35 a.m. City Council and Staff reconvened.

City Manager Warren Wood asked Catawba County Economic Development Corporation President Scott Millar to the podium to update City Council on Microsoft.

Catawba County Economic Development Corporation President Scott Millar advised the Microsoft's stock had gone up 9 percent last month. That should offset any rumors about them.

City Manager Warren Wood advised Council they need a secondary plan to pump water if they only had 24-hours to put it in place. He referred to the PowerPoint and displayed a photo of the Microsoft site. He mentioned that Apple was a big water user. He had visited the Microsoft site, and they were preparing five pads for buildings which would be used for their $365 million dollar investment. The County had a grant to assist with the waterline infrastructure. He discussed the Microsoft water and sewer line extensions. He advised the Microsoft officials had repeatedly said their Catawba County projects had not been delayed or paused. Their initial investment commitment was $365,000,000. They were reverting back to their original schedule of being complete with the first phase by early 2027, as opposed to mid-2026. The requests for bids for the water and sewer line extension to the Microsoft site went out this week and bids were due by June 3, 2025. The water and sewer project combined was estimated to be $12 million dollars and it was funded. They would not have come here without the water and sewer from Hickory because Newton could not supply those utilities.

City Manager Warren Wood discussed the water system advanced metering infrastructure (AMI). The cost was estimated at $13 million dollars and was funded, and the proposals were being evaluated. It would involve upgrading approximately 30,000 water meters. The meter data and the system data would be transmitted electronically to the City. The current water meters were read manually. This would be a 2–3-year installation schedule. Over time, conventional water meters tend to undercount usage. There would be many benefits to the customers in managing water usage and to the City in managing its water system. This should transpire around late July. AMI customer benefits would be access to water usage information. The customers would have better access to their data and in real time. Customers would be able to register for the City's online water use portal and see water use on a near real-time basis as data is transmitted to the City and posted in their portal. There would be a reduction of water loss. Customers would be able to identify and repair water leaks faster than before. This would save money as customers would have access to near real-time consumption data and history. That data would help them better understand and manage their water use. There would be the capability of water alerts. Customers could set-up leak and other usage alerts. If the meter records continuous water flow, customers receive an alert. This could save money and prevent property damage that often results when leaks run undetected.

Alderwoman Patton asked if the system could be hacked.

Public Utilities Director Will Hamblin advised that they had discussions about that with the former IT Director and he was satisfied with the outcome. The data would be encrypted.

City Manager Warren Wood commented it would be stored in the cloud which the City maintains. He discussed the AMI benefits to the City. This system would eliminate the cost of manually reading meters and eliminate a safety hazard. It vastly improves the water billing process. It identifies water line breaks, which could drain the system, so they could be identified, located and isolated. It reads water pressure and water velocity in the lines which would assist the Fire Department in their operations. With customers being able to better understand their usage, there would be savings in the water production capacity at the plant over time. It also provides the capability of detecting water infiltration in sewer lines. He referred to a "brown" water event that happened last year. This would help narrow down the issue. Currently there are seven-meter readers/installers. Other City benefits, it provides water quality measurements for water in the lines measuring for chlorine levels, pH levels, temperature, and conductivity. Additionally, it could detect changes in turbidity levels upstream of the intake allowing water treatment processes to be adjusted proactively. It could notify them when a line needed to be flushed. The system would be installed where the existing meters are located now. The battery life was approximately 20-years. The City would be responsible for the meters.

Public Utilities Director Will Hamblin advised staff would be doing service line inventory while they were installing the units.

City Manager Warren Wood discussed the raw water intake improvements. The City's water intake's power supply system was being upgraded. This upgrade would allow for a redundant power source. The project included other improvements to the pump house to more efficiently pull water and pump it to the water plant in case of failure. The project cost was $4 million dollars and

was under design and funded. One of the intake pipes in the lake was damaged during Hurricane Helene. It was functional and did not cause any disruptions but needs repair. Project design was completed, and the contract repair price was $613,000. It would be submitted to FEMA for funding. He discussed the water intake redundancy. Duke's FERC permit requires them to keep the lake level above the City intake. Contingency plans were in place if an operation failure of the intake occurred. It was still a potential single "geographic" point of failure. They are beginning the process of identifying a location for a second water intake that could serve as a backup to the primary intake. The City owns Long View's former water intake which was upstream and west of the current and future US 321 bridges. If implemented this would be a multiyear process with design, permitting, and construction. The estimated cost at the Long View location was $25 million dollars.

Discussion ensued regarding replacement of existing dams.

City Manager Warren Wood discussed water system storage capacity. Currently the City has about 24-hours of water storage capacity in their system in Hickory proper. If the City water production process stopped, they would be out of water in that amount of time. NCDEQ requires no less than 12-hours of water storage capacity. The City is not tied into any surrounding water systems to get water. As water consumption in the City system grows they need to increase water storage capacity. The former Long View Water Plant would be upfitted to provide an additional 1.3 million gallons of water storage. This project was funded.

City Manager Warren Wood discussed the water system interconnectivity. The City was not currently tied into any other water system that has a water plant except for Newton, but Newton could not supply Hickory with water. Staff had been in discussions with other jurisdictions around the City who also operate water plants. One major challenge was that the capacity available in surrounding plants could not fully meet the City demand alone, although the City could meet their demand individually. Staff researched the feasibility and cost of interconnecting with other systems. Depending on the individual system Hickory connected to, the connection costs range from $50 million (Lenoir connection) to $110 million (Morganton connection). For Hickory to achieve complete interconnectivity with the two largest water suppliers in the region, the cost would be $160 million dollars. Complete interconnectivity of all systems operating water plants in the region would be ideal. Given the impact of Hurricane Helene, this was something that would be more fully evaluated. He was hoping there would be some funding available for this type of project. Currently Lenoir has a $20 million project to connect to the Valdese Water Plant. Lenoir was buying capacity from Valdese.

City Manager Warren Wood discussed increased water production capacity. The most secure option to achieve resiliency and redundancy in the City water system was adding additional water treatment capacity. Expanding the current plant was not an option due to a number of factors, so building a second water treatment plant would be the best option. The process would involve establishing a timeline; offering other jurisdictions the change to participate; decision on type of financing; decision on location of facility; design; permitting; and construction. City Council had to make this decision in the 80s. Financing was a big part of it.

City Manager Warren Wood discussed the water capacity that Hickory has remained for itself. The current plant production capacity was 32 million gallons per day. Contracted capacity allocation commitments 13.425 million gallons per day. Remaining capacity available for Hickory 18.575 million gallons per day. Hickory's actual current usage 7.08 million gallons per day. Capacity remains for Hickory 11.495 million gallons per day. The water plant production capacity production is projected to be at 80 percent by 2050. The City of Hickory will not be selling any more capacity in its water treatment plant. The average house consumes 4,000-5,000 gallons of water per month. The estimated cost for a water treatment plant: 2.5 million gallons per day - $44 million; 5 million gallons per day - $130 million; 10 million gallons per day - $259 million, and 15 million gallons per day - $389 million.

Alderwoman Patton commented if they were not selling anymore capacity then what would be their buy-in to do so.

City Manager Warren Wood explained it was expensive and gets more expensive every day. They would explain the costs to them, and they would have to pay the City of Hickory to expand the plant.

Deputy City Manager Rodney Miller advised that they could not borrow money if they did not have any infrastructure.

City Manager Warren Wood noted that hospitals were big users of water. The City's biggest users were probably MDI and Apple. He advised the City's new Bio-Solids Facility was in the testing phase, cost was $35 million. The Snow Creek Pump Station flooding mitigation project was designed; however, the $5.5 million dollar FEMA funding was revoked. Falling Creek Pump Station flooding mitigation project was designed, and the $7 million dollar FEMA funding was revoked. The Moose Club Pump Station flow diversion project, design was funding, construction was not funded,

the cost was $10 million. This would be part of the capital budget program. He gave a summary of the major water capital projects which were funded: Microsoft line Extension Project, cost $12 million, out to bid. AMI, cost $13 million, bid evaluation. Raw water intake improvements, cost $4 million, under design. Raw water intake pipe repair (Helene), cost $600,000, contracted. The 1.3 million storage capacity (Long View Plant), cost $4 million, under design. Total funded $33.6 million. He gave a summary of the major water capital projects which were unfunded: Raw water intake redundancy, cost 25 million, annual debt service at 3 percent interest $1.4 million, annual debt service at 2 percent interest $1.27 million. Water system interconnectivity, Jurisdiction #1 cost $50 million, annual debt service at 3 percent interest $2.8 million, annual service debt at 2 percent interest $2.5 million. Jurisdiction #2 cost $110 million, annual debt contingent on Federal and State Grants. Connection to both cost $160 million, annual debt contingent on Federal and State Grants. A second water treatment plant, 5 million gallons per day water treatment plant, cost $130 million, annual debt service at 3 percent interest $7.4 million, annual debt service at 2 percent interest $6.6 million. Prep work-eventual 10 million gallons per day expansion, cost $65 million, annual debt service at 3 percent interest $3.7 million, annual debt service at 2 percent interest $3.3 million. Total cost $270 million, annual debt service at 3 percent interest $15.3 million, annual debt service at 2 percent interest $16.37 million.

Discussion ensued regarding options on rate increases on water and sewer customers and possible financing options. The suggestion was made to start doing these incrementally with design and permitting.

City Manager Warren Wood gave a summary of major sewer capital projects unfunded. Snow Creek Pump Station flooding mitigation project, cost $5.5 million, and annual debt service at 3 percent interest $288,000, and an annual debt service at 2 percent interest $264,000. Falling Creek Pump Station flooding mitigation project cost $7 million, annual debt service at 3 percent interest $400,000, annual service debt at 2 percent interest $355,000. Moose Club Pump Station flow diversion project cost $10 million, annual debt service at 3 percent interest $566,000, annual debt service at 2 percent interest $507,000. Total cost $22.5 million, annual debt service at 3 percent interest $1,254,000, annual debt service at 2 percent interest $1,126,000. It was mentioned that the oldest lines were probably the ones coming out of the plant and some of the neighborhoods surrounding the downtown area.

City Manager Warren Wood discussed financing options and producing revenue to cover annual debt service costs. Every 1 percent increase in the water rates would produce $150,000 in additional revenue. Every 1 percent increase in the sewer rates would produce $112,000 in additional revenue. Every penny on the property tax rate produces $850,000. Financing options could include pay as you go, State Revolving Fund (SRF – Water and Wastewater), GO Bonds, revenue bonds, bank financing, system development fees, State & Federal Helene Relief Funding, or combination of all.

Deputy City Manager Rodney Miller advised the AMI project was pay as you go without borrowing money.

City Manager Warren Wood discussed system development fees. For example, a 2” water meter fee of $13,000, an 8” water meter $135,000. They have seen growth in the system development fees.

Discussion ensued about rates and financing of water and sewer projects. General Obligation bonds cannot be financed for more than 20-years. Revenue bonds can be for 25-years, but the payments are spread out. They could set aside funds from the tax rate and save money for these projects.

At approximately 11:34 a.m. City Council and Staff convened for lunch.

At approximately 12:13 p.m. the meeting reconvened.

IV. Innovation District

Assistant City Manager Rick Beasley commended staff for their roles in the Innovation District. The departments involved were Communications, Planning and Business Development. He mentioned that Catawba Valley Community College created an educational opportunity by placing their center at the Aviation Museum. He mentioned some of the events that were happening in the Innovation District.

Catawba County Economic Development President Scott Millar commented on the value of the retreat for City Council. They were thinking through the economic impacts of what they had been presented with earlier today. He noted that the Economic Development Corporation was trying to make sure their economic portfolio was balanced and reaching ahead for the future. He mentioned that the County had used Site Selection Group, and the results were displayed on the PowerPoint. Competitiveness versus Impact. He referred to high impact industries that were very site driven which included solar manufacturing, chips/wafers, data centers, battery and industrial gas. They try to match up these industries with what the County is well aligned with versus industries that are

more impactful. The graphic showed the summary results of the tradeoff between industries that Catawba County was well aligned for versus industries that were more impactful. The categories were higher-impacts and growth, but you're less competitive for it; higher impacts and growth and you're more competitive for it; lower impacts and growth and you're less competitive for it; and lower impacts and growth but you're more competitive for it. He discussed opportunity groupings which included high-impact but site driven opportunities, untargeted opportunities and growth opportunities within traditional base. Currently Trivium East is the largest site available. It would be suitable for something in the pharmaceutical or bio tech sector. He commented the City may have something in the future in the Innovation District.

Assistant City Manager Rick Beasley shared the AI definition of Innovation District.

Business Services Manager Dave Leonetti referred to the PowerPoint. What is an Innovation District? An innovation district is marked by the weaving together of multiple physical, economic, and networking assets to help support and capitalize upon the specialties of various partners, drivers, cultivators, and amenities within a focused area. He gave examples of Innovations Districts: Research Triangle Park, 7,000 acres, 300 plus companies, 50,000 plus workers, located in Durham and Wake Counties. Innovation Quarter located in Winston-Salem, 330 plus acres. The River District located in Charlotte, 1,400 acres. Hickory's Innovation District would contain 2,000 plus acres, 3.30 square miles and 7.6 miles of trails. Included in the district would be Riverwalk, Aviation Walk, ASU in the center with development opportunities throughout. He explained why it was right. It was the ideal location with interstate access, proximity to downtown and the lake, Hickory Regional Airport, connection to Charlotte, and the center of the region. The time is right for higher education growth (ASU), external growth, data center growth, housing growth over the last 5-years, Trivium Corporate Center, public projects, the trails are nearing completion, Airport improvements, and US 321 improvements. He noted that foot traffic had increased over 20 percent.

Business Services Manager Dave Leonetti shared the Hickory Innovation District mission, "to align regional education efforts, support innovation and enhance recreation opportunities, creating economic growth and improving the quality of life in the region". He discussed the goals of the district; to support people, to connect people and to collaborate and innovate. To support people, they need to leverage resources to implement the mission. To connect people, placemaking: a public space to strengthen community connections. An engaging and quality location that pulls people together. To collaborate and innovate, programming: cross-industry programming facilitates community building and encourages collaborative cooperation.

Business Services Manager Dave Leonetti discussed education opportunities. They were excited about App State Hickory, and they would be growing their presence at the Hickory campus. Opportunities at the Hickory campus included learning, teaching and curriculum, management, marketing and supply chain management, nursing, public health and exercise science, and sustainable technology and the built environment. App State specialties with partnership opportunities included: environmental economics, health sciences, advanced construction and forestry, educator training, biological sciences, aviation risk management, cybersecurity, and hospitality. He referred to photos on the PowerPoint and App State Hickory campus. He discussed opportunities at Catawba Valley Community College (CVCC), noting there Workforce Innovation Center which would be located at the Aviation Museum. Future programs included: marine technology, airframe and power delivery mechanic certification, aviation training, artificial intelligence, and cybersecurity. They will have cutting-edge equipment, flight simulator, heavy equipment simulators, and drone training. This will be aligning with regional education efforts.

Business Services Manager Dave Leonetti mentioned the Hickory Aviation Museum which serves as an educational institution in Hickory, promoting a passion for military aviation and preserving the legacy of our nation's many veterans and aviation heroes. He referred to the PowerPoint and displayed a drawing of the Catawba River Environmental Education Center. This center will focus on protecting the river and conserving the natural environment. He discussed the Old Lenoir Road corridor. This corridor has industrial uses, offices, art and pottery studios, furniture and consignment stores, and new projects include the OLLE Art Walk, and the North Hickory Market. He noted opportunities on Old Lenoir Road: permit smaller buildings to qualify for Urban Revitalization Area funding, vacant building revitalization, fire suppression, and appearance grants. Leverage revitalization overlay district to promote redevelopment while allowing existing uses to continue. Restrict new uses inconsistent with the district. Landscaping enhancements/flexibility. Open shortage regulations. Emphasize alternative sign plans. He referred to the Old Mill District that was redeveloped.

Business Services Manager Dave Leonetti discussed recreation assets; 7.6 miles of trails, lake access, rentals available at Lake Hickory Pub and Marina for pontoon boats, kayaks, and canoes, tennis center, Riverwalk was adding traffic to that area as well. He referred to the PowerPoint and displayed photos of what would be the Diedra Lackey Memorial Park which also provided more lake access and community and entertainment areas. He noted the Clement Boulevard area for mixed use entertainment which would be beneficial to App State and the Crawdads.

Mayor Guess asked about the future of the mall.

Business Services Manager Dave Leonetti advised that the mall still had solid traffic. They were hopeful that the mall would continue to keep steady, but there was opportunity for redevelopment for the best possible use.

Assistant City Manager Rick Beasley mentioned there was opportunity for the out parcels. The mall was 90 percent leased up and was in good shape. They need someone in the Sears building. He commented that the Bed Bath & Beyond business was being marketed.

Business Services Manager Dave Leonetti noted that Sears was actively marketing their space. Hickory has a growing market and was growing as a retail center. A lot of people come into Hickory too.

Alderwoman Williams commented she gets a lot of questions about a Trader Joes coming to Hickory. They look at the demographics of an area. With App State as part of the package they could tell them it might be an ideal location. It was not a high-end store.

Business Services Manager Dave Leonett commented that the demographic numbers were improving. They know the incomes they want.

Assistant City Manager Rick Beasley mentioned that the 321 corridors would change as well.

Business Services Manager Dave Leonetti discussed industrial opportunities. He displayed a map on the PowerPoint and pointed out areas of opportunity for industrial use around the airport, trail like areas. He displayed photos of airport developments which included hangar development potential. He discussed private sector assets. Large employers: Century Furniture, Performance Foods, Vesco Toyotalift, HK Research, and others. There was a growing arts scene, and new commercial developments. He mentioned the founding partners: App State, CVCC, the Crawdads, Burke County, Catawba County and Hickory. Areas of focus: trainings, entrepreneurship, job skills, quality of life, education, innovation and recreation.

Business Services Manager Dave Leonetti referred to the PowerPoint and displayed a map of the Innovation District.

Alderwoman Williams asked about a workplan.

Business Services Manager Dave Leonetti replied yes, for all those things coming up and then programming that would be added.

Discussion ensued about Lenoir-Rhyne University stepping up and doing more as well.

City Manager Warren Wood advised that a lot of it was marketing and obtaining a level of confidence. He thanked City Clerk Debbie Miller, Deputy City Clerk Crystal Mundy, Administrative Assistant Iris Childers, Management Analyst Breanna Ikard, Business Services Manager Dave Leonetti, Assistant City Manager Rick Beasley, and Catawba County Economic Development President Scott Millar for their work on the retreat.

V. Bus Tour

At approximately 1:00 p.m. City Council and Staff left for a bus tour.

Council and Staff rode by Trivium East and through the complex at the Trivium Corporate Center. Trivium East was targeting 750,000 square feet structures. Trivium Corporate Center had three remaining lots. They passed by Corning, Cataler, the Stonemont spec building, and American Fuji Seal. Reference was made to the former ITM site that would be where American Fuji Seal would expand into. Leaving Trivium Corporate Center, they passed by Brooks Furniture Xpress trucking company, and a pump station. The bus arrived at the Biosolids Facility. A storage facility was pointed out where the final product was stored. It was mentioned that the plant was at approximately 50 percent capacity. Conover was buying 10 percent capacity at this facility. Operation budget for next year would go down for this facility.

Council and Staff arrived at App State University (Hickory Campus) at approximately 1:36 p.m. a tour was led by Dr. Amy Wood, Associate Vice Provost for Academics and Community Outreach.

Dr. Amy Wood, Associate Vice Provost for Academics and Community Outreach advised the building was 225,000 square and was the largest building that App had. She led the group on a tour of the facility pointing out that the 2nd floor would be renovated. Phase 3 of the 2nd floor would be a health/science area and was scheduled for the Fall of 2026. She noted that the students in Hickory all have the same advantages of the students at their Boone campus. Specialized training was being developed, and they were open for opportunities. There had been discussions about transportation needs for the Hickory campus. There was a campus store located in the building.

Their goal was for enrollment of 5,000 students. The group toured the student learning center. Private pods were available for students to use which were soundproof. There was also available a food pantry and a professional clothing closet for their students.

Dr. Amy Wood led the group to the Cybersecurity Lab, the only testing center in the area. Currently they have a degree program but would eventually have a certification program. It opened in January 2025. They would be getting a Wet Lab for Biology and in the Fall of 2026 they would offer a Doctorate for Nursing. Currently they were working with seniors in the community through a grant for Aging Well. They hope to do partnerships with Catawba Valley Community College (CVCC) and Hickory Police Department, looking at co-admissions. She advised that only 13-14 percent of students achieve degrees. She mentioned that Congressman Pat Harrigan's office was located in the building, and they were still in discussion on how to make that work. Their professional studies program was designed to be transfer friendly.

Dr. Amy Wood advised that there were 46 students graduating from the Hickory Campus with an associate's degree. They had transferred to App from community colleges. They were from Catawba, Burke, Caldwell, Lincoln, Gaston, Wilkes, and Mecklenburg Counties. Some of them were first generation college, some of them had families, and jobs, etc. She led them to an atrium space. A lot of outside organizations were using this facility. They were actively working on aviation management and risk management certifications. This would be specifically developed for Hickory. There were a lot of advantages to having a campus in Hickory as to Boone. Their mission was to create access in Western North Carolina in the largest metro area in North Carolina without public institutions. She noted the area still has the lowest level of education in the MSA. Most of their faculty live in Hickory. Some of the faculty had come in from other States to teach in Hickory. Some live in Lenoir and teach at both campuses. She mentioned they were looking for internships for students and adjunct teachers. The affordability in Hickory was better than in Boone. It was a desirable option to be in Hickory. The App State campus tour concluded.

At approximately 2:19 p.m. Council and Staff arrived at the Aviation Museum & Dale Earnhardt Regional Innovation Complex. The tour was led by staff from David E. Looper & Company who were doing the construction on the facility. The facility was approximately three weeks away from completion on the construction components. The facility would have a simulation lab area, a marine technology area, and a 15,000 square foot shop space that could be changed depending on the need. You could see into the shop area from the 2nd floor. This would be a flexible space for teaching a variety of projects. Classrooms were located on the 2nd floor which had gorgeous views of the mountains. The size of the classroom could be changed to make it a larger space. There was a total of four classrooms and a faculty office area. There was a common area that overlooked the 1st floor. Located on the 3rd floor was a high-end boardroom for meetings and an area to be used for a restaurant. RFPs were going out May 1st. There were beautiful mountain views from the restaurant as well as a view of the airport where the planes would be coming in. They envisioned a full-service restaurant. A veranda area was available that would allow for covered seating, and they would have the ability to put heaters in the area when it was cold.

David E. Looper staff member pointed out the locations of the museum area, gift shop, and a space where airplanes would hang. The plan was to have a celebration in the first quarter of next year. It would be approximately a 52,000-53,000 square foot space. There was also an office space that would be dedicated for a City employee so there would be staff on site. There was an additional space for exhibits that could be switched out, and an area on the 2nd floor that could be used for school groups to look out. This would be an area for storage of miniature aircraft carriers, missiles, etc. A theatre room was designed for all modern technology. In the outside area there would be a raised area to display a plane from the entryway. The front would be colored concrete to resemble a runway. At approximately 2:55 p.m. the Aviation Museum tour concluded, and Alderman Zagaroli left the meeting.

Council and Staff drove by a new 12,000 square foot hangar at the Airport. An area was noted were they could place additional hangars. Atrium would be moving to a new hangar, and they were looking at leasing that hangar to a large jet or another medical facility. Runway 119 was pointed out and was currently used by App State. In the future it will be used for hangar development. The bus passed by a T-hangar that was damaged last year during a storm. Hangar space was renting for $400 per month. There was an agreement with Burke County where they were reimbursing the City 50 percent of the tax revenue on new hangars. It was mentioned that they had applied for a $2 million-dollar terminal grant to update the terminal. They had also had their first request, from Frye Regional Medical Center, to rent the space at the Aviation Museum for an event. They will be drafting a rental policy for use of the space. They passed by a Blue Angel plane.

At approximately 3:13 p.m. Council and Staff proceeded to the Water Treatment Facility. The tour was led by City staff members. It was mentioned that the facility was hit by a tornado in 2017, and it took out the HVAC unit. The group was led to the control room where staff explained the process of treating the water. The water intake was located at the Riverwalk Bridge. Staff explained the information that was displayed on their monitors. They could tell from their monitors if there was a

main break, and they could try and determine the area that it was located in. Staff advised the tanks were refilled at night when usage went down, and they test water every 4-hours. They can tell from their monitors when things are changing in the lake. The AMI system could help them as far as managing the system overall.

Discussion ensued about chemicals. Normally they have one week of chemicals kept on hand, phosphate last for 1-month minimum. They have not had any issues with the supply chain for chemicals. They go straight to the supplier and have multiple vendors except for one of their products.

Staff advised that the time it took for water to come in and go out of the plant was approximately 6-hours, and they produce approximately 15.9 million gallons per day. Currently they have 13 staff in total, 10 of those being operators. Staff mentioned the tank maintenance schedule was every 3 years they clean out the wells and backwash the intake. Council and Staff toured the area of the filters and staff explained the filtration system operation. At 4:00 p.m. the tour concluded.

VI. At approximately 4:23 p.m. Staff and Council returned to Catawba Valley Community College and the meeting was adjourned.

_____
Mayor

_____
City Clerk

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, May 6, 2025, at 6:00 p.m., with the following members present:

	Hank Guess	
Tony Wood		Anthony Freeman
Charlotte C. Williams	Aldermen	David P. Zagaroli
Danny Seaver		Jill Patton

A quorum was present.

Also present were City Manager Warren Wood, Deputy City Manager Rodney Miller, Assistant City Manager Rick Beasley, Assistant City Manager Yaidee Fox, City Attorney Timothy Swanson, Administrative Assistant Iris Childers and City Clerk Debbie D. Miller

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

II. Invocation by Reverend Antonio Logan, Friendship Missionary Baptist Church

III. Pledge of Allegiance

IV. Special Presentations

A. Presentation from North Carolina State Fire Marshal Brian Taylor.

Mayor Guess asked North Carolina State Fire Marshall Brian Taylor to the podium.

North Carolina State Fire Marshal Brian Taylor thanked the Mayor and Council for having him. The last time he was in this Chamber was a few years ago for a presentation for their Class 1 for the Fire Department with Commissioner Causey. It was good to be back in Hickory. He come before Council today requesting the opportunity to recognize some agencies within the City. He first addressed Council as the City leadership for this great City as they have a model city here, a model organization. He spent 25-years in local government with the City of Albemarle as a firefighter and Fire Marshal. He knew how the city government runs and how the inner workings work and how vital the different agencies within the city were, and how important it was, how they all should work together. But they had this little incident called Helene. A tropical storm which came through North Carolina. Devastation in Western North Carolina, and geographically where they sit, they were pretty much the staging area for a lot of things to go either way in the mountains when Helene hit. As a State Fire Marshal, his responsibility of the North Carolina Fire Service, structural fire protection, to be sure that they have what they need to operate. They had 294 departments that they had to support during that timeframe. He decided to set up in Hickory. They made a few phone calls, looked at the Community College, had some local staff here that worked with them that made some phone calls and reached out to the Community College about basing their base camp there, calling on the local fire department to help them get set up. Timing was everything, but the red carpet was rolled out. Anything they needed, they would provide. It was a little unique because he does not work underneath the Governor. He works for the Legislature. They were recently made independent from the Department of Insurance. They still fall under the umbrella, but when you go under independence, they do not have the luxuries of a large budget of 500 personnel to operate that. The Legislature had not shored them up at the time. It was very difficult for them to operate amidst this disaster. Fire service and law enforcement manage under chaos, and they were very resourceful, and that was what they had to do because their budget restraints were tight and they were begging, borrowing and stealing, to be able to operate. City Manager Wood came out to see the operation. They had an incident command vehicle from Wayne County here. Of course, during this time at the local airport, they had a setup there called Operation Helo that was basically built out of this storm. They were a sister agency of the Fixed Wing Operation, and Operation Airdrop out of Florida. By joining forces with them, he was able to fly out and meet with Fire Chiefs out of Hickory and say, what are your needs? What do we need to do to set you up? Because in every community, the fire department was the center of every community. If you could get there and get the fire department set up and then start reaching out to your churches, you could then rebuild your community and move forward. Normally, their biggest issue was communications, and it was important to get that communication. He was very thankful for the coordination of the City's staff to be able to get him on an aircraft. He delivered the first Elon Musk Starlink with Operation Helo to Garren Creek Fire Department. He goes all over the country now to talk about lessons learned and also the public/private partnership, the importance during a disaster because the Federal government, the State government, and the local government cannot do it by themselves.

Mr. Taylor asked City Manager Warren Wood to the podium to present him with a token of their appreciation. The plaque was unique. Kevin Head was responsible for the base camp in Hickory. He ran everything out of Hickory. He was a Catawba County resident. He told him the story earlier when they were leaving the base camp for the last time, they spelled out goodbye on the rocks. There were hoses, turnout gear and helmets from donations from all over the country. They were the central point of donations from apparatus, turnout gear, and air packs. Understand fire departments lost everything. They were resupplying them to get up and operational until they were able to resupply. He described the meaning on the plaque and pointed out a picture of a helicopter taking off. This was a drone shot. The American flag, the State flag, a fire hose, and the thank you

was turnout gear on the plaque. He presented the plaque to City Manager Warren Wood as a token of their appreciation on behalf of the Office of the State Fire Marshal of North Carolina for allowing his City organizations to help them with during this disaster relief.

Mr. Tayor asked Fire Chief Matthew Hutchinson to the podium. He mentioned that Chief Hutchinson allowed him to stay in Fire Station 1 for 11 straight days. The hospitality he had was like no other. Now remember, he was a firefighter, and he knew the camaraderie there the how, and the jokes, and everything goes on and you got to build respect when you were an outsider coming in. He advised they took him with open arms. Generally. he was leaving in the morning, at 5:30 a.m. or 6:00 a.m., coming in at 9:00 p.m. and 10:00 p.m. at night. They provided him with a bed there and linens to stay there and of course most importantly a place to shower. He was very thankful and appreciative of Chief Hutchinson and his hospitality and especially the men and women of the Hickory Fire Department. He presented Chief Hutchinson with a plaque. Photos were taken.

Mr. Taylor asked Catawba Valley Community College President Garrett Hinshaw to the podium. He wanted to say thank you to him and his staff. They were really accommodating. They actually had a couple of functions going on there because FEMA was just right up the road and had their base camp which ran out of State units. They were an in-State group trying to organize. They had two different groups operating, and they were very accommodating to allow them to set their base camp up there, even utilizing the inside of the facility. He wanted to thank him for their partnership and helping them operate. He presented Mr. Hinshaw with a plaque. Photos were taken.

Mr. Taylor asked Airport Director Chad Hunsucker to the podium. He commented that this individual had the most challenging task of the entire operation but was truly the most impactful. The amount of chaos that went on there and trying to manage all that was really a task that really nobody probably wanted to take on. Being there during that timeframe and what was able to accomplish out of that airport really were a huge impact for the folks of Western North Carolina. He thanked Mr. Hunsucker for opening his doors up and allowing Operation Helo, and of course, everything that comes through there to operate. He presented Mr. Hunsucker with a plaque. Photos were taken.

Mayor Guess asked Mr. Taylor if Mr. Hunsucker allowed him to go in his office. Did he see the view? He wanted to make sure that he got to see that view from his office.

Mr. Taylor shared a little story about that. They were building a training facility at Stanley County Airport, one of the sister airports in the middle of the State. They had a simulator there, which would open up pretty soon. He had that same view over at the Stanley County Airport. As an agency head, he got to designate his office location. He has an office in Raleigh, but his primary office was at the airport. He envied his view as well.

Mr. Taylor asked Fire Marshal Stephen Craig to the podium. He commented that in every community, a Fire Marshal was probably the most resourceful person in any community. He knows everything that was going on and knows everybody. If you want to get something done, truly, this is the person you should target first. He commented that he really was an overachiever, and he appreciated that. He was a dear friend. He had gotten to know him after going into this role as a State Fire Marshal. He called on him quite a bit, and Stephen called on him, but he was really the one that made all the connections for them to be successful. There was not a time that their staff, their team on site at the airport and/or the base camp, if they had a generator go down or they needed a wrecker, anything special they picked up the phone and they were there in a matter of minutes. He and the Chief were pulling up from the maintenance division from the City, working on generators, working on trucks to make sure that they were up and operational. He wanted to truly make a special recognition to Fire Marshal Stephen Craig as an Honorary State Fire Marshal for what he did during Operation Helene. He presented Mr. Craig with a plaque. Photos were taken. This should be a special recognition because only Legislators that have funded money toward their training center had gotten this award to this point. He thanked Council for the opportunity and time tonight.

Mayor Guess commented first of all, they appreciated that his office recognized the City's coworkers. Obviously, they do not want to have a tragedy for them to be recognized, and they knew that was not what this was. But it was no surprise to him, Council, or staff that these folks stepped up and went beyond the call of duty, because they do that each and every day. They appreciated him doing that and recognizing them. They talk a lot about partnerships and relationships, and that was truly what this was. The President from the Community College, obviously, they have partnerships and relationships already established with folks like that and willing to step up and help us and help other communities as well in any way possible. This was an example of that. It was no surprise to them, but they certainly appreciated the recognition, and he thanked him once again for coming and presenting to Council.

Mr. Taylor thanked Mayor Guess. God bless.

B. Tracey Trimble, Greater Hickory International Council, Board of Directors Member and Rudy Wright International Service Award Committee Chair to Present the Winner of the Rudy Wright International Service Award.

Mayor Guess asked Tracey Trimble, General Manager of the Hickory Furniture Mart, and she also served as the Greater Hickory International Council, Board of Directors Member and Rudy Wright International Service Award Committee Chair to the podium. He recognized Ms. Donna Wright, the widow of the late Mayor Rudy Wright who served the City as Mayor for 16-years. They could not say enough about Donna and Mayor Wright. They were happy to hear the special presentation tonight on behalf of the Rudy Wright International Service Award Committee.

Ms. Tracey Trimble, Greater Hickory International Council, Board of Directors Member and Rudy Wright International Service Award Committee Chair advised that Ms. Donna Wright was part of the selection committee, and she was very involved and was part of the award every year. She thanked Donna. Most of them probably did not know her as the face of the Greater Hickory International Council. She was one of Hani's helpers. Everybody knew Hani. She was privileged to be on the committee and they really wanted to do something nice to honor Mayor Wright and his vision for making Hickory and the entire region, the four-county region, more internationally focused and open for visitors from everywhere and residents to enjoy a better quality of life. On May 7, 2002 the Hickory International Council was established by the late Hickory Mayor Rudy Wright and the Hickory City Council to serve as a forum for the international community in Hickory and to advise the City Council regarding ways to improve Hickory as an international city that welcomes and values international visitors, residents and businesses of all backgrounds and ethnicities. On July 1, 2019, with the help and support of current Mayor Hank Guess, the Hickory International Council transitioned to a non-profit organization and expanded its mission to serve the entire Greater Hickory Metro Region. Its name was officially changed to the Greater Hickory International Council, which now inclusively served the four-county region of Alexander, Burke, Caldwell, and Catawba Counties. The mission of the Greater Hickory International Council was to promote goodwill, cultural awareness, collaboration, education and mutual respect through partnerships and community events. In 2023, the Greater Hickory International Council created the Rudy Wright International Service Award which was an annual award that recognizes an individual, business, or an organization that exemplified the mission and advanced Mayor Wright's vision to create an all-inclusive and welcoming region for all. In 1998, just prior to the Hickory International Council being formed, the Pastor of First Presbyterian Church in Hickory sponsored a bilingual vacation Bible study to support Latino children residing in a local trailer park. Hickory's First Presbyterian Church, other community church leaders, and a group of passionate volunteers gathered to discuss the critical and unaddressed needs of Latino children and their families in the area. From the community response the Catawba County Hispanic Ministry d/b/a Centro Latino was born. Its mission was to empower, educate and support the Latino community in a safe and culturally sensitive environment and promote unity among residents throughout the unifour area. Over the years, Centro Latino had initiated and managed several successful programs and cultural events that continued to benefit the Latino and non-Latino communities in the region. Special in-person and online programs helped clients stay up to date with critical information about immigration. Adult education offerings included health related programs, English and Spanish language classes and life skills programs. Partnerships with CVCC (Catawba Valley Community College) and others had allowed their clients to develop job related skills for better career development and advancement opportunity. Since 2004, Abriendo Puertas, an after-school tutoring, homework help, and enrichment program had been the flagship of the agency. Hundreds of adults credit this program with preparing them for higher education which has led them to enjoy successful careers. Partnerships with arts and sciences organizations have allowed the agency to introduce adults and children to brand new cultural opportunities offered within the broader community. Their annual Todos somos America Festival allowed everyone to learn about and celebrate the cultural uniqueness of our neighbors, friends and coworkers who were of Latin American origin. Now in its third decade, Centro Latino remains the only Latino specific human services nonprofit agency in the region that was dedicated solely to addressing the unique needs of residents of Latin American descent which now exceeds 10% of the population in the four-county region of Alexander, Burke, Caldwell and Catawba Counties. It was led by a Board of Directors and some of the most passionate volunteers around Centro Latino. Centro Latino’s client service’s advocate helps Latino residents navigate the complexities of employment, school, and community resources. Their bilingual and bicultural staff support their clients in navigating the challenge of living and working in the area by providing life-changing community resources and referrals. It was estimated that the agency connected with more than 10,000 Spanish and non-Spanish speaking residents in just 2024 alone. The Greater Hickory International Council was very proud to honor Centro Latino as this year’s 2025 Rudy Wright International Service Award recipient. Accepting this award on behalf of Centro Latino was Gianella Romero, the Executive Director of Centro Latino. She asked her to the podium to accept this award and say a few words. She asked Ms. Romero to introduce her group in attendance. They were going to be giving Centro Latino a plaque that read: “With deepest appreciation and recognition for the outstanding contributions

made by your organization, its leaders and volunteers on behalf of the international community. You have promoted goodwill, cultural awareness, cooperation, education and mutual respect both in the Latino and non-Latino communities for the betterment of our four-county region". She thanked Council.

Centro Latino Executive Director Ms. Gianella Romero commented that it was an honor and pleasure to receive this recognition. She introduced their Board President, Joanne Spees, Martha Carrillo, who was also on the Board of Directors and Victoria Morales who was their AP Program Director. She really appreciated the opportunity to represent Centro Latino and the Latino community in the area. It was a pleasure to receive this recognition. If they would like to learn more about Centro Latino, she encouraged them to reach out to them via Facebook, Instagram or their website. They were always open for new partnerships and collaborations. Thank you.

Ms. Trimble presented Centro Latino with a $1,000 check to the team to go towards future programs. Photos were taken.

Mayor Guess thanked the members of Centro Latino and all they do for the community as well. Thank you very much.

C. Presentation of a Proclamation for National American Public Works Week, May 18 through May 24, 2025 - Presented to Public Works Staff.

Mayor Guess commented that there were a lot of divisions underneath Public Works: central services, landscape and grounds, fleet maintenance, street, public utilities, sanitation, traffic, engineering, and building maintenance. He asked for any of the City's coworkers from any of those divisions to the podium for the presentation. He thought it was fair to say that Public Services staff touch the lives of every citizen in the community. And a lot of times folks do not really realize it because a lot of what they do was behind the scenes. They had talked about this before. You let the trash go not picked up or you let there be a water problem or a sewer problem or something like that, they will hear about that. These are the folks, and the folks that work with them, that make sure that they have a smooth transition. All those things that they take for granted work on a day-by-day basis 24/7. They certainly wanted to take the opportunity not only to recognize them but to thank them for the job that they do each and every day. He read and presented a proclamation for National American Public Works Week to staff in attendance. Photos were taken.

D. Presentation of a Proclamation for National Police Week, May 11 through May 17, 2025 – Presented to Hickory Police Department Staff.

Mayor Guess advised coming up in the month of May was National Police Week. He was not sure if any civilian members were represented or not, but he knew some sworn members were present. National Police Week was May 11 through May 17. He asked all the coworkers from the Police Department to the podium for the presentation of the Proclamation to honor the Police Department. Obviously, this was only a small portion of those. He was sure that there was a contingency much larger than this that was working right now. Perhaps some of these guys were working. But they certainly wanted to recognize the sacrifices and honor the law enforcement personnel. He read and presented a Proclamation for National Police Week to staff in attendance. Photos were taken.

Chief Reed Baer advised on Friday at 1:00 p.m. there would be a ceremony at Catawba Memorial Park to honor those law enforcement officers that had lost their lives in the line of duty.

Mayor Guess knew that were a lot of presentations, but they were all extremely worthwhile and they were very proud of their coworkers, volunteers, and all those that contributed to making this City a great place to live, work, and play.

V. Persons Requesting to Be Heard

VI. Approval of Minutes

A. Regular Meeting of April 15, 2025.

Alderman Seaver moved, seconded by Alderwoman Patton that the Minutes of April 15, 2025 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.

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

A. Budget Revision Number 19. (First Reading Vote: Unanimous)

B. Consideration of Amending the City Code of Ordinances by Enacting a Backflow Prevention Program. (First Reading Vote: Unanimous)

VIII. Consent Agenda: All items below will be enacted by vote of City Council. 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.

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

A. Approved on First Reading Amending the Traffic Ordinance by Adjusting the Current Speed Limit along Fairgrove Church Road between US Highway 70 to the Northern Corporate Limit to 45 mph to Make the Speed Limit Consistent Along that Roadway.

Staff request Council's approval to amend the traffic ordinance by adjusting the current speed limit along Fairgrove Church Road (SR 1476) between US Highway 70 to the northern corporate limit, approximately 0.066 mile north of Graystone Place (SR 2271) to 45 mph. In an effort to make the speed limit consistent along Fairgrove Church Road (SR 1476), North Carolina Department of Transportation (NCDOT) is requesting the speed limit ordinance be amended to a speed limit of 45 mph within the City limits. NCDOT is updating their records to reflect changes already made in the field such as road names changing, city limits expanding, etc. Many of the existing ordinances are no longer valid and new ones are needed to cover the roadways. NCDOT evaluated speeds along Fairgrove Church Road (SR 1476) in the areas affected by this request and determined that 45 mph is appropriate. Public Works worked with NCDOT regarding the new ordinance and agreed to the speed limits along Fairgrove Church Road. Staff are prepared to change the speed limit signage along these roadways reflecting new speed limits, as needed. Staff recommend Council's approval to amend the traffic ordinance by adjusting the current speed limit along Fairgrove Church Road (SR 1476) between US Highway 70 to the northern corporate limit, approximately 0.066 mile north of Graystone Place (SR 2271) to 45 mph.

ORDINANCE NO. 25-12

AN ORDINANCE TO AMEND THE TRAFFIC ORDINANCE BY ADJUSTING THE CURRENT SPEED LIMIT ALONG FAIRGROVE CHURCH ROAD BETWEEN US HIGHWAY 70 AND .066-MILE NORTH OF SR 2271 (NORTHERN CORPORATE LIMITS OF HICKORY

(Ordinance No. 25-12 on file in the City Clerk's Office which is hereby incorporated by reference and made a part of the minutes.)

B. Approved on First Reading Amending the Traffic Ordinance by Repealing the Current Speed Limit of 45 mph along 2nd Avenue NW (SR1306) between US Highway 321 to the Western Corporate Limit, Approximately 0.1-mile West of 18th Street Place NW, and Enacting the Speed Limit to 35 mph.

Staff requests Council's approval to amend the traffic ordinance by repealing the current speed limit of 45 mph along 2nd Avenue NW (SR 1306) between US Highway 321 to the western corporate limit, approximately 0.1-mile west of 18th Street Place NW. In an effort to make the speed limit consistent along 2nd Avenue NW (SR 1306), North Carolina Department of Transportation (NCDOT) is requesting the speed limit ordinance be repealed from the current speed limit of 45 mph within the City limits. NCDOT is updating their records to reflect changes already made in the field such as road names changing, city limits expanding, etc. Many of the existing ordinances are no longer valid and new ones are needed to cover the roadways. NCDOT evaluated speeds along 2nd Avenue NW (SR 1306) in the areas affected by this request and determined that 45 mph is not appropriate. Public Works worked with NCDOT regarding the new ordinance and agreed to the speed limits along 2nd Avenue NW. Staff are prepared to change the speed limit signage along these roadways reflecting new speed limits, as needed. Staff recommend Council's approval to amend the traffic ordinance by repealing the current speed limit of 45 mph along 2nd Avenue NW (SR 1306) between US Highway 321 to the western corporate limit, approximately 0.1-mile west of 18th Street Place NW, and enacting the speed limit to 35 mph.

ORDINANCE NO. 25-13

AN ORDINANCE TO AMEND THE TRAFFIC ORDINANCE BY REPEALING THE CURRENT SPEED LIMIT OF 45 MPH ALONG 2ND AVENUE NW (SR 1306) FROM 18TH STREET PLACE NORTHWEST TO THE WESTERN CORPORATE LIMIT, APPROXIMATELY 0.1-MILE WEST OF 18TH STREET PLACE NORTHWEST

(Ordinance No. 25-13 on file in the City Clerk's Office which is hereby incorporated by reference and made a part of the minutes.)

ORDINANCE NO. 25-14
AN ORDINANCE TO AMEND THE TRAFFIC ORDINANCE BY REPEALING THE CURRENT SPEED LIMIT OF 45 MPH ALONG 2ND AVENUE NW (SR 1306) FROM 18TH STREET PLACE NORTHWEST EASTWARD TO US 321

(Ordinance No. 25-14 on file in the City Clerk's Office which is hereby incorporated by reference and made a part of the minutes.)

C. Accepted the Bid and Awarded the Contract to Midstate Contractors Inc. in the Amount of $1,000,807.11, for the Intersection at US-70 and 4th Street Drive SW, Contingent Upon North Carolina Department of Transportation Concurrence.

Staff requests Council's acceptance of the bid and award of the contract for construction of the Project TIP # HL-0002 – US 70/4th Street Drive SW intersection improvements to Midstate Contractors Inc., in the amount of $1,000,807.11, contingent upon North Carolina Department of Transportation (NCDOT) concurrence. The City of Hickory received $800K from a Surface Transportation Block Grant – Direct Attributable Award from the Greater Hickory Metropolitan Planning Organization (MPO) to improve the intersection of US 70 and 4th Street Drive SW. This project will support Historic Ridgeview Walk (EB-5937 and EB-5938) which constructs a multi-use path from the Ridgeview Community to the Neighborhood Walmart Grocery Store at US 70 and 4th Street Drive SW. A contractor is needed for the construction of US 70/4th Street Drive SW intersection improvements. Bids were advertised for the project and received on April 10, 2025. Three bids were received and opened, and the results are as follows: Midstate Contractors Inc. – $1,000,807.11; Kemp Sigmon Construction Company, Inc. - $1,180,411.50; and Neill Grading and Construction Company, Inc. – $1,263,551. Staff recommend Council's acceptance of the bid and award of the contract for construction of Project TIP # HL-0002 – US 70/4th Street Drive SW intersection improvements to Midstate Contractors Inc., in the amount of $1,000,807.11, contingent upon NCDOT concurrence.

RESOLUTION NO. 25-23
RESOLUTION BY HICKORY CITY COUNCIL ACCEPTING THE LOWEST RESPONSIBLE BID FROM MIDSTATE CONTRACTORS INC IN THE AMOUNT OF $1,000,807.11 FOR PROJECT TIP # HL-0002 KNOWN AS US 70/4th STREET DRIVE SW INTERSECTION IMPROVEMENTS

WHEREAS, the City of Hickory received three bids for the construction of Project TIP #HL-0002 (the "Project"), which were publicly opened on April 10, 2025;

WHEREAS, the bid submitted by Midstate Contractors, Inc. has been reviewed for compliance with bidding requirements included in the Bidding and Contract Documents; and

WHEREAS, upon evaluation of the three bids received, it was determined that the bid submitted by Midstate Contractors, Inc., for a total bid price of $1,000,807.11, was complete and responsive with respect to the bidding requirements of the Project, met the specifications included in the Bidding and Contract Documents, and that Midstate Contractors, Inc. was the lowest responsible bidder, taking into consideration quality, performance, and the time specified in the proposals for the performance of the Project;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hickory, North Carolina, as follows:

1) City Council accepts Midstate Contractors, Inc.'s bid of $ 1,000,807.11 for the construction of Project.

2) City Council authorizes the City Manager to execute all contract(s) and any necessary documents between Midstate Contractors, Inc. and the City for the construction of Project.

3) The award of the Contract will be contingent upon the review and approval of the bid documents by the North Carolina Department of Transportation.

D. Approved an Agreement for Professional Services with Rummel, Klepper, & Kahl, LLP in the Amount of $269,670.80, for the Intersection at US-70 and 4th Street Drive SW, Contingent on North Carolina Department of Transportation Concurrence.

Staff requests Council's approval of an agreement for professional services with Rummel, Klepper, & Kahl, LLP (RK&K) for construction engineering and inspections (CEI) services related to the US 70 and 4th Street Drive SW intersection improvements (HL-0002) in the amount of $269,670.80, contingent on North Carolina Department of Transportation (NCDOT) concurrence. The City of Hickory received $800K from a Surface Transportation

Block Grant – Direct Attributable Award from the Greater Hickory Metropolitan Planning Organization (MPO) to improve the intersection of US 70 and 4th Street Drive SW. This project will support Historic Ridgeview Walk (EB-5937 and EB-5938) which constructs a multi-use path from the Ridgeview Community to the Neighborhood Walmart Grocery Store at US 70 and 4th Street Drive SW. A CEI firm is needed for construction services for the improvements. Rummel, Klepper, & Kahl, LLP (RK&K) was selected based on qualifications-based proposals and was concurred with by NCDOT. RK&Ks fees were negotiated by City of Hickory staff and NCDOT staff. Fees are eligible for reimbursement with NCDOT funds at the same ratio of 80% NCDOT ($215,736.64) and 20% City of Hickory ($53,934.16). CE&I services include the following: construction inspections; construction materials testing; and construction administration. Staff requests Council's approval of an agreement for professional services with Rummel, Klepper, & Kahl, LLP (RK&K) for CEI services related to the US 70 and 4th Street Drive SW intersection improvements (HL-0002) in the amount of $269,670.80, contingent on NCDOT concurrence.

E. Approved Change Order Number 2 with Buckeye Bridge in the Amount of $141,392.65 for the Lyle Creek Gravity Sewer Project.

Staff requests Council's approval of change order number 2 with Buckeye Bridge for contract adjustments for the Lyle Creek Gravity Sewer Project in the amount of $141,392.65. In 2018, Council approved a contract with the City of Claremont for treatment of their wastewater. This agreement required both the City of Claremont and the City of Hickory to install additional infrastructure to transfer the wastewater to the Hickory-Catawba Wastewater Treatment Facility. In October 2022, Council approved the contract for construction of the gravity sewer to Buckeye Bridge, LLC for $5,122,839. Change order number 2 reflects the price change due to changes to the project that arose during construction. Staff recommend Council's approval of change order number 2 with Buckeye Bridge for contract adjustments for the Lyle Creek Gravity Sewer Project in the amount of $141,392.65.

F. Approved Amendment Number 2 in the Amount of $84,700 for Construction Administration of the Raw Water Intake Rehabilitation.

Staff requests Council's approval of contract amendment number 2 with KCI Technologies in the amount of $84,700 for construction administration of the raw water intake rehabilitation. The raw water intake structure for the Hickory Water Treatment Facility was originally constructed in 1986. The intake structure draws water out of Lake Hickory and is pumped to the Water Treatment Facility. In September 2024 rainfall and the resulting debris from Hurricane Helene caused damage to the submerged raw water intake pipes. Engineering Consultants, KCI Technologies, coordinated with FEMA and Duke Energy to identify the damage and design a repair. The bid from In-Water Services was accepted and construction is expected to begin in May. Contract amendment number 2 from KCI Technologies will include construction administration, underwater dive teams to provide quality assurance, surveying and a part-time onsite project representative. Staff recommend Council's approval of contract amendment number 2 with KCI Technologies in the amount of $84,700 for construction administration of the raw water intake rehabilitation.

G. Approved a Proclamation Recognizing 2025 Economic Development Week.

H. Approved a Resolution Regarding a Container Agreement with Quality Operating Company d/b/a Bob's Containers for a Pre-Fabricated Restroom Facility.

RESOLUTION NO. 25-24

RESOLUTION OF THE HICKORY CITY COUNCIL REGARDING CONTAINER AGREEMENT BETWEEN CITY OF HICKORY AND QUALITY OPERATING COMPANY D/B/A BOB'S CONTAINERS

WHEREAS, the City of Hickory (the "City") entered into a Container Sales Agreement (the "Contract") with Quality Operating Company d/b/a Bob's Containers ("Bob's Containers") on or about September 20, 2023, for the design, construction, and delivery of a pre-fabricated restroom facility for the CVCC Fire & Rescue training facility, which facility was to be completed and delivered by the end of 2023; and

WHEREAS, Bob's Containers has failed to deliver the facility in a timely manner, has failed to assert that its delay was caused by or resulted from acts beyond its control, and is now in default under the terms of the Contract; and

WHEREAS, the City is authorized to institute any and all necessary legal actions under N.C. Gen. Stat. § 160A-11, and has determined that it is necessary, practical, and in the public interest to institute legal action against Bob's Containers for its default under the terms of the Contract.

NOW, THEREFORE, BE IT RESOLVED that:

1. The City adopts as true and correct the foregoing recitals and incorporates them as findings herein.

2. The City, its officers, employees, City Attorney, and any designated outside counsel, be and are hereby authorized and directed to proceed to take the necessary steps to institute and prosecute such necessary actions, and to prepare, sign, execute, serve, publish and file in the name of the City all papers, affidavits and pleadings, and said attorneys are authorized to have prepared such other instruments and documents as may be necessary in connection therewith. All such actions taken prior to adoption of this resolution are hereby ratified.

I. Approved on First Reading Budget Revision Number 20.

ORDINANCE NO. 25-15
BUDGET REVISION NUMBER 20

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, 2025, and for the duration of the Project Ordinance noted herein.

SECTION 1. To amend the General Fund within the FY 2024-25 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture & Recreation	73,255	-
Other Financing Uses	14,511	-
General Government	100,000	-
Transportation	317,000	-
TOTAL	504,766	-

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

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	70,316	-
Other Financing Sources	14,511	-
Miscellaneous	419,939	-
TOTAL	504,766	-

SECTION 2. To amend the Capital Reserve Fund within the FY 2024-25 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Uses	200,163	-
TOTAL	200,163	-

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

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	200,163	-
TOTAL	200,163	-

SECTION 3. To amend the US 70/4th St Dr SW (#54619) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	1,231,056	-
TOTAL	1,231,056	-

To provide funding for the above, the US 70/4th St Dr SW (#54619) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	214,674	-
Restricted Intergovernmental	1,016,382	
TOTAL	1,231,056	-

SECTION 4. 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.

IX. Items Removed from Consent Agenda – None

X. Informational Item

XI. New Business

A. Public Hearings

B. Departmental Report

1. Quarterly Financial Report – Presented by Deputy City Manager Rodney Miller

City Manager Warren Wood asked Deputy City Manager/Chief Financial Officer Rodney Miller to the podium to present the quarterly financial report.

Deputy City Manager Rodney Miller gave a PowerPoint presentation. He advised he would be presenting their quarterly report for the third quarter of fiscal year 2024 through 2025. He should have probably presented last meeting, but they had too much going on. They would hear about the financial activity through March 31, 9-months of the fiscal year, obviously 75% of the fiscal year was complete. The general fund was their main operating fund of the City. Total revenues a little over $65 million. So far this year on a budget of $86.3 million. Last year, $61.6 million. Revenues had increased primarily. Mandy Hildebrand was in the audience. Part of that was due to the occupancy tax revenues at the Hickory Metro Convention Center. With the investment that this Council did and with all of the hard work by her and her team, their revenues exceeded expectations. He was estimating they would probably bring in about $3 million in hotel occupancy tax revenue for this year. That was really good. He thanked Mandy Hildebrand for all her hard work. They would see in a later slide another reason for that was investment earnings. Their interest rates had not come down very much, so they were still earning some good returns on the City's idle funds.

Mr. Miller advised on the expenditure side; they spent $63.5 million compared to $55.8. Again, compared to an $86 million budget, revenues over expenditures, which were fairly normal, $1.6 million through March, less than last year time at this time. Obviously with the Federal government, they heard the word “tariff”, and they have tried to get ahead of some of those on some of their purchases. They had made some expenditures for some big-ticket items and or encumbered funds, i.e. they had done a number of roofing projects, HVAC, and done some paving in some of the parking lots. Again, to get ahead of some of this increase that they may see in the future. Also, he and Chief Hutchinson had locked in pricing for some future fire trucks. They have three fire trucks that they had pricing locked in for the next three years. That had been a good thing. They heard from Public Works earlier. They issued some POs for some vehicles across their divisions to go ahead and lock pricing in as well. Obviously, they had spent quite a bit more than last year. Those were the primary drivers for that. He commented that all the general obligation debt so far this year had already been paid. They had paid all of that debt, again, that goes in that number as well. That was why the expenditures through 9 months were a little higher than last year.

Mr. Miller discussed staffing. They had heard from him over the last year or two, about staffing issues. They continued to have some staffing challenges. He commented that he probably should not jinx it, but the fire department and police department had some in the pipeline that would get them at some of the lowest levels that they had seen in a long time. Through their efforts of trying to accommodate pay and benefits for these individuals, he thought they were finally starting to get that bench filled. They would not be fully complete by any means, but when you get to the single digits, especially in the police department, that would be a great accomplishment for them. They were looking forward to that.

Mr. Miller discussed the property tax revenues through March, $38.6 million. They have a budget of $39.1 for this fiscal year. A couple of things of note number one, there was not a lot of increase between the two years when you compared the prior years. About $400,000 ahead of the pace for last year. They would like to see at least a million-dollar increase. He noted they would see on the development slide they continue to get that significant development. The property tax revenues, they lag. Just because you see a house being built, it was where that house was as of January 1st, if it was complete and what the value was, that was when they got that the following year. Hopefully those revenues will continue to increase. Only $400,000 so far through March. He looked on their financials through April this morning. They were just shy of $39 million completed through April. They would definitely hit their budget. Again, they use those property tax increases for operating expenditures in the upcoming year.

Mr. Miller advised on the sales tax side that was their second largest revenue. They saw about that same $400,000 difference between last year and this year. He was very concerned months ago, in the first few months of the year, they did not have any increases in sales tax. The last couple of months they have had some. Now they have got about a $400,000 cushion over last year. They hoped that it would continue. He pointed out on the PowerPoint there was a little lag from the NC Department of Revenue that they get those revenues from. He was still estimating that they would exceed their budget. They hoped they would have some increases over from what they received the prior year.

Mr. Miller discussed the water and sewer fund, the City's second largest fund. He pointed out it had a $43.2 million budget. They have received revenues of almost $31.6 million through March compared to $29.8 last year. They did increase volume charges by 5% this coming year. That was the difference about 5% higher than last year. Those numbers are holding true to form. He noted the expenditures were about the same $28.1 million compared to last year. They had about $3.4 million in revenues over expenditures through March. They heard at their retreat, basically, as the Mayor mentioned, the majority of the retreat was on water and wastewater. They have some significant challenges going forward. Certainly, they want to be able to build funds in there for hundreds of millions of dollars of potential investments in the future down the road.

Mr. Miller mentioned two other funds and gave a brief summary of those. The Mayor mentioned solid waste, which was basically our garbage services, garbage, trash, and recycling. Through Brad Abernathy's help, they were purchasing a garbage truck. They were going ahead and doing that now, locking in another vehicle before the tariffs hit. That fund was doing well. Right now, those revenues are covering the expenses through March. And the airport fund had stabilized. Airport Director Chad Hunsucker commandeered a number of tenants out at the new hangars, and they had more hangars to come. They rode by there during their retreat. They had a 12,000 square foot group hangar coming in, being built. It will be finished by the end of the year. And the 12 T-hangars which have already spoken for, those will be finished by the end of July. Both those funds were solid and stable.

Mr. Miller discussed building permit activity in Hickory through April. He included the most recent numbers that he had. He noted the actual number of permits, 2025 compared to 2024. Residential permitting continued to increase. Commercial permits were somewhat down from last year. He pointed out a 27% increase on residential and almost a 7 percent decrease on commercial permits. That holds true also for the value. He pointed out they have almost $100 million in residential permit value, which he did not think that he had ever seen in a whole year, much less through 9 months. Residential value in the building community was doing well in Hickory. On the commercial side, they had lagged behind. Again, this was just through April. They do not know what was going to happen in May and June. He advised that when the Microsoft data center gets built, they were talking billions with a B, when those facilities start going on the tax books. He pointed out that two-thirds of the building activity really was residential. That was the first two columns. Those projects had either started site work or gone vertically in some regards. He advised this was a lengthy process. Like the first one, Snow Creek, only 20 of those homes were done and they had stopped at this point with no Phase 2. Just because it says 56 single family homes, only 20 were built and at this point those were not going to be built right now. They did not know when he was going to pick back up and build those again. These were potentially built out and those would take years to build those projects out. He referred to the PowerPoint and noted everyone's favorite fast-food restaurant or gas station, What-a-Burger and another restaurant change coming. And then they have car washes. They had one carwash grand opening this weekend on 127. Those folks continue to add commercial activity throughout the City. He reiterated that they were keeping their eye on the Microsoft Data Center. They had seen a picture of that site and grading activity. He was actually out by Conover and got to see that massive grading site as well. He had not gotten down to Maiden, but all three sites were very, very active and there was a lot of bulldozing going on throughout the County.

Mr. Miller discussed the investment report for the quarter. They stood at about 3.84% for their weighted average yield on all the City's investments. They had received a little over $3 million in investment income so far this fiscal year. He referred to the PowerPoint and displayed a breakdown in the securities. They were all the same as they had last quarter. Those acronyms were government agency securities. That was a legal investment vehicle that the State of North Carolina allowed cities and counties to invest in. Certainly, they were taking advantage of those. He mentioned they had three local government investment pools. They

were somewhat heavy in cash, and they will invest quarterly depending on what they see in the markets. He referred to the PowerPoint and pointed out by what type and where their investments breakdown into what category. He was happy to answer any questions they may have.

Mayor Guess asked if anyone had questions for Mr. Miller.

Alderman Wood asked about FEMA money that was going to be reimbursed to the City. He asked if he knew a rough amount of that off-hand and when they could expect that.

Infrastructure Grants Manager Karen Dickerson advised around $2.2 million submitted in the queue, and they should receive it by this summer.

Mayor Guess asked for any further questions for Mr. Miller and thanked him for the report.

2. Appointments to Boards and Commissions

CITIZENS ADVISORY COMMITTEE
(Terms Expiring 6-30; 3-Year Terms) Appointed by City Council
At-Large (Council Appoints) VACANT
At-Large (Council Appoints) VACANT

COMMUNITY APPEARANCE COMMISSION
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
At-Large (Outside City but within HRPA) (Council 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
(Term Expiring 6-30; 3-Year Terms with Unlimited Appointments) (Appointed by City Council)
Burke County Representative (Mayor Appoints with Recommendation from Burke County) VACANT

HISTORIC PRESERVATION COMMISSION
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Historic Properties Owner (Council Appoints) VACANT

RECYCLING ADVISORY BOARD
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 6 (Patton Appoints) VACANT
At-Large (Council Appoints) VACANT

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

Youth Council Applicant Review Committee Recommends the Following Appointments:

Homeschool VACANT

C. Presentation of Petitions and Requests

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

Mayor Guess moved seconded by Alderwoman Williams to go into closed session pursuant to NCGS §143-318.11(a)(4) to discuss potential economic development. The motion carried unanimously.

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

Alderman Wood mentioned that it was National Clerk's Week this week. He commented that City Clerk Debbie Miller's humility would not do a Proclamation for it. He thought with all her hard work and everything they needed to recognize all the hard work that she does.

Mayor Guess commented that he was exactly correct, and that was on his list. Obviously, she does so many things, he could not even list them all. She was an integral part of Council and staff, but she was the one that drafts Proclamations and puts them together, everything dealing with their Proclamations. They did not want to ignore it, but she insisted that they just not do one. At her request, they did not do one. They certainly appreciated City Clerk Debbie Miller, Administrative Assistant Iris Childers, Deputy City Clerk Crystal Mundy, and all of the ladies that were part of their staff here and work in City Hall. They wanted to say thank you and make sure that they understood how much they appreciated them and how important they were to every one of them.

City Manager Warren Wood commented that she also knew that the Mayor does not like doing more than a couple of Proclamations at one meeting. And she said, let's just take mine off.

Mayor Guess commented that was true. Last Council meeting they had four, and they did not have but two today, but they had four presentations. She was right, he did say that he would admit to it. He noted that on Saturday, May 10th, at the Library there was going to be a special ceremony. Library Director Sarah Greene was present at the Council meeting. There was a new outdoor stage on the property in front of the library, behind the SALT Block. And there would be a ceremony to dedicate that new outdoor stage that they were going to claim as part of the Patrick Beaver Library. He wanted to mention that, and of course that would be open to the public as well. That would be on Saturday at 10:00 a.m.

Alderwoman Williams commented that last Thursday Council had their day long retreat. The City Manager, Staff, all the Department Heads, everybody did a fantastic job putting together an agenda for information/discussion. They touched upon the water/sewer issue, and it gave them time to really look at it. They do not often have that time during meetings. They had some deep discussions about what was coming up ahead. Their field trip that consisted of visits to all the different sites was incredible.

City Manager Warren Wood advised that staff across the board put a lot of work into that. He appreciated all the work everybody did.

Mayor Guess commented that they had said this before, that there was a lot that goes on, discussion wise, presentation wise, and information wise. Sometimes people kind of get a misconception when they come to a Council meeting and see them act on something. He reiterated that there was a lot of discussion and information and different things that went on that led to the presentations at a Council meeting and a vote at a Council meeting. He wanted to clarify that once again. He thanked everyone for being here this evening. They would go into closed session and would return after closed session and conduct any business as necessary and close the meeting accordingly.

Alderman Seaver commented Happy Mother's Day.

Mayor Guess commented that was on Sunday.

Council convened to closed session at approximately 6:54 p.m.

Council reconvened to open session at approximately 7:05 p.m.

No action was taken upon return to open session.

XIV. There being no further business, the meeting adjourned at 7:05 p.m.

_____
Mayor

_____
City Clerk

To: **City Manager's Office**

From: **Police Department**

Contact: Deputy Chief of Police Bryan Adams

Date: April 29, 2025

Re: **Request to Award Service Weapon & Badge to Chief D. Reed Baer III**

REQUEST: Hickory Police Department requests City Council to award Chief of Police D. Reed Baer III his service weapon (Glock Model 45- Serial # CDAM856) and badge upon his retirement July 1, 2025.

BACKGROUND: Chief of Police D. Reed Baer III will retire from the City of Hickory Police Department, after completing over 30 years of qualifying service to the citizens of Hickory.

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

RECOMMENDATION: Staff would recommend approval of awarding the service weapon and police badge to Chief of Police D. Reed Baer III upon his retirement from Hickory Police Department.

BUDGET ANALYSIS:

Budgetary Action	Yes	No
Is a Budget Amendment required?	☐	X

LIST THE EXPENDITURE CODE:

Reviewed by:

Initiating Department Head — Date: 4-30-25

Attorney, Tim Swanson — Date

Asst. City Manager Rodney Miller — Date: 5/12/25

Asst. City Manager, R. Beasley — Date: 5/12/25

Finance Officer, Kari Dunlap — Date: 5/16/25

Deputy Finance Officer, Cameron McHargue — Date: 5-12-25

Asst. City Manager Yaidee Fox — Date: 5/12/25

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

City Manager, W. Wood

Date: 5.12.25

2

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Dave Leonetti, Business Services Manager

Contact Person: Dave Leonetti, Business and Community Development Manager

Date: May 2, 2025

Re: Approve Authorizing Resolution to submit a Building Reuse Grant for Project Bond

REQUEST

Approve Authorizing Resolution to submit a Building Reuse Grant for Project Bond

BACKGROUND

The Building Reuse Grant is offered by the North Carolina Department of Commerce to provide funding to businesses looking to occupy existing buildings. The total funding amount is based on a formula involving the number and type of jobs created. The program pays 50% of eligible rehabilitation costs up to a maximum of $500,000.

ANALYSIS

Project Plate proposes to invest at least $1 million and create 23 new jobs in a manufacturing enterprise, paying an overall average wage of $63,000, which is above the Catawba County average wage of $54,280. Project Bond is requesting a $287,500 grant from the NC Department of Commerce. If the grant is approved, a 5 percent match from the City of Hickory and Catawba County (up to $7,187.50 each) would be required.

RECOMMENDATION

Staff recommends that City Council approve the resolution authorizing staff to apply for a Building Reuse grant for Project Bond.

BUDGET ANALYSIS:

Budgetary Action	Yes	No
Is a Budget Amendment required?	☐	☒

LIST THE EXPENDITURE CODE:

Reviewed by:

David Leonetti — Initiating Department Head — 5/2/25 — Date

Asst. City Manager Rodney Miller — 5/12/25 — Date

Asst. City Manager, R. Beasley — 5/12/25 — Date

Finance Officer, Kari Dunlap — 5/16/25 — Date

Deputy Finance Officer, Cameron McHargue — 5-12-25 — Date

Asst. City Manager Yaidee Fox — 5/12/25 — Date

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

City Manager, W. Wood

5.12.25

Date

City of Hickory
Authorizing Resolution
The Rural Economic Development Division
North Carolina Department of Commerce
Building Reuse Program
Project "Bond"
Building Reuse Application

WHEREAS, the North Carolina General Assembly authorized in 2013 funds to the North Carolina Department of Commerce Rural Economic Development Division to stimulate economic development and job creation. A portion of the funding authorized the making of grants to aid eligible units of government to stimulate the creation of jobs through the expansion and renovation of buildings currently in use that will spur economic activity; and

WHEREAS, The City of Hickory desires to assist through grant funding the economic renovation of a manufacturing building located in Hickory; and

WHEREAS, The City of Hickory intends to request from NC Department of Commerce Rural Economic Development Division grant assistance for the project from the Building Reuse Program for the "up-fitting" and renovation of the facility:

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

That the City of Hickory will provide a minimum 5% match for an estimated $287,500 grant request, if approved for a grant.

That Warren Wood, City Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of the City of Hickory with The NC Department of Commerce Rural Economic Development Division for a grant to assist in the pre-development of the project described above.

That Warren Wood, City Manager, and successors so titled, is hereby authorized and directed to furnish such information as The NC Department of Commerce Rural Economic Development Division may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the City of Hickory has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

Adopted this the _____ day of _____, 2025 at Hickory, North Carolina.

_____

Hank Guess, Mayor

CERTIFICATE OF RECORDING OFFICER

The undersigned duly qualified City Clerk Debbie D. Miller, the City of Hickory does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with The NC Department Rural Economic Development Division, as adopted at a legally convened meeting of the City of Hickory duly held on the _____ day of _____ 2025; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2025.

_____

Debbie D. Miller, City Clerk

Rural Building Reuse and Infrastructure Application Form

Local Government Certifications

The attached statements and exhibits are hereby made part of this application, and the undersigned representative of the applicant certifies that the information in this application and the attached statements and exhibits are true, correct, and complete to the best of the signatory's knowledge and belief. The signatory further certifies:

1 as Authorized Representative, the signatory has been authorized to file this application by formal action of the governing body;
2 that the governing body or agrees that if a grant is awarded, the applicant will provide proper and timely submittal of all documentation requested by the Grantor Agency;
3 that the applicant has substantially complied with or will comply with all federal, state, and local laws, rules, regulations, and ordinances as applicable to this project;
4 that the applicant has analyzed the participating companies' financial and organizational strength regarding the ability to successfully meet the terms of the job creation and maintenance requirements, carry out the renovation project, as well as, the ability to meet the potential for repayment of loan funds; and
5 that the project is in accordance with the applicant's economic development plan and that the applicant has investigated any impact that the project may have on existing businesses within the applicant's jurisdiction.

Signature of Local Government Chief Elected Official

Warren Wood , City Manager

Typed Name Typed Title

4/23/25

Date

Signature of Property Owner Representative

,

Typed Name Typed Title

Date

Signature of Company CEO/CFO/COO/President

,

Typed Name Typed Title

Date

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Office of Business Development, Planning Division

Contact Person: Cal Overby, Planning Manager

Date: May 8, 2025

Re: Voluntary satellite annexation of property owned by Century Communities Southeast, LLC.

REQUEST

Call for public hearing, to be held on June 3, 2025, for the consideration of the voluntary satellite annexation of 36.456 acres of property located at 3220 Kool Park Road NE. This property is identified as PIN 372419517045.

BACKGROUND

The property is currently located within the City of Hickory's extraterritorial jurisdiction and zoned R-3 and Neighborhood Commercial (NC). The R-3 zoning permits single family attached and detached dwellings at a rate of 8 units per acre, and multi-family dwellings at a rate of 10 units per acre. The NC zoning district permits retail and office uses, as well as residential. Residential development in NC districts is permitted at a rate of 30 dwelling units per acre.

The owner of the property has received approval for construction of a 167 unit detached single-family neighborhood, which equates to 4.6 dwelling units per acre. Initial grading of the site is underway, and intentions are to have homes under construction in the initial phase of the development in early 2026.

ANALYSIS

The owner of the property is requesting annexation in order to gain access to city utilities. As previously noted, the owner has been approved to develop the property into a residential community.

Surrounding properties are zoned R-1 and R-2 Residential, and Neighborhood Commercial (NC). The surrounding areas consist largely of single-family residences and wooded property.

The current tax value of the property is $1,043,300. If annexed, the property would generate $4,747.00 in additional tax revenues. Values and revenues will increase as the property is developed and new homes are built.

Upon analysis, staff has determined the petition meets the statutory requirements for voluntary satellite annexation, and adequate public services are available.

RECOMMENDATION

Staff finds the petition to be in conformity with applicable statutes and recommends approval of the petition.

BUDGET ANALYSIS:

Budgetary Action	Yes	No
Is a Budget Amendment required?	☐	☒

LIST THE EXPENDITURE CODE:

Reviewed by:

Brian Frazier Initiating Department Head	5/08/2025 Date	_____ City Attorney, T. Swanson	_____ Date
Deputy City Manager R. Miller	5/12/25 Date	Asst. City Manager, R. Beasley	5/12/25 Date
Finance Officer, K. Dunlap	5/16/25 Date	Deputy Finance Officer, Cameron McHargue	5-12-25 Date
Asst City Manager Yaidee Fox	5/12/25 Date		

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

City Manager, Warren Wood

5.12.25

Date

VOLUNTARY SATELLITE ANNEXATION ANALYSIS

APPLICANT: Century Communities Southeast, LLC

AGENT: Scott Herr – Division President

PROPERTY LOCATION: 3220 Kool Park Road NE

PIN: 372419517045

REQUESTED ACTION: The request is for a voluntary satellite annexation.

WARD: If annexed, this property will be located in Ward 1 (Councilman Wood).

ACREAGE: 36.54 acres

DEVELOPMENT POTENTIAL: The property is currently located within the City of Hickory's extraterritorial jurisdiction and zoned R-3 and Neighborhood Commercial (NC). The R-3 zoning permits single family attached and detached dwellings at a rate of 8 units per acre, and multi-family dwellings at a rate of 10 units per acre. The NC zoning district permits retail and office uses, as well as residential. Residential development in NC districts is permitted at a rate of 30 dwelling units per acre.

The owner of the property has received approval for construction of a 167 unit detached single-family neighborhood, which equates to 4.6 dwelling units per acre. Initial grading of the site is underway, and intentions are to have homes under construction in the initial phase of the development in early 2026.

TAX VALUE: The current tax value of the property is $1,043,300. If annexed, the property would generate $4,747.00 in additional tax revenues. Values and revenues will increase as the property is developed and new homes are built.

POPULATION INCREASES: The approved development consists of 167 detached single-family dwellings. A household in the City of Hickory is estimated to contain 2.36 persons. When fully developed, approximately 394 new residents could be expected.

SCHOOL DISTRICTS: The property is located within the jurisdictional area of the Catawba County Public System, and located in the following school districts:

School Type	School District	Student Multiplier Per Dwelling	Number of Potential or Existing Dwelling Units	Potential Additional Students
Elementary	Campbell	0.27	167	46
Middle	Arndt	0.09	167	15
High	St. Stephens	0.14	167	24

**Note: The student multipliers above reflect estimates and are for single-family dwellings only.*

SURROUNDING ZONING AND LAND USE (See Maps 2 & 3):

- **North:** The properties are zoned R-1 Residential. These properties are occupied by a mobile home park and wooded property.
- **South:** The properties are zoned R-1 Residential and occupied single-family homes (Random Woods).
- **East:** The properties are zoned Neighborhood Commercial (NC) and are wooded.
- **West:** The properties are zoned R-2 Residential and occupied by single-family homes (Oak Dale Acres).

UTILITY SERVICE: The necessary water and sewer extensions to serve the proposed development have been permitted. The developer is responsible for the installation of these lines to city standards, and once tested and certified the lines will be accepted into the city utility system.

ACCESS: Currently, access to the property is from Kool Park Road NE, which is maintained by the NCDOT (SR 1400).

DISTANCE FROM CITY LIMITS (See Map 1): The property is located approximately 2,600 feet (0.5 miles) northeast of the current proper city boundary.

STAFF COMMENTS:

- Fire: Annexation of this property would not adversely affect the fire department's operations at this time. The property is inside Hickory's ETJ, and HFD Station 2's response area. Structure responses will include auto aid from St. Stephen's Fire Department.
- Police Department: Annexation would not adversely affect the police department. The property, upon annexation, will be in Baker PACT.
- Engineering: No objections.
- Planning: No objections.
- Public Services: No objections.
- Public Utilities: Water and sewer are available to serve the property. The necessary water and sewer extensions to serve the proposed development have been permitted.
-
- Legal: No objections.
- City Manager's Office: No objections.

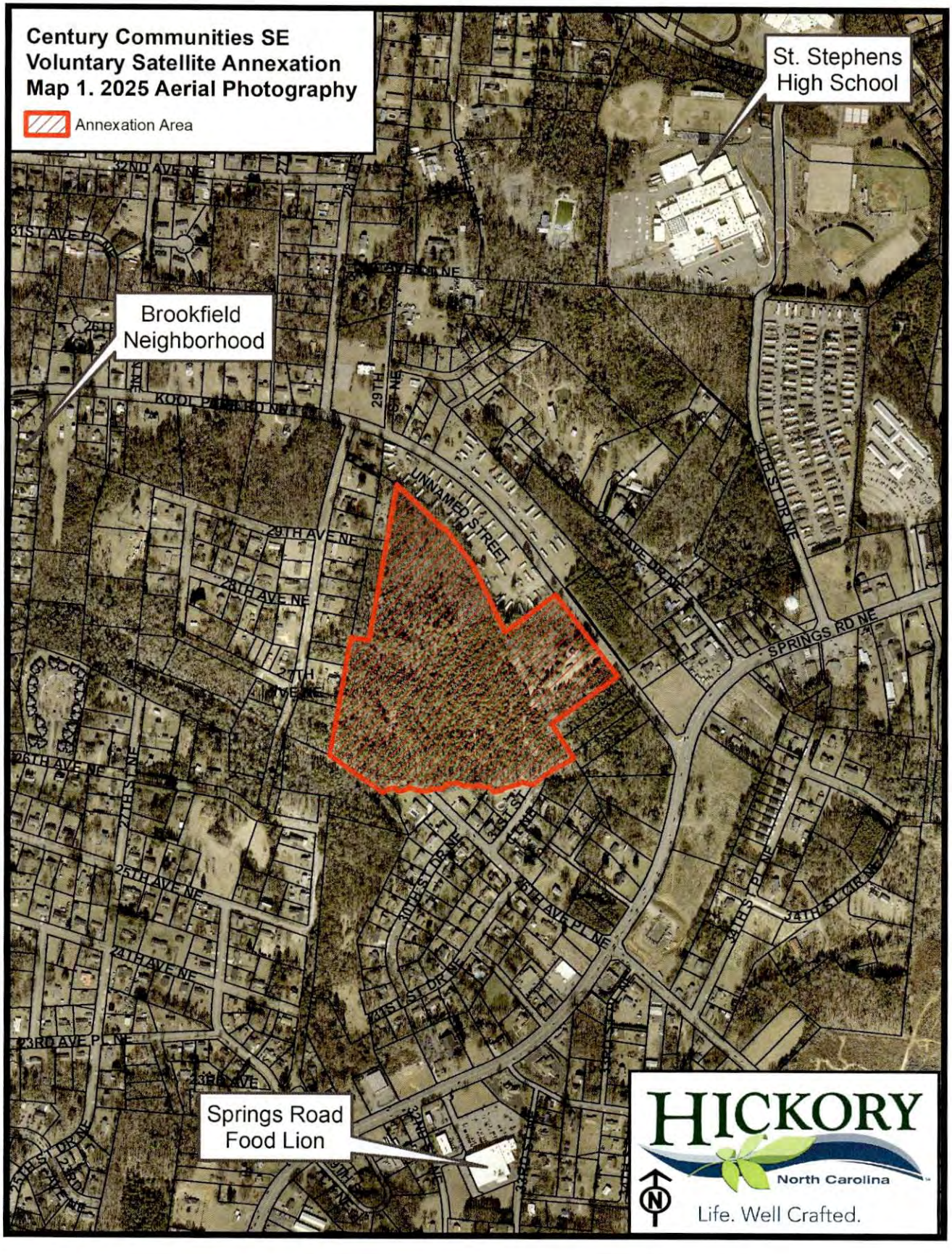
STAFF RECOMMENDATION: Upon evaluation staff has found the following:

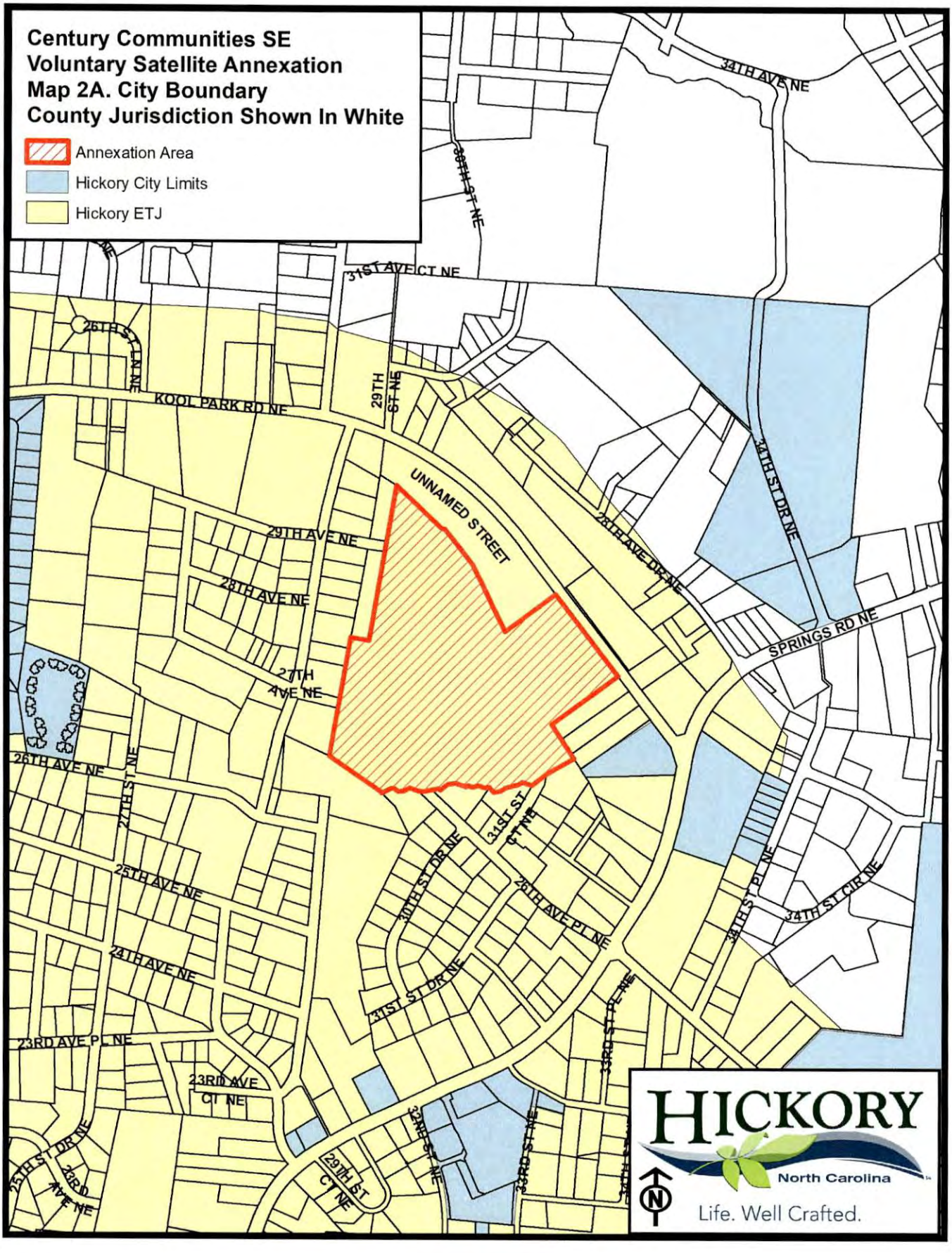
1. The voluntary satellite annexation petition complies with applicable statutes regarding the voluntary annexation of satellite properties.

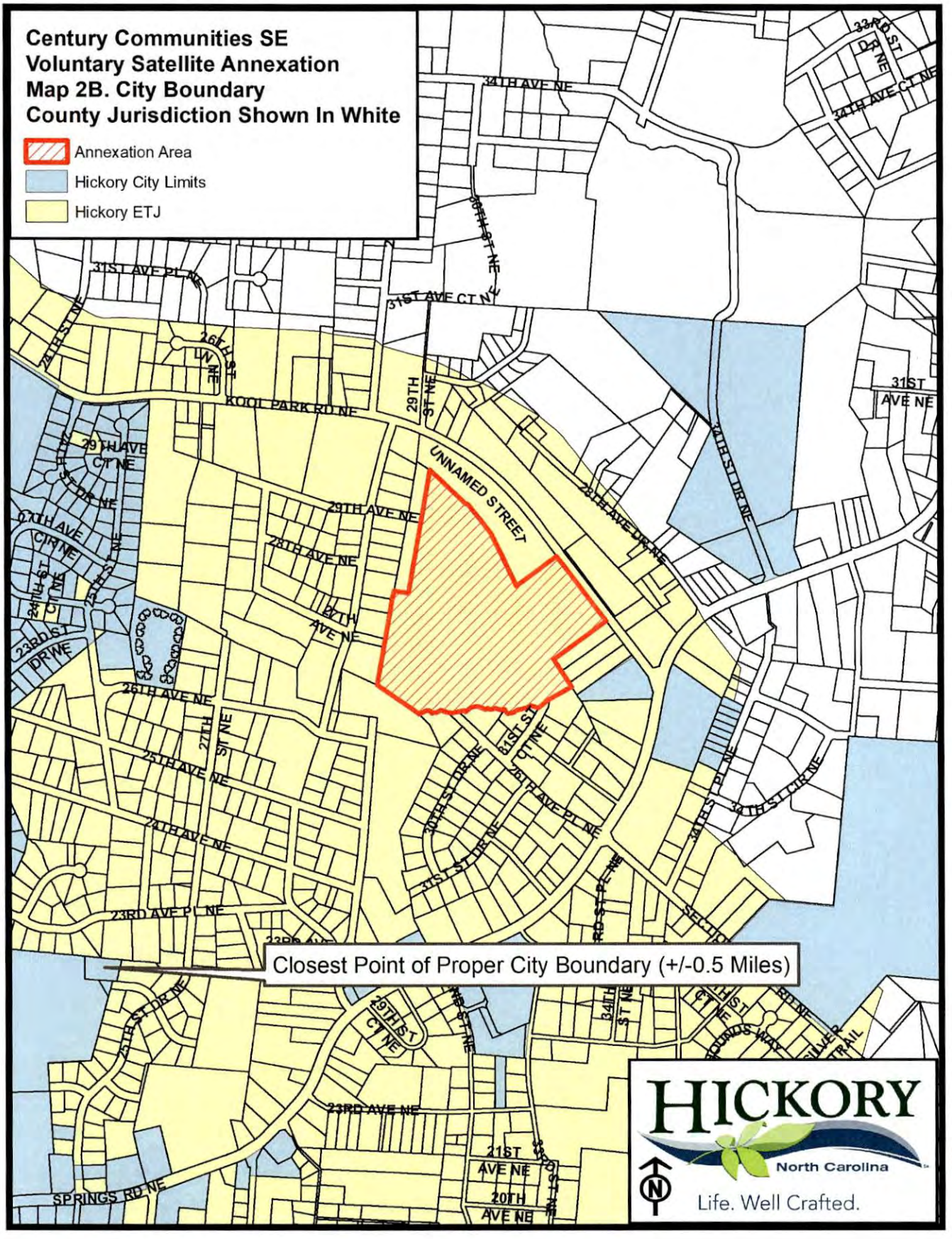
2. Adequate public services are available in sufficient quantities to properly serve the property, subject to the comments provided above.

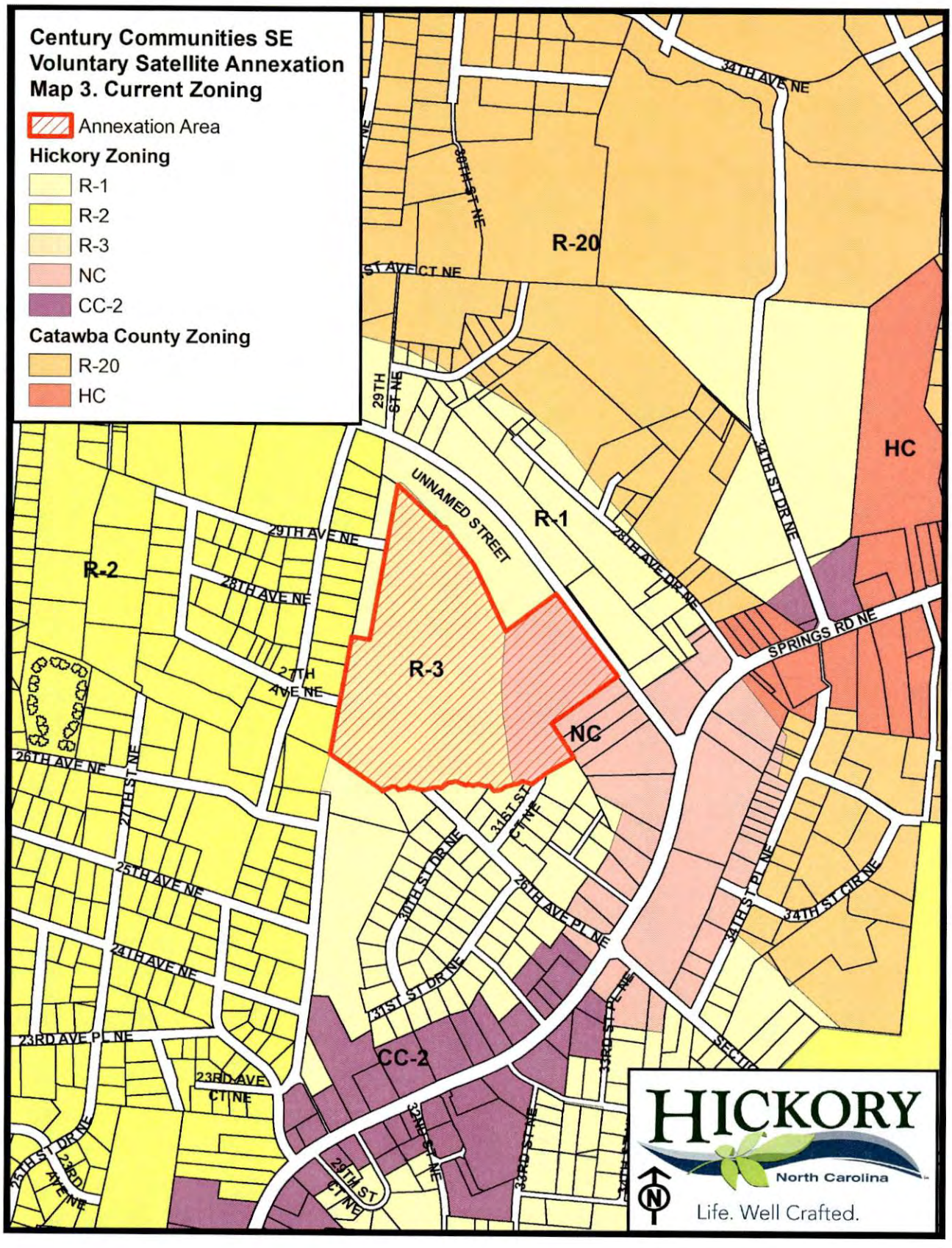
3. The annexation of the property will not cause available public services to fall below acceptable levels.

Based upon the findings provided above, staff recommends approval of the voluntary satellite annexation petition.


Century Communities SE
Voluntary Satellite Annexation
Map 1. 2025 Aerial Photography
Annexation Area
St. Stephens High School
Brookfield Neighborhood
Springs Road Food Lion
UNNAMED STREET
SPRINGS RD NE
29TH AVE NE
28TH AVE NE
27TH AVE NE
26TH AVE NE
25TH AVE NE
24TH AVE NE
23RD AVE PL NE
32ND AVE NE
31ST AVE PL NE
HICKORY
North Carolina
Life. Well Crafted.


Century Communities SE
Voluntary Satellite Annexation
Map 2A. City Boundary
County Jurisdiction Shown In White
Annexation Area
Hickory City Limits
Hickory ETJ
34TH AVE NE
30TH ST NE
31ST AVE CT NE
26TH ST CT NE
KOOL PARK RD NE
29TH ST NE
UNNAMED STREET
29TH AVE NE
28TH AVE NE
27TH AVE NE
28TH AVE DR NE
34TH ST DR NE
SPRINGS RD NE
26TH AVE NE
27TH ST NE
25TH AVE NE
24TH AVE NE
23RD AVE PL NE
23RD AVE CT NE
25TH ST DR NE
26TH AVE NE
29TH ST CT NE
31ST ST CT NE
30TH ST DR NE
26TH AVE PL NE
31ST ST DR NE
33RD ST PL NE
34TH ST PL NE
34TH ST CIR NE
32ND ST NE
33RD ST NE
HICKORY
North Carolina
Life. Well Crafted.


Century Communities SE
Voluntary Satellite Annexation
Map 2B. City Boundary
County Jurisdiction Shown In White
Annexation Area
Hickory City Limits
Hickory ETJ
Closest Point of Proper City Boundary (+/-0.5 Miles)
UNNAMED STREET
KOOL PARK RD NE
29TH AVE NE
28TH AVE NE
26TH AVE NE
25TH AVE NE
24TH AVE NE
23RD AVE PL NE
23RD AVE NE
21ST AVE NE
20TH AVE NE
SPRINGS RD NE
31ST AVE NE
34TH AVE NE
HICKORY
North Carolina
Life. Well Crafted.


Century Communities SE
Voluntary Satellite Annexation
Map 3. Current Zoning
Annexation Area
Hickory Zoning
R-1
R-2
R-3
NC
CC-2
Catawba County Zoning
R-20
HC
R-20
R-1
R-2
R-3
NC
CC-2
HC
UNNAMED STREET
34TH AVE NE
30TH ST NE
29TH ST NE
29TH AVE NE
28TH AVE NE
27TH AVE NE
26TH AVE NE
25TH AVE NE
24TH AVE NE
23RD AVE PL NE
23RD AVE CT NE
28TH AVE DR NE
SPRINGS RD NE
34TH ST DR NE
34TH ST PL NE
34TH ST CIR NE
31ST ST CT NE
30TH ST DR NE
31ST ST DR NE
26TH AVE PL NE
33RD ST PL NE
32ND ST NE
29TH ST CT NE
27TH ST NE
HICKORY
North Carolina
Life. Well Crafted.

RESOLUTION NO. 25-____
RESOLUTION DIRECTING THE CLERK TO INVESTIGATE A PETITION RECEIVED UNDER G.S. 160A-31 AND/OR 160A-58.1, AS AMENDED

WHEREAS, a petition from Century Communities Southeast, LLC requesting annexation of an area described in a petition was received on May 8, 2025 by the City Council of the City of Hickory; and

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

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

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

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

CERTIFICATE OF SUFFICIENCY

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

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

Property of Century Communities Southeast, LLC, located at 3220 Kool Park Road NE, Hickory, NC, containing 36.456-acres more or less, and identified as PIN 3724-19-51-7045.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory this 8th day of May, 2025.

(SEAL)

Debbie D. Miller

Debbie D. Miller, City Clerk

CITY OF HICKORY
APPLICATION FOR VOLUNTARY ANNEXATION

DATE SUBMITTED: 5-2-2025

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

I (We), the undersigned, do hereby respectfully make application and petition for voluntary annexation into the municipal limits of the City of Hickory, and have provided an annexation plat meeting the requirements of the City of Hickory

1. The property be voluntarily annexed is located on Kool Park Road NE between Springs Rd NE and 28th St NE and is shown in more detail on the attached survey.

2. PIN NO. (S) : 372419517045

3. Physical (Street) Address: 3220 Kool Park Rd NE, Hickory, NC 28601

2. The property is owned by: (please print) Century Communities Southeast, LLC.
(Attach a copy of the most recent deed.)

Owner Information:

Name: Century Communities Southeast, LLC.

Address: 7401 Carmel Executive Park Dr. Ste 310

Phone Number: 704.943.1325

3. The petition is submitted by: Century Communities Southeast, LLC.

Agent Information:

Name: Scott Herr - Division President

Address: 7401 Carmel Executive Park Dr. Ste 310

Phone Number: 704.943.1325

4. If annexation is approved by the Hickory City Council, and if the property(s) is not currently zoned by the City of Hickory, the applicant would request that the property be placed into a _____ zoning district.

5. WATER AND SEWER AVAILABLILTY AND CONNECTIONS

We, the undersigned property owner(s), herby understand and agree we shall be responsible for all costs associated with providing for extensions and/or connections to the City of Hickory public utility system (water and sewer). This includes all design, permitting, construction, legal and applicable City of Hickory Tap Fees. Furthermore, we shall be responsible for obtaining any and all necessary easements and encroachment agreements needed to provide for such extensions or connections and provide those to the City of Hickory as appropriate.

The undersigned owner further acknowledges, they shall be responsible for any future utility extensions required to serve the property due to subdivision of the property.

6. OWNER'S AFFIDAVIT

We, the undersigned property owners(s), hereby certify that the information contained herein and submitted in support of this application is true and correct.

Century Communities Southeast, LLC.
Printed Name of Property Owner(s)

Signature of Property Owner(s)

7401 Carmel Executive Park Dr. Ste 310
Address of Property Owner(s)

704.943.1325
Telephone Number of Property Owner(s)

(Please choose the appropriate notary block)

State of _____ – County of _____

I, the undersigned Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the due execution of this foregoing instrument for the purposes expressed herein. Witness my hand and Notarial stamp or seal, this _____ day of _____, 20____.

My Commission Expires: _____

Notary Public

State of North CAROLINA – County of Mecklenburg

I, the undersigned Notary Public of the County and State aforesaid, certify that Scott Herr personally came before me this day an acknowledged the he / she is the Div. President of Century Communities corporation / limited liability corporation / general partnership / limited partnership (strike through the inapplicable), and that by authority duly given and as the act of such entity he /she signed the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal, this 1 day of May, 2025.

My Commission Expires: 12-15-29

Notary Public

NORTH CAROLINA
ELIZABETH ROUNTREE
Notary Public
Mecklenburg
County
My Comm. Exp.
12-15-2029

Docusign Envelope ID: 3ED64CC6-980D-490E-9C90-3BB895484663

ACTION BY WRITTEN CONSENT IN LIEU OF MEETINGS OF THE SOLE MANAGER AND SOLE MEMBER OF

CENTURY COMMUNITIES SOUTHEAST, LLC,
a Colorado limited liability company

Consent Date – January 21, 2025

The undersigned, being the sole Manager ("**Manager**") and sole Member ("**Member**") of CENTURY COMMUNITIES SOUTHEAST, LLC, a limited liability company organized and existing under the laws of the State of Colorado and authorized to do business in the State of North Carolina (the "**Company**"), take the following action by written consent in lieu of a meeting, effective as of January 21, 2025 (the "**Consent Date**"):

Appointment of Scott Herr as an Authorized Signatory. The Company proposes to designate Scott Herr as an Authorized Signatory to sign agreements and other documents (each, a "**Document**") on behalf of the Company. The Manager and Member accordingly have:

RESOLVED: Scott Herr is hereby appointed as an authorized signatory for the Company (an "**Authorized Signatory**");

RESOLVED: The Authorized Signatory, acting alone and without the need for multiple signatures, is authorized to execute and deliver, on behalf of the Company, any Document to which the Company is a party;

RESOLVED: The execution of any Document by the Authorized Signatory shall conclusively establish the approval by the Company, Manager and Member of the terms, conditions, execution, delivery and performance of such executed Document;

RESOLVED: The Authorized Signatory, the Manager, the Company's officers and all other Company agents are authorized, empowered and directed to take all necessary and reasonable actions on behalf of the Company to implement these resolutions; and

RESOLVED: Execution of this Consent constitutes full ratification hereof, and further, that the foregoing Resolutions shall be effective as of the Consent Date, regardless of the actual date of execution.

The sole Manager and sole Member have signed below to evidence unanimous consent to this Consent effective as of the Consent Date.

SOLE MANAGER:

CENTURY COMMUNITIES, INC.,
a Delaware corporation

DocuSigned by:
By: _____
3190BF9D9E984DD...
Name: Jarrett Coleman
Title: General Counsel and Secretary

SOLE MEMBER:

CENTURY COMMUNITIES, INC.,
a Delaware corporation

DocuSigned by:
By: _____
3190BF9D9E984DD...
Name: Jarrett Coleman
Title: General Counsel and Secretary

LIMITED LIABILITY COMPANY ANNUAL REPORT

1/6/2022

NAME OF LIMITED LIABILITY COMPANY: Century Communities Southeast, LLC

SECRETARY OF STATE ID NUMBER: 1550222 STATE OF FORMATION: CO

REPORT FOR THE CALENDAR YEAR: 2025

Filing Office Use Only
E - Filed Annual Report
1550222
CA202504400241
2/13/2025 07:17
☐ Changes

SECTION A: REGISTERED AGENT'S INFORMATION

1. NAME OF REGISTERED AGENT: National Registered Agents, Inc.

2. SIGNATURE OF THE NEW REGISTERED AGENT: _____
SIGNATURE CONSTITUTES CONSENT TO THE APPOINTMENT

3. REGISTERED AGENT OFFICE STREET ADDRESS & COUNTY
160 Mine Lake Ct Ste 200
Raleigh, NC 27615-6417 Wake County

4. REGISTERED AGENT OFFICE MAILING ADDRESS
160 Mine Lake Ct Ste 200
Raleigh, NC 27615-6417

SECTION B: PRINCIPAL OFFICE INFORMATION

1. DESCRIPTION OF NATURE OF BUSINESS: Home Builder

2. PRINCIPAL OFFICE PHONE NUMBER: (877) 888-1245

3. PRINCIPAL OFFICE EMAIL: Privacy Redaction

4. PRINCIPAL OFFICE STREET ADDRESS
8390 E. Crescent Parkway, Suite 650
Greenwood Village, CO 80111

5. PRINCIPAL OFFICE MAILING ADDRESS
8390 E. Crescent Parkway, Suite 650
Greenwood Village, CO 80111

6. Select one of the following if applicable. (Optional see instructions)

☐ The company is a veteran-owned small business

☐ The company is a service-disabled veteran-owned small business

SECTION C: COMPANY OFFICIALS (Enter additional company officials in Section E.)

NAME: Century Communities, Inc.	NAME:	NAME:
TITLE: Member	TITLE:	TITLE:
ADDRESS:	ADDRESS:	ADDRESS:
8390 E. Crescent Parkway, Suite 650		
Greenwood Village, CO 80111		

SECTION D: CERTIFICATION OF ANNUAL REPORT. Section D must be completed in its entirety by a person/business entity.

Century Communities, Inc., by Kelly Lettmann Power Of Attorney
SIGNATURE

2/13/2025
DATE

Form must be signed by a Company Official listed under Section C of This form.

Century Communities, Inc., by Kelly Lettmann Power Of Attorney
Print or Type Name of Company Official

Member
Print or Type Title of Company Official

This Annual Report has been filed electronically.

MAIL TO: Secretary of State, Business Registration Division, Post Office Box 29525, Raleigh, NC 27626-0525

3922 0302

FILED ELECTRONICALLY
CATAWBA COUNTY NC
ANGELA HENSON

FILED	Feb 06, 2025
AT	03:02:00 PM
BOOK	03922
START PAGE	0302
END PAGE	0305
INSTRUMENT #	02385
EXCISE TAX	$0.00

JB

NORTH CAROLINA QUITCLAIM DEED

Excise Tax: NTC

Parcel Identifier No. Portion of 3724-19-51-7045 Verified by _____ County on the ____ day of _____, 20

Mail/Box to: GRANTEE

This instrument was prepared by: H. LEE ROUSE, III, LAW FRIM CAROLINAS.

Brief description for the Index: 3220 Kool Park Rd., Hickory NC

NO OPINION ON TITLE WAS REQUESTED NOR IS TO BE IMPLIED BY THE PREPARATION OF THIS DOCUMENT

THIS DEED made this 5th day of February, 20 25, by and between:

GRANTOR	GRANTEE
CH ACQUISITIONS, LLC, **a North Carolina limited liability company**	**CENTURY COMMUNITIES SOUTHEAST, LLC,** **a Colorado limited liability company**
Mailing Address: 6412 Bannington Rd. Charlotte, NC 28226	*Mailing Address:* 7401 Carmel Executive Park Dr., Suite 310 Charlotte, NC 28226

WEB

Enter in appropriate block for each Grantor and Grantee: name, mailing address, and, if appropriate, character of entity, e.g. corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that said Grantor, for and in consideration of the sum of One Dollar ($1.00) to him in hand paid, the receipt of which is hereby acknowledged, has remised and released and by these presents does remise, release, convey and forever quitclaim unto the Grantee, his heirs and/or successors and assigns, all right, title, claim and interest of the Grantor in and to a certain lot or parcel of land lying and being in the City of Hickory, Catawba County, North Carolina and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED

Submitted electronically by "Black, Slaughter & Black, PA"
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the Catawba County Register of Deeds.

3922 0303

The property hereinabove described was acquired by Grantor by instrument recorded in **Book** 3919, **Page** 570.

All or a portion of the property herein conveyed ____ includes or __X__ does not include the primary residence of a Grantor.

A map showing the above described property is recorded in **Plat Book** 88, **Page** 66.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges thereunto belonging to him, the Grantee, his heirs and/or successors and assigns, free and discharged from all right, title, claim or interest of the Grantor or anyone claiming by, through or under him.

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

GRANTOR:

CH ACQUISITIONS, LLC

Ray Holt (SEAL)

By: RAY HOLT

Title: MANAGER

WEB

SEE NEXT PAGE FOR ACKNOWLEDGEMENTS

3922 0304

STATE OF North Carolina

COUNTY OF Mecklenburg

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Ray Holt Manager [here insert names of principals].

Date: 2-5-2025

Printed or Typed Name: Daniel R. Visalli
Notary Public

My commission expires: 2-13-2026

[Official Stamp/Seal]

DANIEL R VISALLI NOTARY PUBLIC MECKLENBURG COUNTY, N.C. MY COMMISSION EXPIRES 2/13/2026

(LEGAL DESCRIPTION FOLLOWS)

WEB

3922 0305

Exhibit A

A PORTION OF THAT CERTAIN PARCEL OF LAND IDENTIFIED AS CATAWBA COUNTY PARCEL ID: 3724195|7045, SITUATED IN THE CITY OF HICKORY, CATAWBA COUNTY NORTH CAROLINA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A NEW #4 REBAR SET ON THE WESTERLY RIGHT OF WAY LINE OF KOOL PARK ROAD (SR 1400 - 60' RIGHT OF WAY), SAID REBAR HAVING NORTH CAROLINA STATE PLANE GRID COORDINATES (NAD83) N: 740,998.69' E: 1,326,538.42, SAID REBAR ALSO BEING LOCATED N 32° 00' 29" W 3,938.76 FEET FROM NCGS MONUMNET "BOLCH"; THENCE WITH THE LINE OF LOU REE ABERNETHY BOTKINS (DB 1028 PG. 316) S 54° 05' 19" W 462.70 FEET TO A 1" IRON PIPE FOUND (BENT); THENCE WITH THE LINE OF LOU REE ABERNETHY BOTKINS (DB 1028 PG. 316) S 33° 20' 40" E 99.65 FEET TO A 1" IRON PIPE FOUND; THENCE WITH THE LINE OF DONNA L. ABERNETHY-SHOOK (DB 1028 PG. 315) S 32° 57' 45" E 100.67 FEET TO A 1" IRON PIPE FOUND; THENCE WITH THE LINE OF KEITH ABERNETHY (DB 1028 PG. 317), S 32° 25' 10" E 30.87 FEET TO A #4 REBAR SET; THENCE WITH THE LINE OF FABS LLC (DB 3432 PG. 1175) S 61° 09' 12" W 179.07 FEET TO A 1" IRON PIPE FOUND; THENCE WITH 31ST/ STREET COURT NORTHEAST (PB 13 PG. 82)S 51° 51' 06" W 105.20 FEET TO A 1" IRON PIPE FOUND; THENCE WITH THE CENTERLINE OF A STREAM THE FOLLOWING FORTY-FIVE (45) CALLS: (1) N 84° 31' 35" W 15.78 FEET TO A POINT; (2) N 57° 41' 43" W 9.38 FEET TO A 1.5" IRON PIPE FOUND; (3) N 81° 2|' 30" W 16.82 FEET TO A POINT; (4) N 61° 53' 30" W 19.54 FEET TO A POINT; (5) S 64° 38' 23" W 13.03 FEET TO A POINT; (6) S 48° 38' 59" W 10.76 FEET TO A POINT; (7) S 74° 35' 49" W 78.34 FEET TO A POINT; (8) S 70° 57' 39" W 21.99 FEET TO A POINT; (9) S 29° 01' 39" W 10.82 FEET TO A POINT; (10) S 79° 23' 03" W 40.97 FEET TO A POINT; (11) N 58° 30' 41" W 12.22 FEET TO A POINT; (12) N 38° 33' 43" W 11.70 FEET TO A POINT; (13) N 27° 00' 38" W 3.44 FEET TO A POINT, SAID POINT BEING LOCATED N 36° 35' 04" W 1.88 FEET FROM A 1" IRON PIPE FOUND; (14) CONTINUING WITH THE CENTERLINE OF A STREAM (15) N 27° 00' 38" W 11.92 FEET TO A POINT; (16) N 77° 40' 30" W 11.21 FEET TO A POINT; (17) S 74° 47' 05" W 18.76 FEET TO A POINT; (18) N 83° 27' 25" W 20.07 FEET TO A POINT; (19) N 57° 40' 09" W 19.25 FEET TO A POINT; (20) S 7|° 19' 41" W 30.13 FEET TO A POINT; (21) N 65° 24' 32" W 24.03 FEET TO A POINT; (22) S 66° 25' 44" W 19.79 FEET TO A POINT; (23) N 78° 18' 14" W 31.09 FEET TO A POINT; (24) N 61° 35' 01" W 31.64 FEET TO A POINT; (25) S 83° 48' 38" W 18.66 FEET TO A POINT; (26) N 70° 57' 00" W 9.26 FEET TO A POINT; (27) S 67° 04' 17" W 20.55 FEET TO A POINT; (28) S 50° 41' 05" W 50.28 FEET TO A POINT; (29) N 61° 50' 12" W 15.95 FEET TO A POINT; (30) S 80° 27' 41" W 36.67 FEET TO A POINT, SAID POINT BEING LOCATED N 46° 12' 56" W 11.95 FEET FROM A ¼" IRON PIPE FOUND; (31) CONTINUING WITH THE CENTERLINE OF STREAM (32) S 80° 27' 41" W 7.88 FEET TO A POINT; (33) S 77° 33' 36" W 36.13 FEET TO A POINT; (34) S 70° 26' 42" W 12.24 FEET TO A POINT; (35) N 82° 28' 26" W 12.45 FEET TO A POINT; (36) N 69° 03' 03" W 26.78 FEET TO A POINT; (37) N 71° 40' 07" W 39.49 FEET TO A POINT; (38) S 51° 45' 36" W 19.45 FEET TO A POINT; (39) S 75° 55' 48" W 28.21 FEET TO A POINT; (40) S 86° 49' 00" W 23.91 FEET TO A POINT; (41) N 44° 32' 45" W 24.04 FEET TO A POINT; (42) N 84° 45' 22" W 19.70 FEET TO A POINT; (43) S 49° 54' 20" W 12.63 FEET TO A POINT; (44) S 75° 26' 49" W 24.33 FEET TO A POINT; (45) S 59° 14' 45" W 23.86 FEET TO A POINT, SAID POINT BEING LOCATED N 44° 26' 49" W 113.73 FEET FROM A #5 REBAR FOUND; THENCE WITH THE LINE OF RICHARD JOHNSON (DB 3457 PG. 775) THE FOLLOWING THREE COURSES: (1) N 44° 26' 49" W 12.69 FEET TO A 1.5" IRON PIPE FOUND; (2) N 55° 04' 46" W 347.73 FEET TO A #4 REBAR FOUND; (3) N 64° 46' 45" W 5.63 FEET TO A #4 REBAR SET, SAID IRON BEING LOCATED N 10° 40' 52" E 73.61 FEET FROM AN 1" IRON PIPE FOUND AND S 65°24'33" 275.17 FEET FROM A 1" IRON PIPE FOUND; THENCE WITH THE LINE OF CYNTHIA KWASNIK (DB 3314 PG. 1851) AND 28TH/ STREET NORTHEAST (PB 11 PG. 1) N 10° 40' 52" E 334.54 FEET TO A 1" ANGLE IRON FOUND; THENCE WITH THE LINE OF JEFFERY WIEHLER (DB 1|738 PG. 713) N 10° 32' 54" E 184.20 FEET TO A ½" IRON PIN FOUND; THENCE WITH THE LINE OF CYNTHIA KWASNIK (DB 3314 PG. 1851) N 09° 39' 27" E 100.37 FEET TO A 1" IRON ROD FOUND; THENCE WITH THE LINE OF MARY BRADSHAW (DB 3561 PG. 73) N 11° 24' 11" E 61.67 FEET TO A ½" SQUARE IRON FOUND; THENCE WITH THE LINE OF FRANCES YODER (DB 3387 PG. 1205 THE FOLLOWING TWO CALLS: (1) S 80° 36' 10" E 103.92 FEET TO A 1" ANGLE IRON FOUND; (2) N 10° 13' 10" E 513.30 FEET TO A ½" IRON PIN FOUND; THENCE WITH 29TH/ AVENUE NORTHEAST (PB 11 PG. 1) N 10° 06' 06" E 59.86 FEET TO A 1.5" IRON PIPE FOUND; THENCE WITH THE LINE OF CHARLES POOVEY (DB 1268 PG. 46) N 10° 12' 26" E 323.15 FEET TO A #4 REBAR SET, THENCE WITH THE LINE OF SCOTT ROYAL SMITH TRUSTEE OF THE 3102 KOOL PARK ROAD NE TRUST (DB 3613 PG. 178) THE FOLLOWING SIX (6) CALLS: (1)S 59° 52' 46" E 25.70 FEET TO A #5 REBAR FOUND, (2) S 45° 35' 45" E 329.82 FEET TO A #4 REBAR FOUND; (3) S 79° 13' 12" E 18.47 FEET TO A #4 REBAR FOUND; (4) S 37° 38' 48" E 263.96 FEET TO A #4 REBAR FOUND; (5) S 25° 32' 37" E 419.82 FEET TO A 3.25" ANGLE IRON FOUND; (6) N 53° 29' 47" E 358.95 FEET TO A #4 REBAR FOUND ON THE WESTERLY RIGHT OF WAY LINE OF KOOL PARK ROAD NORTHEAST; THENCE ALONG SAID RIGHT OF WAY LINE S37°03'30"E A DISTANCE OF 583.86 FEET TO THE POINT AND PLACE OF BEGINNING, HAVING AN AREA OF 36.670 ACRES (1,597,332 SQUARE FEET) MORE OR LESS.

RESOLUTION 25-___
RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION, PURSUANT TO G.S. 160A-31 OR G.S. 160A-58.1, AS AMENDED

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

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

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

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

Section 1: That a public hearing on the question of annexation of the area described herein will be held at 6:00 p.m. on June 3, 2025 in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 2: The area proposed for annexation is described as follows:

Property of Century Communities Southeast, LLC, located at 3220 Kool Park Road NE, Hickory, NC, containing 36.456-acres more or less, and identified as PIN 3724-19-51-7045.

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

_____
Hank Guess, Mayor

_____
Warren Wood, City Manager

RESOLUTION NO. 25-___

A RESOLUTION DETERMINING THE INTENT TO ANNEX INTO THE CORPORATE LIMITS OF THE CITY OF HICKORY CERTAIN PROPERTY OF CENTURY COMMUNITIES SOUTHEAST, LLC AND CALLING FOR A PUBLIC HEARING ON THE SAME

WHEREAS, Century Communities Southeast, LLC is the owner of certain real property as described herein, which property is located at 3220 Kool Park Road NE, Hickory, NC containing 36.456-acres more or less, and identified as PIN 3724-19-51-7045.

WHEREAS, such property is currently located in the City's extra-territorial jurisdictional (ETJ); and

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

NOW, THEREFORE BE IT RESOLVED by the Hickory City Council, sitting in open session this 20th day of May 2025, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, as follows:

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

Section 2: That a public hearing on the question of annexation of the area described herein will be held at 6:00 p.m. on June 3, 2025 in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 3: The same being that property reflected on maps entitled Century Communities Southeast, LLC Voluntary Satellite Annexation Map 1, 2025 Aerial Photography, subject property outlined in red; Century Communities Southeast, LLC Voluntary Satellite Annexation Map 2A, City Boundary County Jurisdiction Shown In White, subject property outlined in red; Century Communities Southeast, LLC Voluntary Satellite Annexation Map 2B, City Boundary County Jurisdiction Shown in White, subject property outlined in red; and

Century Communities Southeast, LLC, Voluntary Satellite Annexation, Map 3, Current Zoning, subject property outlined in red.

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

Done this 20th day of May 2025.

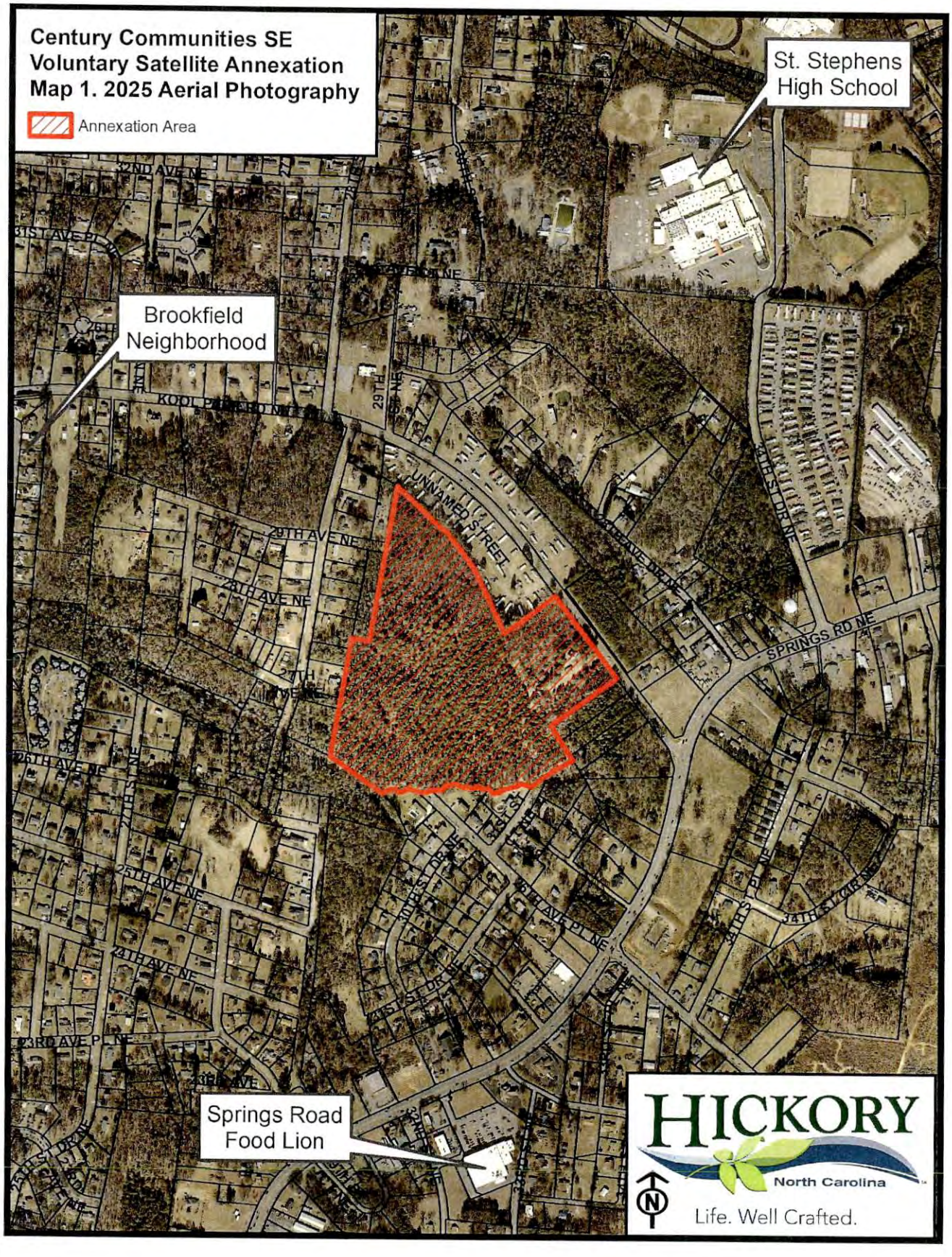
THE CITY OF HICKORY, A
North Carolina Municipal Corporation

(SEAL)

Attest:

By:_____
Hank Guess, Mayor

_____
Debbie D. Miller, City Clerk


Century Communities SE
Voluntary Satellite Annexation
Map 1. 2025 Aerial Photography
Annexation Area
St. Stephens High School
Brookfield Neighborhood
Springs Road Food Lion
UNNAMED STREET
SPRINGS RD NE
29TH AVE NE
28TH AVE NE
27TH AVE NE
26TH AVE NE
25TH AVE NE
24TH AVE NE
23RD AVE PL NE
32ND AVE NE
HICKORY
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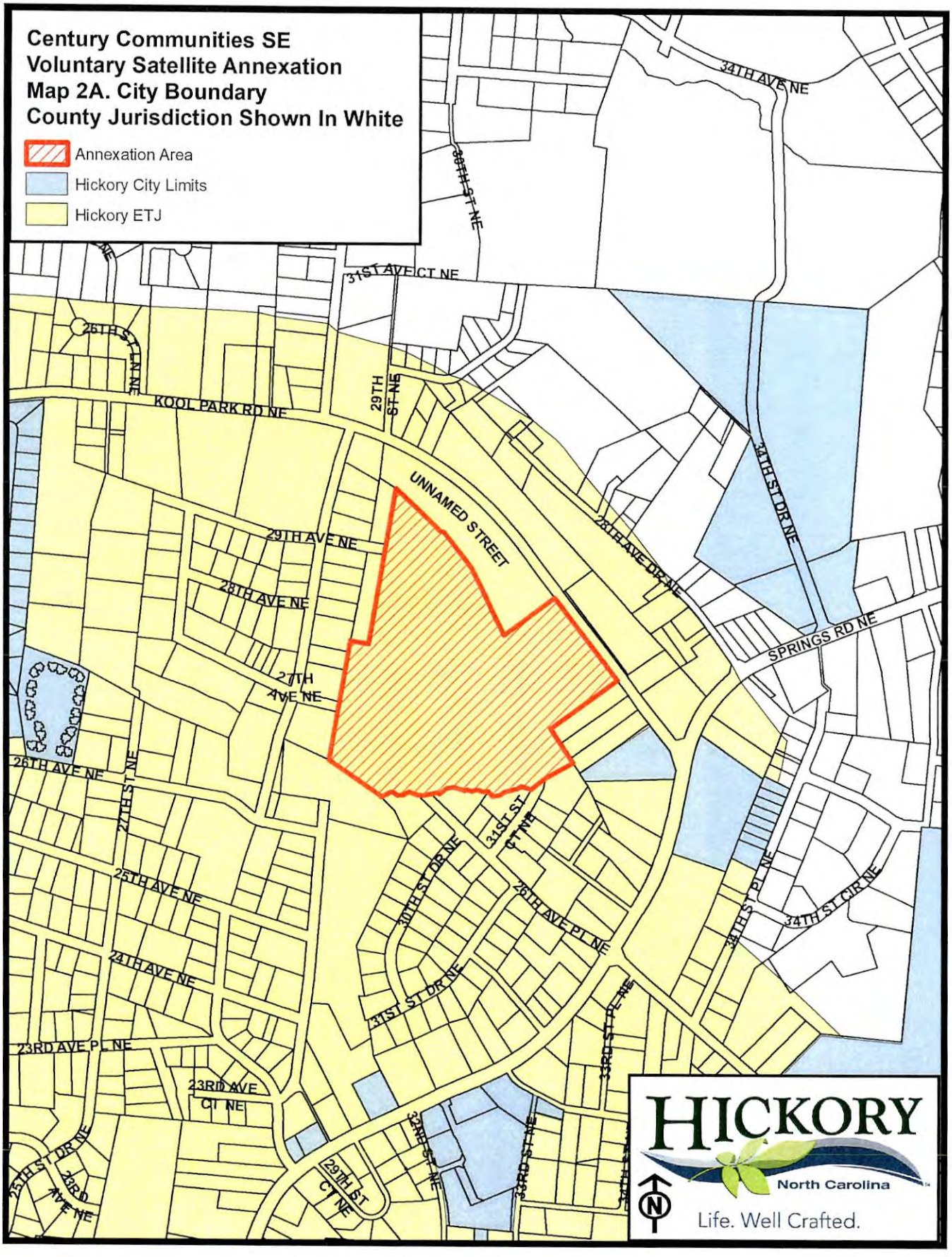
Century Communities SE
Voluntary Satellite Annexation
Map 2A. City Boundary
County Jurisdiction Shown In White
Annexation Area
Hickory City Limits
Hickory ETJ
34TH AVE NE
31ST AVE CT NE
KOOL PARK RD NE
29TH ST NE
UNNAMED STREET
29TH AVE NE
28TH AVE NE
27TH AVE NE
28TH AVE DR NE
34TH ST DR NE
SPRINGS RD NE
26TH AVE NE
27TH ST NE
25TH AVE NE
24TH AVE NE
23RD AVE PL NE
23RD AVE CT NE
31ST ST CT NE
30TH ST DR NE
26TH AVE PL NE
31ST ST DR NE
33RD ST PL NE
34TH ST PL NE
34TH ST CIR NE
32ND ST NE
29TH ST CT NE
HICKORY
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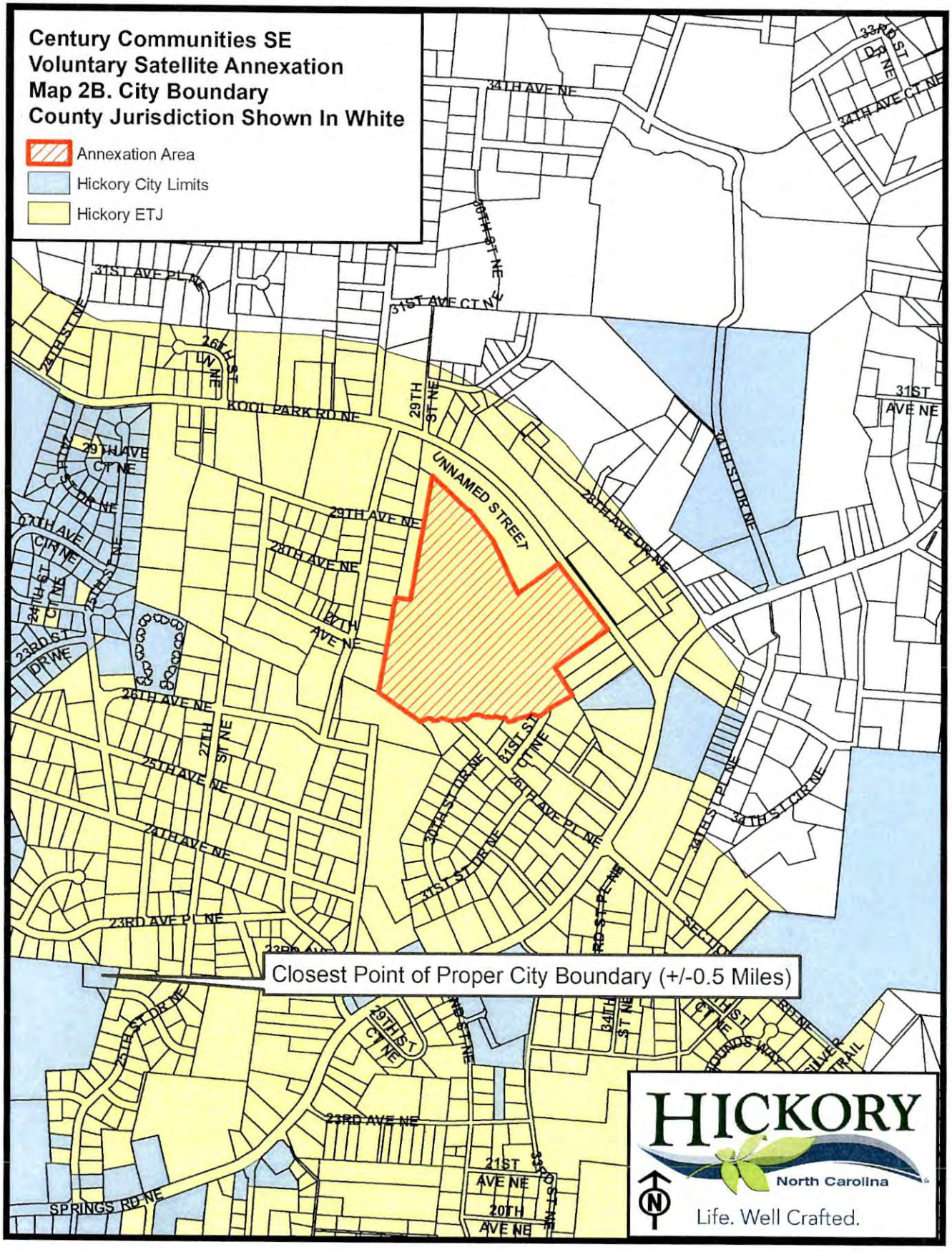
Century Communities SE
Voluntary Satellite Annexation
Map 2B. City Boundary
County Jurisdiction Shown In White
Annexation Area
Hickory City Limits
Hickory ETJ
UNNAMED STREET
Closest Point of Proper City Boundary (+/-0.5 Miles)
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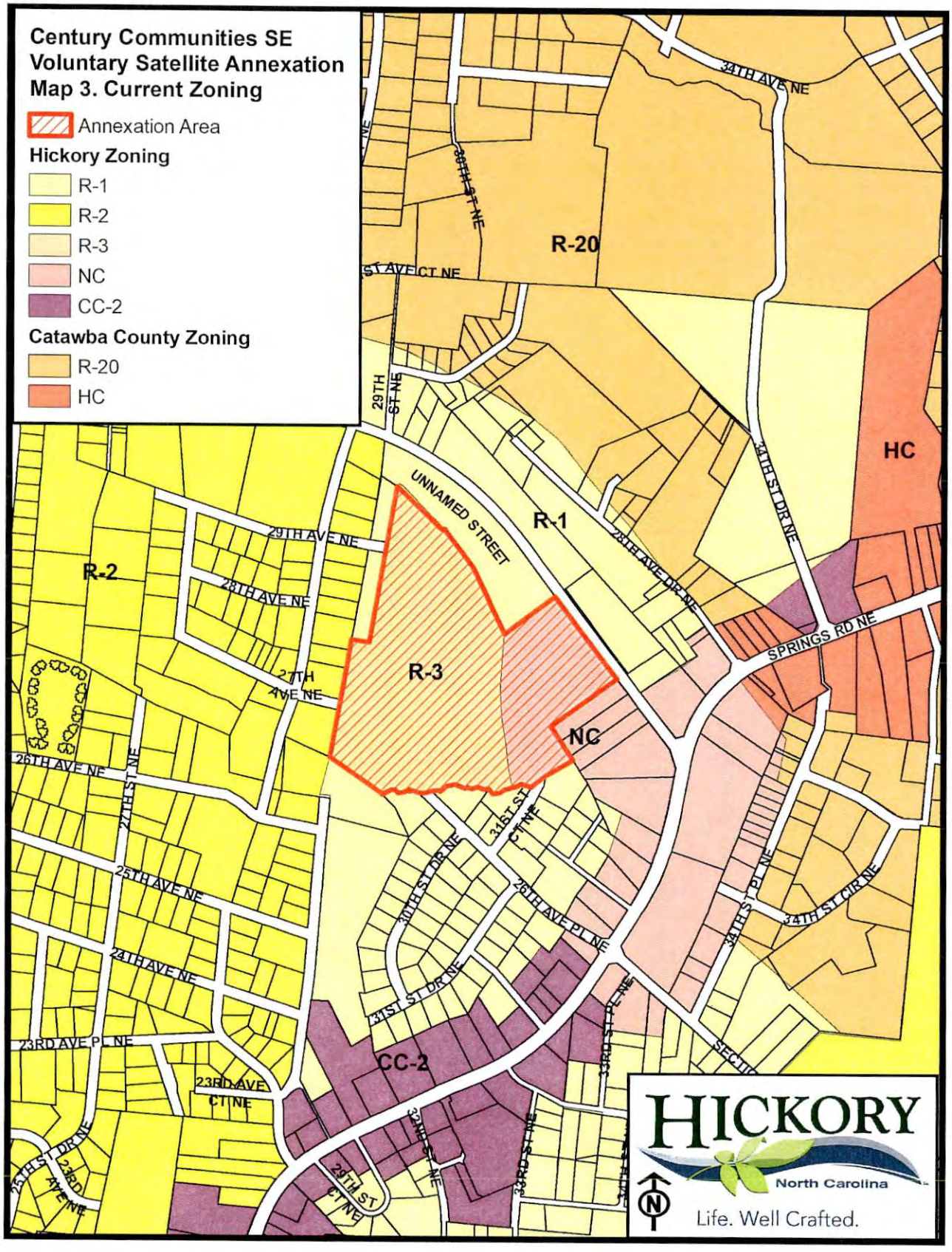
Century Communities SE
Voluntary Satellite Annexation
Map 3. Current Zoning
Annexation Area
Hickory Zoning
R-1
R-2
R-3
NC
CC-2
Catawba County Zoning
R-20
HC
R-20
R-1
R-2
R-3
NC
CC-2
HC
UNNAMED STREET
341TH AVE NE
38TH ST NE
ST AVE CT NE
29TH ST NE
29TH AVE NE
28TH AVE NE
27TH AVE NE
26TH AVE NE
27TH ST NE
25TH AVE NE
24TH AVE NE
23RD AVE PL NE
23RD AVE CT NE
25TH ST DR NE
23RD AVE NE
29TH ST CT NE
32ND ST NE
33RD ST NE
31ST ST DR NE
30TH ST DR NE
31ST ST CT NE
28TH AVE PL NE
28TH AVE DR NE
341TH ST DR NE
SPRINGS RD NE
341TH ST PL NE
341TH ST CIR NE
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COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Anna Beth Walker, Community Development Specialist, Office of Business Development

Contact Person: Anna Beth Walker, Community Development Specialist

Date: April 24, 2025

Re: Approval of 2026 Urgent Repair Program Assistance Policy and Procurement and Disbursement Policy

REQUEST

Please review and sign the attached post approval documentation and Urgent Repair Program Assistance Policy and Procurement and Disbursement Policies that accompany our applications for the Urgent Repair Program from North Carolina Housing Finance Agency in the amount of $165,000.

BACKGROUND

In January of 2025, the City of Hickory Community Development Division applied for funding through the North Carolina Housing Finance Agency's Urgent Repair Program. The City of Hickory has been awarded $165,000 through this program in order to assist approximately 10 very low-income homeowners with urgently needed repairs in an amount not to exceed $15,000 per housing unit. The City of Hickory will provide an additional $5,000 in matching funds, which are available from Rental Rehabilitation program income. The total program budget will be $170,000.

ANALYSIS

NC Housing Finance Agency requires the City of Hickory to prepare Assistance and Procurement Policies. These policies must be made available to the public and explain the guidelines of the URP26 program. Copies of the proposed policies are attached. These policies incorporate program requirements, applicant eligibility standards, and program capabilities. Upon approval, these policies will be submitted to the NC Housing Finance Agency in order to finalize the City's grant agreement. Upon receipt and final acceptance by NCHFA, funds will be dispersed to the City of Hickory in order to begin repairs to eligible homes.

RECOMMENDATION

Staff recommends approval of the post approval documentation and the URP Assistance Policy and Procurement and Disbursement Policy.

BUDGET ANALYSIS:

Budgetary Action	Yes	No
Is a Budget Amendment required?	X	

LIST THE EXPENDITURE CODE:
056-1622-558.32-01 (will need to be created via Budget Amendment)
059-1622-558.32-02

Reviewed by:

DGL

Dave Leonetti — Initiating Department Head — 4/24/2025 Date

Asst. City Manager, R. Miller — 5/12/25 Date

Finance Officer, Kari Dunlap — 5/16/25 Date

Exe Asst City Manager Yaidee Fox — 5/12/25 Date

City Attorney — Date

Asst. City Manager, R. Beasley — 5/12/25 Date

Purchasing Manager, C. McHargue — 5-12-25 Date

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

City Manager, W. Wood

5.12.25

Date

Revised: January 31, 2014

North Carolina Housing Finance Agency
Urgent Repair Program (URP26)
Post-Approval Documentation

URP2614	City of Hickory

A. Instructions

Your Application for Funding was approved for the requested amount. The numbers in the table in section E below reflect the numbers from your application and represent the required performance standards for your URP26 award. If you agree with the amounts listed, please provide the information and documentation requested below and return this Post Approval Documentation packet to Sarah Zinn, Housing Rehabilitation Officer, who will serve as your case manager throughout your project. All proposed changes to these performance standards will require Agency approval and should result in no net loss of application rating points.

B. Local Matching Funds *(Attach)*

Your Application for Funding stated that other funds would be available to assist with repairs/modifications of your proposed housing units. Please provide documentation, from the funding source, for each source of local matching funds. The table immediately below summarizes the proposed amount of matching funds according to your application.

Source of Funds	Amount
Weatherization Assistance Program (WAP) funds	**$0**
Heating Appliance Repair & Replacement Program (HARRP) funds	**$0**
Independent Living Center funds	**$0**
Council on Aging funds	**$0**
USDA-Rural Development Section 504 loans	**$0**
Volunteer labor	**$0**
Donated materials	**$0**
Matching local funds	**$5,000**
Total of local matching funds committed to the URP26 project	**$5,000**

C. Assistance Policy *(Attach)*

Because URP beneficiaries are not necessarily pre-selected and approved through a public hearing process, it is especially important that URP recipients ***adopt*** an assistance policy that thoroughly and clearly identifies criteria for eligibility for assistance, and for prioritizing applicants once they have been determined eligible. This policy should be fair, open and non-discriminatory. In addition, other facts, policies and procedures affecting potential applicants and/or recipients of assistance should be spelled out in your assistance policy. **Please submit your proposed Assistance Policy as part of the completed Post Approval Documentation.**

D. Procurement and Disbursement Policies *(Attach)*

URP Recipients must submit a copy of their Procurement Policy that is specific to URP26 and is written in accordance 2 CFR 200, and a copy of their Disbursement Policy to the Agency for review and approval.

E. Service Area Requirements

The Application for funding was approved based partly on your targets for Program assistance by service area and the percentages of Program funding to be spent in each county within the service area. Your required targets (based on your requested amount), broken out by county, are shown in the table below.

Service Area	Proposed # of Units	Program Repair Funds	Program Admin Funds
Catawba (City of Hickory)	**10**	**$150,000**	

Continued on Reverse Side

TOTAL	**10**	**$150,000**	**$15,000**

F. Bonding/Honesty and Fidelity Insurance Coverage *(Attach)*

Recipients must submit evidence that honesty and fidelity insurance coverage is available in an amount not less than 50% of your URP26 funding allocation. This must be in the form of a letter from the recipient's insurer identifying the policy by number, the amount of coverage, the effective date, the positions covered by the policy, and containing a statement that NCHFA will be notified in writing if the coverage is discontinued or reduced. For self-insured units of government, the acceptable evidence of insurance will be a letter from the unit's chief financial officer or manager, stating that the unit maintains a self-insurance fund in an amount adequate to provide honesty and fidelity coverage equal to 50% of the URP26 allocation. The letter must state that the recipient will notify NCHFA in writing if the self-insurance is discontinued or reduced to a level that no longer provides the required 50% coverage.

G. Fiscal Year and Audits (*Complete this section)*

Recipients will be required to submit reports as required under NC State General Statue 143C-6-23 (Non-Government Organizations) or NC State General Statue 159-34 (Units of Local Government)
Fiscal year begins _____ and ends _____.

H. Acknowledgement of Audit Compliance Reporting Responsibilities *(Attach)*

Please have the financial person from your organization, responsible for coordinating the annual audit, complete and sign the enclosed "Audit Compliance Responsibilities" form, acknowledging its receipt. Then, return it with the completed PAD.

I. Organizational Documents *(N/A)*

1. Recipients who are not units of government must supply copies of their organizational documents, including articles of incorporation, by laws and a listing of all directors, officers and staff.

2. Recipients that are private-nonprofit organizations must forward a notarized copy of their Conflict of Interest policy, in accordance with G.S. 143C-6-23, to the Agency, which addresses conflicts of interest that may arise involving any member of the recipient's management, board of directors or other governing body.

3. Recipients that are private nonprofit organizations must provide a written statement, made under oath and completed by the organizations board of directors or appropriate governing body, stating that the organization does not have any overdue taxes, as defined by G.S. 105-243.1.

J. W9 Tax ID and Direct Deposit *(Attach)*

1. Enclosed is the Form W-9 Request for Taxpayer Identification Number and Certification. Please complete this form with the requested information and return the completed form with the PAD.

2. Also, enclosed is the form for electronic payments, which will allow for direct deposit of Program funds into your designated checking account. Please complete this form with the requested information and return the completed form with the PAD.

K. Intergovernmental Agreement *(N/A)*

Please provide a copy of an intergovernmental agreement between your governmental entity and the governmental entity in which you will be providing services under URP24, as required by GS 160-456.

L. Certifications

The Recipient certifies that: 1) there have been no changes in the key personnel or their roles as identified in section III. B of the Application for Funding; or 2) the Recipient has submitted a written request to the Agency indicating the change(s) in personnel and/or their roles accompanied by a detailed resume for each. The Recipient certifies that the information, provided herein and herewith, is complete and accurate and that, if approved by the North Carolina Housing Finance Agency, it will be made part of the Funding Agreement by reference, superseding any conflicting information contained in the original Application for funding without otherwise affecting said Application.

_____ _____

Attest Authorized Signature

_____ _____

Title Date Title Date

URGENT REPAIR PROGRAM

City of Hickory

Hickory, North Carolina

ASSISTANCE POLICY
2026

URGENT REPAIR PROGRAM ASSISTANCE POLICY

INTRODUCTION

The North Carolina Housing Finance Agency has awarded $165,000 to the City of Hickory (the City) based on the City's application for funding to implement the City's "Urgent Repair Program 2026". This program assists qualified very low and low-income homeowners, residing within the municipal boundaries of the City of Hickory (located primarily in Catawba County as well as Burke and Caldwell counties), in need of urgent housing repairs. The funds provided by NCHFA come from the North Carolina Housing Trust Fund and Agency funds. The City of Hickory shall provide an additional $5,000 to be used in conjunction with these funds.

This Assistance Policy has been modeled from the guidelines prescribed by the North Carolina Housing Finance Agency for recipients of "Urgent Repair Program" funds and describes who is eligible to apply for assistance, how applications for assistance will be rated and ranked, what the form of assistance is and how the repair/modification process will be managed. The City has designed this project to be fair, open, and consistent with the City's approved application for funding and with NCHFA's URP Program Guidelines.

1.0 GOALS AND OBJECTIVES

1.1 GOALS

The goals of the City of Hickory's "Urgent Repair Program 2026" ("URP 26") are:

1. To alleviate housing conditions which pose an imminent threat to the life or safety of very low and low-income homeowners with special needs;
2. To provide accessibility modifications and other repairs necessary to prevent displacement of very low and low-income homeowners with special needs, such as frail elderly and persons with disabilities;
3. To assist a minimum of ten (10) eligible homes within the municipal boundaries of the City of Hickory.

1.2 OBJECTIVES

The objectives of the City's "URP 26" are:

1. To serve eligible households located within the municipal boundaries of the City of Hickory with urgent repair needs which cannot be met through other state- or federally-funded housing assistance programs;
2. To enable frail elderly and others with physical disabilities to remain in their homes by providing funding for essential accessibility modifications.

2.0 PROGRAM REQUIREMENTS

2.1 USE OF FUNDS

1. Only repairs that address imminent threats to the life and/or safety of occupants of the dwelling unit or accessibility modifications will be performed under the City's URP. It should be noted that all deficiencies in a home will likely not be rectified with the available funds.

2. "URP 26" funds must be used either for hard costs or for "URP 26" support associated with "URP 26" eligible repairs or modifications.

3. Eligible repairs must meet the goals as stated in section 1.1 above and rectify deficiencies including but not limited to:
   1) combustion appliance and chimney hazards;
   2) electrical system hazards;
   3) plumbing system hazards:
   4) imminent structural system failures (e.g., porches, steps, and roofs);
   5) mitigation of environmental hazards such as lead-based paint, asbestos, or soil gases;
   6) repairs necessary to prevent the imminent displacement of eligible households;
   7) repairs designed to increase the accessibility of the unit to frail or disabled residents, including ramps, hand rails and grab bars, kitchen and bathroom adaptations and door alterations, etc.;
   8) imminent threats to life or safety, including those caused by lead, which can be addressed by inexpensive lead hazard reduction activities such as replacing mini-blinds, improving soil conditions around drip lines, replacing windows, etc.; or,
   9) other repairs approved by the Agency on a case-by case basis.
   10) *Emergency:* A situation in which a household member has an immediate threat of being displaced or removed from a home due to health or safety issues within a time frame that the program can complete a repair to stop displacement or removal. These applications will be received at any time during the funding cycle and elevated based on the ability of the program to complete the work in a timely manner that meets the goal of assisting homeowners to remain in their home. This may be documented with a doctor's letter or displacement/eviction notice.

4. Hard costs are defined, in the case of an independent private contractor performing the repair work, as the contract price; or in the case of City work crews performing the repairs, as the direct costs associated with the repairs including labor, materials, mileage, and tool rental.
5. The maximum amount of the loan will depend on the scope of work necessary to address the identified imminent threats to life and/or safety, and that will be determined by the city's rehabilitation specialist. There is no minimum to the amount of the loan; however, the maximum life-time limit according to the guidelines of "URP 26" is $15,000.
6. Program funds must not be used:
   1) in conjunction with any source of state or federal housing assistance (CDBG, HOME, HPG, 504 grants, etc.), other than Weatherization Assistance Program (WAP) assistance, Heating Appliance Repair and Replacement Program (HARRP) assistance, Home and Community Care Block Grants provided by the North Carolina Division of Aging and Adult Services or contributions from local offices of Independent Living;

2) on any dwelling unit for which other sources of state or federal assistance are available at the time of the repair work; or

3) on any dwelling unit for which other sources of state or federal assistance are likely to become available within six months following the completion of the repair work under the "URP 26".

2.2 PROHIBITED ACTIVITIES

1. None of the funds provided under the City's "URP 26" shall be used for any partisan political activity or to further the election or defeat of any candidate for public office.
2. There shall be no religious instruction conducted in connection with activities under the City's "URP 26";
3. The City will not discriminate against any applicant or beneficiary of assistance under the "URP 26" program because of race, sex, familial status religion, color, disability or national origin. The City will ensure that applicants are processed without regard to race, sex, familial status, age, religion, color, disability, or national origin. The City will also ensure that any person employed in the performance of any activity under the "URP 26" are also treated without regard to race, sex, familial status, age, religion, color, disability, or national origin.
4. No officer, employee or other public official of the City, or member of the City Council or entity contracting with the City that exercises any functions or responsibilities with respect to "URP 26" shall have any interest, direct or indirect, in any contract or subcontract for work to be performed with program funding, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Relatives of City employees, City Council and others closely identified with the City, may be approved for rehabilitation assistance only upon public disclosure before the City's Council and written permission from NCHFA.

2.3 FORM OF ASSISTANCE

1. The City of Hickory's "URP 26" funds shall be made available to qualifying owner-occupant beneficiaries in the form of a loan. Homeowners will receive an unsecured deferred, interest-free loan, forgiven at a rate of $5,000 per year, until the principal balance is reduced to zero.
2. The City of Hickory shall use loan documents prescribed and provided by the NCHFA in the administration of URP assistance to qualifying beneficiaries.

2.4 ELIGIBLE HOUSEHOLDS

1. Only qualified low and very low-income owner occupants with special needs can be assisted under the City's "URP 26". A minimum of 50% of the City's "URP 26" funds shall benefit very low-income households with the remainder going to benefit low-income households. This guideline will be adhered to strictly and will be the primary factor in the selection of those households to be assisted under URP26.
2. City of Hickory low-income households are those with gross annual incomes not exceeding 50% of the Median Family Income for North Carolina as defined in the

NCHFA "Urgent Repair Program" manual by number of persons in the household (see Income Limits schedule below).

3. City of Hickory very low-income households are those households with gross annual incomes not exceeding 30% of the Median Family Income for North Carolina as defined in the NCHFA "Urgent Repair Program" manual by number of persons in the household (see Income Limits schedule below).
4. Eligible households must include at least one member or configuration considered as a special need which include households described as the following: elderly, disabled, a single parent, a Veteran, a large family with >5 household members or a household with a child below the age of six with lead hazards in the home. These special needs populations are further defined as follows:
    1. Elderly: A household member who is at least sixty-two (62) years old;
    2. Emergency: A situation in which a household member has an immediate threat of being evicted or removed from a home due to health or safety issues within a time frame that the program can complete a repair to stop eviction or removal. These applications will be received at any time during the funding cycle and evaluated on the ability of the program to complete the work in a timely manner that meets the goal of assisting homeowners to remain in their home.
    3. Disabled: A person who has a physical, mental or developmental disability that greatly limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment.
    4. Large Family: A large family household is composed of five or more individuals; at least four are immediate family members.
    5. Head of Household: The person or persons who own(s) the house.
    6. Household Member: Any individual who is an occupant (defined below) of the unit to be rehabilitated shall be considered a "household member" (the number of household members will be used to determine household size and all household members are subject to income verification).
    7. Occupant: An occupant is defined as any immediate family member (mother, father, spouse, son/daughter of the head of the household, regardless of the time of occupancy); or non-immediate family member who has resided in the dwelling at least 3 months prior to the submission of the family's application.
    8. Single-Parent Household: A household in which one and only one adult resides with one or more dependent children.
    9. Child with lead hazards in the home: a child below the age of six living in the applicant house which contains lead hazards.
    10. Veteran: A person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

URGENT REPAIR PROGRAM 2026
NC STATEWIDE INCOME LIMITS* FOR
CITY OF HICKORY BENEFICIARIES

Number in Household	Very Low Income (30% of Median)	Low Income (50% of Median)
1	$ 18,650	$ 31,050
2	21,300	35,450
3	23,950	39,900
4	26,600	44,300
5	28,750	47,850
6	30,900	51,400
7	33,000	54,950
8	35,150	58,500

*Income limits are subject to change based on annually published HUD HOME Limits and will be updated each year. This update will not require a re-approval of the governing authority. Income limits presented in this schedule are based on 2025 HUD North Carolina Statewide Median Family Income of $88,600.

2.5 REPAIR STANDARDS

Program funds may be used to affect urgently needed repairs or modifications without regard to whether the dwelling unit shall meet any local, state or federal housing quality standards. However, all work done using "URP 26" funds must meet North Carolina State Residential building code standards and be done in compliance with all state or local permitting, inspections, licensing, and insurance requirements.

3.0 CITY OF HICKORY'S "URP 26" PROGRAM REQUIREMENTS

3.1 "URP 26" PROGRAM SCHEDULE

The City's "Urgent Repair Program for 2026" shall begin on October 1, 2025 or sooner, based on approval by NC Housing Finance Agency, at which time the City of Hickory's Community Development Department shall seek applicants by making known to the public the availability of funding through published announcements in local newspapers, through the distribution of "URP 26" brochures, press releases, and announcements posted in public places such as the Municipal Building and Recreation Centers in eligible neighborhoods. All applications must be received by December 1, 2026 with all projects under contract by December 31, 2026. All construction work will be completed no later than February 1, 2027, no exceptions.

3.2 GEOGRAPHICAL DISTRIBUTION OF "URP 26" FUNDS

Applications shall be accepted from all qualifying residents who live within the municipal boundaries of the City of Hickory.

3.3 BENEFICIARY SELECTION PROCESS

Approximately Ten (10) units will be assisted through the 2026 Urgent Repair Program. Applications for assistance will be accepted on a first come, first to qualify, first-served basis. All applications, along with financial documentation, shall be delivered to the City of Hickory's Citizens' Advisory Committee regularly scheduled meeting on the 1st Thursday of each month. A minimum of 50% of the units assisted under the 2026

Urgent Repair Program must have income limits less than 30% of the area median. No units with stated income above 30% of the area median will be repaired until the 50% threshold has been met.

3.4 APPLICATION PROCESS

1. Media and personal contact shall be used throughout the City to encourage prospective beneficiaries to make application for "URP 26" assistance. Citizens may apply for URP funding by contacting Anna Beth Walker, Community Development Specialist at (828) 323-7414. The City of Hickory Community Development Department shall provide technical assistance to potential beneficiaries in completing applications for "URP 26" funds. All applications, along with financial, special need and urgent repair need documentation, shall be delivered to the City of Hickory's Citizens' Advisory Committee. At regularly scheduled meetings, the Citizens' Advisory Committee shall review and approve on a first come first to qualify basis, all eligible applications submitted to ensure that beneficiary distribution is consistent with the City of Hickory's "URP 26" Assistance Policy. Applicants not receiving notification by December 31, 2025 that they were chosen may contact Anna Beth Walker, Community Development Specialist, at (828) 323-7414 to confirm the disposition of the application. Those who have applied for URP housing assistance from the City in the past will not automatically be reconsidered. A new application will need to be submitted for consideration.

   Applications shall consist of two parts:
   1) Application for determination of eligibility, including income, home ownership, and special need documentation;
   2) Work write-up and cost estimate.

2. All information in applicant files will remain confidential to the extent permitted by North Carolina law. Access to the information will be provided only to City employees who are directly involved in the program, the North Carolina Housing Finance Agency and auditors.

3. Complaints concerning the City's "URP 26" program application process shall be in writing and addressed to the City of Hickory Community Development Department. A representative of the City of Hickory Community Development Department shall contact the person making the complaint and attempt to resolve the problem. A written response will be made within 15 working days of contact. If the complaining party is not satisfied with the response, he or she may file a complaint with the Citizens' Advisory Committee who will schedule a meeting with the complaining party. The decision of the Committee shall be final and will be made in writing within 5 days.

3.5 CONTRACT AND REPAIR PROCESS

1. The City's Rehabilitation Specialist will visit the homes of potential grant recipients to interview and determine the need and feasibility of repairs/modifications. All parts of the home must be made accessible for inspection, including the attic and

crawlspace, if any. The owner should report any known problems such as electrical short circuits, blinking lights, roof leaks and the like. The Rehabilitation Specialist will prepare a complete and detailed work specifications (known as the "work write-up"). A final cost estimate will also be prepared by the Rehabilitation Specialist and held in confidence until bidding is completed.

Only repairs that address imminent threats to the life and/or safety of occupants of the dwelling unit or accessibility modifications will be performed under the City's URP. It should be noted that all deficiencies in a home may not be rectified with the available funds.

2. After approval of the work write-up, the homeowner will sign a formal agreement that will explain and govern the repair/modification process. This agreement will define the roles of the parties involved throughout the process.

3. The City is obligated under "URP 26" to ensure that quality work is done at reasonable prices and that all work is contracted through a fair, open and competitive process. To meet those very difficult requirements, the City will invite bids only from contractors who are part of an "approved contractor registry". Please request a copy of the City's Procurement and Disbursement Policy for further information.

4. The City will maintain a list of contractors eligible to bid on work financed by "URP 26" funds (approved contractor registry). Such contractors must present evidence of their rehabilitation experience, ability to complete work items in a workmanlike manner, possession of liability and workman's compensation insurance (and RRP Firm Certification which is required for units built prior to 1978), ability to work with the homeowner and City staff, and to complete work on schedule. Contractors not on this list must supply evidence of their qualifications to the City and shall be reviewed for approval by the City. All contractors performing work under this program must possess other contracting licenses as required by the adopted building codes.

5. The City's bid package consisting of a detailed work write-up, contract document, cost proposal form, and instructions to the bidder will be mailed to a minimum of three contractors on the approved contractors registry who will be given a specific period of time in which to inspect the property and prepare bid proposals. The names of the invited contractors will be supplied to the homeowner. Each will need access to those areas of the house, in which work is to be performed, in order to prepare a bid. A bid opening will be conducted at the Community Development office at a specified date and time, with all bidders and the homeowner invited to attend.

   After review of bid breakdowns and timing factors, the winning bidder will be selected. Typically, the contract or contracts will be awarded to the low bidder(s). In addition, the selected contractor's bid must be within 15 percent (15%) of the City's cost estimate.

   All bidders and the homeowner will be notified of (1) the selection, (2) the amount, (3) the amount of the City's cost estimate, (4) any support or contingency costs that

will be included in the loan amount and (5) if other than the lowest bidder is selected, of the specific reasons for the selection.

6. The promissory note and any modifications (if applicable) will be executed and will be between the homeowner and the City. The cost of the actual work and project related support costs up to the maximum amount of $1,000 will be included in the loan document. The contract for repairs will be between the homeowner and contractor with the City signing as an interested third party.

7. A pre-construction conference will be held at the home or City of Hickory offices. At this time, the homeowner, contractor and program representatives will discuss the details of the work to be done. Starting and ending dates will be agreed upon, along with any special arrangements such as weekend or evening work hours and disposition of items to be removed from the home (such as old plumbing, etc.). Within 24 hours of the pre-construction conference, the City will issue a "proceed order" formally instructing the contractor to commence by the agreed-upon date.

8. The contractor will be responsible for obtaining any required building permits for the project before beginning work. The permit must be posted at the house during the entire period of construction. Program staff will closely monitor the contractor during the construction period to make sure that the work is being done according to the work write-up (which is made a part of the rehabilitation contract by reference) and in a timely fashion. Code Enforcement Officers will inspect new work for compliance with the State Building Code as required by the guidelines of "URP 26". The homeowner will be responsible for working with the contractor toward protecting personal property by clearing work areas as much as practicable

9. Contractors shall not be permitted any partial payment during construction. Upon completion of all (100%) of contracted work and the execution of the City of Hickory's "Certificate of Final Inspection" and the "Owner's Certificate of Satisfaction", payment will be issued. Prior to payment the contractor shall execute a "Contractor's Release of Liens".

10. Contractors must supply lien waivers, signed by all sub-contractors employed on the job and by all material suppliers from whom materials for the job were purchased, and warranties to the homeowner upon completion of work.

11. All Change Orders to the bid specifications must be approved by the homeowner, contractor and two representatives of the City. The change order must be reduced to writing as a contract amendment ("change order"). Loan funds shall not be advanced beyond the permitted maximum ($15,000) to cover Change Orders. If the changes require an increase in the loan amount, a loan modification stating these changes in the contract amount must be completed by the City and executed by the owner. If the changes result in a decrease in the loan amount, an estoppel informing the homeowner of these changes in the contract amount will be completed by the City and conveyed to the owner.

12. Following construction the contractor and a City Community Development Staff member will sit down with the homeowner one last time. At this conference the contractor will provide any owner's manuals and warranties on equipment. The contractor and the City Community Development Staff member will go over operating and maintenance requirements for any new equipment installed and discuss general maintenance of the home with the homeowner. The homeowner will have the opportunity to ask any final questions about the work.

13. Once all work has been completed in accordance with the Contract and the homeowner has signed a Certificate of Satisfaction, the job will be closed out.

14. In the event of any dispute between the homeowner and the contractor during the repair Modification Process the following steps will apply:

    1. If the homeowner feels that repairs or modifications are not being completed per the contract, he/she must inform the contractor and the City Community Development Department staff, in writing.
    2. The City Community Development Department staff will inspect the work in question. If it is found that the work is not being completed according to contract, the City Community Development Department staff will review the contract with the contractor and ask the contractor to remedy the problem.
    3. If the City Community Development Department staff finds that the work is being completed according to contract, the complaint will be noted and the City Community Development Department staff and the homeowner will discuss the concern and the reason for the City Community Development Department staff's decision.
    4. If problems persist, a mediation conference between the homeowner and the contractor may be convened with the City Community Development Department staff and facilitated by the Citizens Advisory Committee.
    5. Should the mediation conference fail to resolve the dispute, the Citizen's Advisory Committee will render a written final decision.

Will the personal information provided remain confidential? Yes. All information in applicant files will remain confidential. Access to the information will be provided only to City of Hickory employees who are directly involved in the program, the North Carolina Housing Finance Agency and auditors.

What about conflicts of interest? No officer, employee or other public official of the City of Hickory, or member of the Hickory City Council, or entity contracting with the City of Hickory that exercises any functions or responsibilities with respect to URP26 shall have any interest, direct or indirect, in any contract or subcontract for work to be performed with program funding, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Relatives of City employees, City Council Members and others closely identified with the City, may be approved for rehabilitation assistance only upon public disclosure before the City Council and written permission from NCHFA.

What about favoritism? All activities under URP26, including rating and ranking applications, inviting bids, selecting contractors and resolving complaints, will be conducted in a fair, open and non-discriminatory manner, entirely without regard to **race, color, religion, national origin, sex, familial status and disability.**

3.6 CLIENT REFERRALS

The City of Hickory's Community Development Department has a Community Service Directory available to all applicants who are interested or in need of other assistance. When the Urgent Repair Program staff meet the homeowner during the work write-up process, they will discuss the resources and programs available in the City and provide a free copy of the City's Community Service Directory which includes a list of the agencies with contact information.

3.7 CONTACTS

The contact for the City of Hickory's Urgent Repair Program is:
Anna Beth Walker, Community Development Specialist
Office of Business Development
City of Hickory
76 N Center Street
Hickory, NC 28601
(828) 323-7414

2026 Urgent Repair Program Assistance Policy, approved and adopted by the City of Hickory, this _____ day of _____, 2025.

By:_____
Warren Wood, City Manager

Notary Public: _____

COUNCIL AGENDA MEMOS

To: **City Manager's Office**

From: **Will Hamblin, Public Utilities Director**

Contact Person: Will Hamblin, Public Utilities Director

Date: **May 20, 2025**

Re: **Directed Appropriations Project – Raw Water Pump Station (RWPS) Generator Engineering and Design**

REQUEST

Staff requests Council acceptance of a Professional Services Agreement with KCI Technologies, Inc. for Directed Appropriations Project – Raw Water Pump Station (RWPS) Generator Engineering and Design in the amount of $199,600.00.

BACKGROUND

The City of Hickory Public Utilities Department owns and operates a 32 MGD conventional surface water treatment facility near Lake Hickory. The raw water pump station (RWPS), that serves the water treatment facility, consists of five raw water pumps. Currently the RWPS power is backed up by the diesel generators located at the water treatment facility and fed by a concrete encased duct bank that was installed over 30 years ago.

ANALYSIS

The City of Hickory was granted funds by the NC State Legislature through the Water Infrastructure Fund for several water & sewer projects related to economic development & system resiliency along the Hwy 321 Corridor.

To ensure resilience of the raw water pump station, Public Utilities would like to locate a new diesel generator and new Duke Energy service at the raw water pump station, install a new automatic transfer switch (ATS) and replace the existing switchgear.

A Request for Qualifications was issued for this project in January 2025. Statements of Qualifications were received from interested firms and reviewed by City Staff. KCI Technologies, Inc. was selected as the firm best positioned to complete the project based on their understanding of both the project and City of Hickory Public Utilities Water Infrastructure.

RECOMMENDATION

Staff recommends Council acceptance of a Professional Services Agreement with KCI Technologies, Inc. for Directed Appropriations Project – Raw Water Pump Station (RWPS) Generator Engineering and Design in the amount of $199,600.00.

BUDGET ANALYSIS:

Budgetary Action	Yes	No
Is a Budget Amendment required?	☒	☐

LIST THE EXPENDITURE CODE:

Project: 83315 Engineering

Reviewed by:

Will Hamblin WHA Initiating Department Head	_05/08/2025_ Date	Asst. City Manager Yaidee Fox	5/12/25 Date
Asst. City Manager, Rodney Miller	5/12/25 Date	Asst. City Manager, R. Beasley	5/12/25 Date
Finance Officer, Kari Dunlap	5/16/25 Date	Deputy Finance Officer, Cameron McHargue	5-12-25 Date

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

City Manager, W. Wood

5.12.25
Date

AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into by and between the City of Hickory ("OWNER"), a North Carolina municipal corporation, with principal offices at 76 North Center Street, Hickory, NC, 28601, and KCI Associates of North Carolina, P.A., ("CONSULTANT"), with principal offices at 4800 Falls of Neuse Road, Suite 200, Raleigh, NC 27609 for services in connection with the project known as the **Directed Appropriations Projects – Raw Water Pump Station (RWPS) Generator** ("Project");

WHEREAS, OWNER desires to engage CONSULTANT to provide professional engineering, consulting and related services ("Services") in connection with the Project; and

WHEREAS, CONSULTANT desires to render these Services as described in SECTION I, Scope of Services.

NOW, THEREFORE, OWNER and CONSULTANT in consideration of the mutual covenants contained herein, agree as follows:

SECTION I. SCOPE OF SERVICES

CONSULTANT will provide Services for the Project, which consist of the Scope of Services as outlined on the attached Exhibit A.

SECTION II. TERMS AND CONDITIONS OF CONSULTING SERVICES

The Terms and Conditions which are attached hereto in Exhibit B, are incorporated into this Agreement by this reference as if fully set forth herein.

SECTION III. RESPONSIBILITIES OF OWNER

The OWNER shall provide the information set forth in paragraph 6 of the attached Terms and Conditions for Professional Services.

SECTION IV. COMPENSATION

Compensation for CONSULTANT services under this Agreement shall be on the basis of lump sum. The amount of the lump sum is **One Hundred Ninety-Nine Thousand and Six Hundred Dollars ($199,600). This lump sum fee compensation includes the *Scope of Services* as described in Exhibit A.**

The amount of any sales tax, excise tax, value added tax (VAT), or gross receipts tax that may be imposed on this Agreement shall be added to the CONSULTANT'S compensation as Reimbursable Expenses.

Compensation terms are defined as follows: Lump Sum

Lump Sum shall mean a fixed amount which shall be the total compensation agreed upon in advance for Scope of Services.

Compensation for CONSULTANT'S Additional Services under this Agreement shall be approved in writing prior to any work being completed. Lump Sum for additional services shall be agreed to by both CONSULTANT and OWNER before work is started.

SECTION V. PERIOD OF SERVICE

Upon receipt of written authorization to proceed, CONSULTANT shall perform the services within 730 days from notice to proceed.

Unless otherwise stated in this Agreement, the rates of compensation for CONSULTANT'S services have been agreed to in anticipation of the orderly and continuous progress of the project through completion. If any specified dates for the completion of CONSULTANT'S services are exceeded through no fault of the CONSULTANT, such as Acts of God, Delay attributed solely to Owner or unforeseeable delay related to Regulatory Agency, the time for performance of those services shall be automatically extended for a period which may be reasonably required for their completion and all rates, measures and amounts of CONSULTANT'S compensation may be equitably adjusted, as agreed to in writing.

SECTION VI. SPECIAL PROVISIONS

Consultant shall be responsible for paying all fees related to regulatory or other governing authority submittal, review, permitting, etc. These fees shall be requested as a reimbursement from the City at the direct cost with no markup.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

City of Hickory
"OWNER"

BY: _____

NAME: _____

TITLE: _____

ADDRESS: PO Box 398
Hickory, NC 28603

"CONSULTANT"

BY: Signed by: Bayne Smith
301D9788FF154C7...

NAME: Bayne Smith

TITLE: Secretary and Treasurer

ADDRESS: 2160 Satellite Blvd, Suite 130
Duluth, GA 30097

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

Kari Dunlap
City of Hickory
Finance Officer

EXHIBIT A

SCOPE OF SERVICES

BACKGROUND

The City of Hickory Public Utilities Department owns and operates a 32 MGD conventional surface water treatment facility near Lake Hickory. The raw water pump station (RWPS), that serves the water treatment facility, consists of five raw water pumps. Currently the RWPS power is backed up by the diesel generators located at the water treatment facility and fed by a concrete encased duct bank that was installed over 30 years ago. To ensure resilience of the RWPS, the City of Hickory would like to locate a new diesel backup generator and new Duke Energy service at the raw water pump station, install a new automatic transfer switch (ATS) and replace the existing switchgear. The old duct bank to the plant will be maintained with a secondary transfer switch to provide additional redundancy. Some other minor mechanical improvements such as new air compressor and bypass pump port are included as well.

The OWNER hereby authorizes CONSULTANT to perform the following Scope of Services:

Task 1 – Conceptual and Preliminary Design

Task 1.1 – Project Goal Definition

A successful project requires that KCI's project team establishes overall goals and milestones for the Project with the Owner project team. In Task 1.1, we propose the following steps:

- Schedule a Kickoff Meeting with Owner's key staff to conceptualize and establish overall goals and objectives for the project. The kickoff meeting will provide a forum to discuss the Owner's preferred options for the Project.

Task 1.2 – Data Collection & Review

Task 1.2 involves the review of any existing data available to assist in providing a complete analysis of what Owner would like to have incorporated into the Project. The following detailed tasks would be included in this Phase:

- **Data Collection:**
  - Collect and review additional information that could be relevant to the design of the Project;
    - Existing Record Drawings
    - Design Drawings for the generators and switchgear
    - Design Drawings for Raw Water Pump Station Wet Well
    - One-line diagram for the Raw Water Pump Station
    - Available shop drawings or manufacturer information on the existing generators, switchgear, and ancillary electrical equipment
    - Any additional electrical load information for the WTP
  - Perform a topographic survey of the existing Project area. The survey will be performed by a licensed survey sub-consultant and will include general

topographic features where new equipment will be installed.
  - One (1) field visit for up to four (4) staff members

Task 1.3 – Conceptual Design (5-10%)

During Task 1.3, KCI will take the information gathered in Task 1.2 and begin conceptual design for the Project and to confirm feasibility and design assumptions.

- **Conceptual Design:**
  - Develop conceptual drawings, maps, preliminary calculations, and develop a construction cost estimate. Basic design aspects include:
    - Overall Electrical Site Plan
    - Demolition Plans for Exist Switchgear and new Generator area
    - Partial Electrical Site Plan for the new Generator Area
    - Switchgear Electrical Plan
    - One-Line Diagram – Demolition
    - Overall New One-Line Diagram
    - Equipment, Cable, and Duct Bank Schedules and Sections
    - External raw water bypass pump connection
    - New blower for airburst system
  - Summarize conceptual design in a tech memo providing a summary of findings suitable for presentation to Owner staff and other necessary stakeholders.
  - Participate in a project workshop to review results with Owner staff and other stakeholders and verify Owner preferences.
  - Once we have addressed all the issues discussed above, KCI will deliver a technical memorandum (TM) summarizing all recommendations made for the Owner's consideration before initiating formal design.

Task 1.4 – Preliminary Design (30 – 60%)

During Task 1.4, KCI will take the information gathered in Tasks 1.1-1.3 and based on approval of the TM, we will begin preliminary design for the Project. The following detailed tasks would be included in this Phase:

- Prepare electrical design calculations;
- Sizing of generators and switchgear for preliminary equipment selection;
- Prepare preliminary drawings (24x36) suitable for Owner review and approval;
- Prepare preliminary technical specifications. The Owner shall provide front end documents;
- QA/QC reviews by KCI senior staff will be performed prior to submitting preliminary deliverables to the Owner.
- Participate in one design review meeting with the Owner during preliminary design. The final design review meeting for this phase will include draft plans, preliminary detail sheets, and technical specifications.

Task 2 – Final Design and Permitting

Task 2.1 – Final Design (60 - 100%)

Upon Owner approval of the Preliminary Design, KCI will take the information from Task 1 and initiate Final Design. The following detailed tasks would be included in this Phase:

- Prepare final drawings (24x36) suitable for bidding and construction;
- Prepare final construction detail drawings (24x36) and erosion/sediment control details;
- Prepare final one-line diagram;
- Prepare construction technical specifications and provide in a format suitable for bidding and construction.
- QA/QC reviews by KCI senior staff will be performed prior to submitting 60% and 90% deliverables to the Owner.
- Participate in design review meetings with the Owner at 60% and 90% of detailed design completion. Review comments from 60% stage will be incorporated into the 90% stage.
- Provide one revision to the 90% construction plans and specifications based on Owner feedback.
- Provide one revision to the 100% construction plans and specifications based on Owner feedback.
- Provide Opinions of Probable Costs at 60% and 90% design.
- Complete 100% construction plans and specifications ready for Bidding and Permitting

Assumptions and Exclusions:

- Owner will provide sufficient information on existing electrical systems and demands to accurately size backup generators and new switchgear
- Scope does not include an Arc Flash study for new electrical gear and panels
- Scope does not include design for any other electrical equipment outside of the new generator, ATS and switchgear.

Task 2.2 –Permitting

Upon completion of the design phase, plans and specifications will be submitted to City of Hickory for final review and approval. All other necessary completed permitting packages will be submitted to City of Hickory for review. KCI will prepare and submit all permit applications and supporting documents to appropriate agencies.

Task 3 – Bidding and Negotiation

The following detailed tasks are included in Task 4:

- Provide bid documents for the Owner's use
- Coordinate Advertisements for Bid
- Provide bidding coordination services, including review of procurement documents prepared by the Owner, preparing addenda and responding to RFIs as necessary
- Schedule and attend pre-bid meeting
- Schedule and attend bid opening
- Provide a certified bid tabulation
- Provide a recommendation of award letter for the lowest responsive bidder
- Prepare contract documents for use by the Owner and the construction contractor including
    - Notice of Award

- Agreement and Construction Drawings
- Notice to Proceed

Task 4 – Construction Contract Administration and Construction Observation Services

To be negotiated after completion of Tasks 1 through 3.

Fees And Payments

The following fees are for the performance of the Work listed in the Scope of Services above, at the location described above. The fees listed in this FEES AND PAYMENTS section do not cover any Additional Work, or any other services which are not specifically described as part of the Work listed in the Scope of Services above.

CONSULTANT's fee for the Work listed in the Scope of Services above will be a Lump Sum amount for each task as follows:

PROFESSIONAL SERVICE FEES:

Task	Description	Lump Sum Fee
1	Conceptual and Preliminary Design	$116,100
2	Final Design and Permitting	$67,900
3	Bidding and Negotiation	$15,600
4	Construction Contract Administration and Construction Observation Services	TBD
	Total	**$199,600**

Additional Services

Experience indicates that certain additional services ("Additional Services") may be appropriate, required, or necessary that KCI cannot presently determine or estimate. For this reason, the fee for Additional Services is not included in the "Fees and Payments" section of this Proposal. Further, the performance of these Additional Services is not included in the Scope of Services unless expressly described in that section of this Proposal.

These Additional Services are the result of many situations and decisions too numerous to include here but two such examples are your decision, or your contractor's, to deviate from current plans or standards, or a reviewing agency/regulator determination. For clarity, Additional Services, for the purposes of this Proposal, include the common understanding and purpose of the terms: extras, change orders, and add-ons.

Fees and Payments for Additional Services

Fees and payments for Additional Services shall be in addition to any fees and payments for the Services and shall be billed and paid on the same fee and payment terms described for the Services or as mutually agreed upon in written amendment when the Additional Services are ordered by the Owner.

EXHIBIT B

TERMS AND CONDITIONS

Terms and Conditions for Professional Services

1. **STANDARD OF PERFORMANCE**
   The standard of care for all professional engineering, consulting and related services performed or furnished by CONSULTANT and its employees under this Agreement will be the care and skill ordinarily used by members of CONSULTANT's profession currently practicing under similar circumstances at the same time and in the same or similar locale. Except as expressly provided herein, CONSULTANT makes no warranties, express or implied, under this Agreement or otherwise, in connection with CONSULTANT's services.

2. **INSURANCE/INDEMNITY**
   CONSULTANT agrees to procure and maintain, at its expense, Workers' Compensation insurance as required by statute; Employer's Liability of $250,000; Automobile Liability insurance of $1,000,000 combined single limit for bodily injury and property damage covering all vehicles, including hired vehicles, owned and non-owned vehicles; Commercial General Liability insurance of $1,000,000 combined single limit for personal injury and property damage; and Professional Liability insurance of $3,000,000 per claim for protection against claims arising out of the performance of services under this Agreement caused by negligent acts, errors, or omissions for which CONSULTANT is legally liable. OWNER shall be made an additional insured on Commercial General and Automobile Liability insurance policies and certificates of insurance will be furnished to the OWNER. CONSULTANT agrees to indemnify OWNER for claims to the extent caused by CONSULTANT's negligent acts, errors or omissions. However, neither Party to this Agreement shall be liable to the other Party for any special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project or the Agreement from any cause or causes, including but not limited to any such damages caused by the negligence, errors or omissions, strict liability or breach of contract.

3. **OPINIONS OF PROBABLE COST (COST ESTIMATES)**
   Any opinions of probable project cost or probable construction cost provided by CONSULTANT are made on the basis of information available to CONSULTANT and on the basis of CONSULTANT's experience and qualifications and represents its judgment as an experienced and qualified professional engineer. However, since CONSULTANT has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s') methods of determining prices, or over competitive bidding or market conditions, CONSULTANT does not guarantee that proposals, bids or actual project or construction cost will not vary from opinions of probable cost CONSULTANT prepares.

4. **CONSTRUCTION PROCEDURES**
   CONSULTANT's observation or monitoring portions of the work performed under construction contracts shall not relieve the contractor from its responsibility for performing work in accordance with applicable contract documents. CONSULTANT shall not control or have charge of, and shall not be responsible for, construction means, methods, techniques, sequences, procedures of construction, health or safety programs or precautions connected with the work and shall not manage, supervise, control or have charge of construction. CONSULTANT shall not be responsible for the acts or omissions of the contractor or other parties on the project. CONSULTANT shall be entitled to review all construction contract documents and to require that no provisions extend the duties or liabilities of CONSULTANT beyond those set forth in this Agreement.

5. **CONTROLLING LAW**
   This Agreement is to be governed by the state of NC. Jurisdiction and Venue shall lie with the courts of Catawba County, NC.

6. **SERVICES AND INFORMATION**
   OWNER will provide all criteria and information pertaining to OWNER's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations. OWNER will also provide copies of any OWNER-furnished Standard Details, Standard Specifications, or Standard Bidding Documents which are to be incorporated into the Project.

   In performing professional engineering and related services hereunder, it is understood by OWNER that CONSULTANT is not engaged in rendering any type of legal, insurance or accounting services, opinions or advice. It is the OWNER's sole responsibility to obtain the advice of an attorney, insurance counselor or accountant to the extent any legal, insurance or accounts services, opinions or advice are needed.

7. **SUCCESSORS AND ASSIGNS**
   OWNER and CONSULTANT, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the covenants of this Agreement. Neither OWNER nor CONSULTANT will assign, sublet, or transfer any interest in this Agreement or claims arising therefrom without the written consent of the other.

8. **RE-USE OF DOCUMENTS**
   Upon payment of all amounts rightfully owed by Owner to the CONSULTANT for services rendered with respect to the Services provided under this Agreement, all plans, drawings, specifications, elements of design, models, reports, submissions, mock-ups and other documents and materials that are produced by the CONSULTANT as part of its performance of such Services hereunder (hereinafter the "Design Documents"), with the exception of those documents that constitute standard details, specifications, and/or other data and/or materials that are regularly used by the CONSULTANT and/or the professional design industry in the normal course of business, shall be deemed to be the property of Owner. Any reuse or modification of such documents for purposes other than those intended by the CONSULTANT shall be at the Owner's sole risk and without liability to the CONSULTANT.

9. **TERMINATION OF AGREEMENT**
   OWNER or CONSULTANT may terminate the Agreement, in whole or in part, by giving ten (10) days written notice to the other party. Where the method of payment is "lump sum," or cost reimbursement, the final invoice will include an allocation for all services rendered and expenses incurred on the Project through the effective date of termination.

10. **SEVERABILITY**
    If any provision of this agreement is held invalid or unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision, term or condition shall not be construed by the other party as a waiver of any subsequent breach of the same provision, term or condition.

11. INVOICES

CONSULTANT will submit monthly invoices for services rendered and OWNER will make payments within 30 days in response to CONSULTANT's invoices.

CONSULTANT will retain receipts for reimbursable expenses in general accordance with Internal Revenue Service rules pertaining to the support of expenditures for income tax purposes. Receipts will be available for inspection by OWNER's auditors upon request.

If OWNER disputes any items in CONSULTANT's invoice for any reason, including the lack of supporting documentation, OWNER may temporarily delete the disputed item and pay the remaining amount of the invoice. OWNER will promptly notify CONSULTANT of the dispute and request clarification and/or correction. After any dispute has been settled, CONSULTANT will include the disputed item on a subsequent, regularly scheduled invoice, or on a special invoice for the disputed item only.

OWNER recognizes that late payment of invoices results in extra expenses for CONSULTANT. After providing OWNER with notice and at least ten (10) days to cure any monetary default hereunder, CONSULTANT retains the right to assess OWNER interest at the rate of one percent (1%) per month, but not to exceed the maximum rate allowed by law, on invoices which are not paid within thirty (30) days from the date of receipt by OWNER. In the event undisputed portions of CONSULTANT's invoices are not paid when due, CONSULTANT also reserves the right, after ten (10) days prior written notice and opportunity to cure, to suspend the performance of its services under this Agreement until all past due amounts have been paid in full.

12. CHANGES

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made part of this Agreement. The execution of the change shall be authorized and signed in the same manner as this Agreement. Adjustments in the Project schedule and in compensation shall be in accordance with applicable paragraphs and sections of this Agreement. For those projects involving conceptual or process development services, activities often are not fully definable in the initial planning. In any event, as the project progresses, the facts developed may dictate a change in the services to be performed, which may alter the scope. CONSULTANT will inform OWNER of such situations so that changes in scope and adjustments to the time of performance and compensation can be made as required. If such change, additional services, or suspension of services results in an increase or decrease in the cost of or time required for performance of the services, an equitable adjustment may be made, and the Agreement modified accordingly.

13. CONTROLLING AGREEMENT

These Terms and Conditions shall take precedence over any inconsistent or contradictory provisions contained in any proposal, contract, purchase order, requisition, notice-to-proceed, or like document regarding the Project that has been provided to CONSULTANT prior to execution of this Agreement.

14. EQUAL EMPLOYMENT AND NONDISCRIMINATION

In connection with the services under this Agreement, CONSULTANT agrees to comply with the applicable provisions of federal and state Equal Employment Opportunity for individuals based on color, religion, sex, or national origin, or disabled veteran, recently separated veteran, other protected veteran and armed forces service medal veteran status, disabilities under provisions of executive order 11246, and other employment, statutes and regulations, as stated in Title 41 Part 60 of the Code of Federal Regulations § 60-1.4 (a-f), § 60-300.5 (a-e), § 60-741 (a-e).

CONSULTANT shall comply with NC's e-verify program.

15. HAZARDOUS MATERIALS

OWNER represents to CONSULTANT that, to the best of its knowledge, no hazardous materials are present at the Project site. However, in the event hazardous materials are known to be present, OWNER represents that to the best of its knowledge it has disclosed to CONSULTANT the existence of all such hazardous materials, including but not limited to asbestos, PCB's, petroleum, hazardous waste, or radioactive material located at or near the project site, including type, quantity and location of such hazardous materials. It is acknowledged by both parties that CONSULTANT's scope of services do not include services related in any way to hazardous materials. In the event CONSULTANT or any other party for which CONSULTANT is legally responsible encounters undisclosed hazardous materials, CONSULTANT shall have the obligation to notify OWNER and, to the extent required by law or regulation, the appropriate governmental officials, and CONSULTANT may, at its option and without liability for delay, consequential or any other damages to OWNER, suspend performance of services on that portion of the project affected by hazardous materials until OWNER: (i) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the hazardous materials; and (ii) warrants that the project site is in full compliance with all applicable laws and regulations. OWNER acknowledges that CONSULTANT is performing professional services for OWNER and that CONSULTANT is not and shall not be required to become an "arranger," "operator," "generator," or "transporter" of hazardous materials, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1990 (CERCLA), which are or may be encountered at or near the project site in connection with CONSULTANT's services under this Agreement. If CONSULTANT's services hereunder cannot be performed because of the existence of hazardous materials, CONSULTANT shall be entitled to terminate this Agreement for cause on 30 days written notice. To the fullest extent permitted by law, OWNER shall indemnify and hold harmless CONSULTANT, its officers, directors, partners, employees, and sub-consultants from and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused by, arising out of or resulting from hazardous materials, provided that (i) any such cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or injury to or destruction of tangible property (other than completed Work), including the loss of use resulting therefrom, and (ii) nothing in this paragraph shall obligate OWNER to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence or willful misconduct.

16. EXECUTION

This Agreement, including the exhibits and schedules made part hereof, constitute the entire Agreement between CONSULTANT and OWNER, supersedes and controls over all prior written or oral understandings with respect to the subject matter hereof. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by the parties.

17. ALLOCATION OF RISK

To the fullest extent permitted by law, the total aggregate liability of CONSULTANT (and its related corporations, sub-consultants, and employees) to OWNER for any and all injuries, damages, claims, losses, or expenses (including attorney and expert fees) arising out of CONSULTANT's services or this Agreement regardless of cause(s) or the theory of liability, except for claims for indemnity as provided herein above, is limited to the amount of CONSULTANT's compensation under this Agreement. This limitation shall not apply to the extent the claim or loss is covered under CONSULTANT's commercial general liability insurance policy.

18. LITIGATION SUPPORT

In the event CONSULTANT is required to respond to a subpoena, government inquiry or other legal process related to the services in connection with a legal or dispute resolution proceeding to which CONSULTANT is not a party or negligent in the performance of services rendered, OWNER shall reimburse CONSULTANT for reasonable costs in responding and compensate CONSULTANT at its then standard rates for reasonable time incurred in gathering information and documents and attending depositions, hearings, and trial.

19. UTILITY LOCATION

If underground sampling/testing is to be performed, a local utility locating service shall be contacted to make arrangements for all utilities to determine the location of underground utilities. In addition, OWNER shall notify CONSULTANT of the presence and location of any underground utilities located on the OWNER's property which are not the responsibility of private/public utilities. CONSULTANT shall take reasonable precautions to avoid damaging underground utilities that are properly marked.

20. PROFESSIONAL LICENSURE

All work shall be sealed by a properly licensed design professional in North Carolina doing business in the state of North Carolina. These shall include but not be limited to: Engineer, Landscape Architect, Surveyor, Architect, Geologist, etc.

21. E-VERIFY ADDENDUM

CONSULTANT hereby acknowledges that "E-Verify" is the federal E-Verify program operated by the US Department of Homeland Security and other federal agencies which is used to verify the work authorization of newly hired employees pursuant to federal law and in accordance with Article 2, Chapter 64 of the North Carolina General Statutes. CONSULTANT further acknowledges that all employers, as defined by Article 2, Chapter 64 of the North Carolina General Statutes, must use E-Verify and after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with NCGS §64-26(a). CONSULTANT hereby pledges, attests and warrants through execution of this Agreement that CONSULTANT complies with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes and further pledges, attests and warrants that any subconsultants currently employed by or subsequently hired by CONSULTANT shall comply with any and all E-Verify requirements. Failure to comply with the above requirements shall be considered a breach of this Agreement.

22. DISPUTE RESOLUTION

The parties agree that all claims, disputes, and other matters ("Claims") in question between the parties arising out of or relating to this Agreement or breach thereof shall first attempt to be resolved between themselves including escalating up to the appropriate levels of each party. Should those discussions not resolve the Claims, then either party may submit for non-binding mediation with both parties agreeing to the mediator, sharing the costs of mediation equally, and paying their own costs of mediation. The parties agree to fully cooperate and participate in good faith to resolve the Claims.

If mediation fails to resolve the Claims, the Claims shall be submitted for determination through litigation in a court of competent jurisdiction in the State of North Carolina or where the project is taking place at the discretion of the defending party, unless a Plaintiff not a party hereto institutes litigation in a court of competent jurisdiction and said court takes personal jurisdiction over one of the parties hereto regarding the same subject matter as in dispute between the parties hereto.

23. NOTICE

All notices shall be sufficient if delivered in person, or sent by certified mail or receipt confirmation requested email to the party's designated recipient at the following:

OWNER:
Will Hamblin, P.E.
Public Utilities Director
City of Hickory, North Carolina
(828) 323-7427
whamblin@hickorync.gov

CONSULTANT:
David DePratter, P.E.
106 Clair Dr.
Piedmont, SC 29673
864-269-0890
David.depratter@kci.com

Notice will be considered made as of the date of actual delivery if in person, as of the date of receipt if sent via certified mail, or date the confirmation of receipt is received.

24. IRAN DIVESTMENT ACT COMPLIANCE

CONSULTANT certifies that, as of the date listed below, it is not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 147-86.55 et seq. (the "Iran Divestment Act"). In compliance with the requirements of the Iran Divestment Act, CONSULTANT shall not utilize in the performance of the Contract any subcontractor that is identified on the Final Divestment List.

25. COMPANIES BOYCOTTING ISRAEL DIVESTMENT ACT CERTIFICATION

CONSULTANT certifies that that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C.G.S. 147-86.80 et seq.

26. GOVERNMENTAL IMMUNITY

Notwithstanding any other term or provision to the contrary, nothing in the Agreement shall be interpreted as waiving any claim or defense based on the principle of sovereign or governmental immunity or other State or federal constitutional or statutory provision or principle that otherwise would be available to the Owner under applicable law.

COUNCIL AGENDA MEMOS

To: **City Manager's Office**

From: **Will Hamblin, Public Utilities Director**

Contact Person: Will Hamblin, Public Utilities Director

Date: **May 20, 2025**

Re: **Directed Appropriations Project – Longview EST Engineering and Design**

REQUEST

Staff requests Council acceptance of a Professional Services Agreement with KCI Technologies, Inc. for Directed Appropriations Project – Longview EST Engineering and Design in the amount of $43,300.00.

BACKGROUND

The Public Utilities Department and Town of Long View signed an Agreement to Purchase Water, approved by City of Hickory City Council on March 10, 2014. This contract was to allow the Town of Long View to purchase up to 2,500,000 gallons of water per day for an initial period of 25 years. In 2023, City Council approved the purchase of the Long View Water Treatment Facility.

ANALYSIS

The City of Hickory was granted funds by the NC State Legislature through the Water Infrastructure Fund for several water & sewer projects related to economic development & system resiliency along the Hwy 321 Corridor.

The City of Hickory currently has five (5) 1-Million-Gallon storage tanks in the central pressure zone of the water distribution system. To provide additional storage capacity in the system, Public Utilities would like to rehabilitate the existing storage tanks at the Long View Water Treatment Facility, which will add approximately 1.3 million gallons of capacity. The first phase of this project will consist of data collection, water modeling, and preparing a technical memorandum.

A Request for Qualifications was issued for this project in January 2025. Statements of Qualifications were received from interested firms and reviewed by City Staff. KCI Technologies, Inc. was selected as the firm best positioned to complete the project based on their understanding of both the project and City of Hickory Public Utilities Water Infrastructure.

RECOMMENDATION

Staff recommends Council acceptance of a Professional Services Agreement with KCI Technologies, Inc. for Directed Appropriations Project – Longview EST Engineering and Design in the amount of $43,300.00.

BUDGET ANALYSIS:

Budgetary Action	Yes	No
Is a Budget Amendment required?	☒	☐

LIST THE EXPENDITURE CODE:

Project: 83316 Engineering

Reviewed by:

Will Hamblin Initiating Department Head	05/08/2025 Date	Asst. City Manager Yaidee Fox	5/12/25 Date
Asst. City Manager, Rodney Miller	5/12/25 Date	Asst. City Manager, R. Beasley	5/12/25 Date
Finance Officer, Kari Dunlap	5/16/25 Date	Deputy Finance Officer, Cameron McHargue	5-12-25 Date

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

City Manager, W. Wood

5.12.25
Date

AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into by and between the City of Hickory ("OWNER"), a North Carolina municipal corporation, with principal offices at 76 North Center Street, Hickory, NC, 28601, and KCI Associates of North Carolina, P.A., ("CONSULTANT"), with principal offices at 4800 Falls of Neuse Road, Suite 200, Raleigh, NC 27609, for services in connection with the project known as the **Directed Appropriations Projects – Town of Longview EST** ("Project"), and is effective as of the last date herein below signed (the "Effective Date"). The identified parties are at times referred to herein collectively as "Parties" and individually as a "Party."

WHEREAS, OWNER desires to engage CONSULTANT to provide professional engineering, consulting and related services in connection with the Project, as more specifically described in Section I, Scope of Services ("Services"), and CONSULTANT desires to provide the Services, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for such other good and valuable consideration, the receipt of sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

SECTION I. SCOPE OF SERVICES

CONSULTANT will provide Services for the Project, which consist of the Scope of Services as outlined on the attached Exhibit A.

SECTION II. TERMS AND CONDITIONS OF CONSULTING SERVICES

The Terms and Conditions which are attached hereto in Exhibit B, are incorporated into this Agreement by this reference as if fully set forth herein.

SECTION III. RESPONSIBILITIES OF OWNER

The OWNER shall provide the information set forth in paragraph 6 of the attached Terms and Conditions for Professional Services.

SECTION IV. COMPENSATION

In consideration for CONSULTANT's performance of its obligations under this Agreement, including provision of all Services described in Exhibit A, OWNER shall pay CONSULTANT **Forty-Three Thousand Three Hundred and No/100 Dollars ($43,300.00)** ("Contract Sum") in accordance with the Terms and Conditions attached hereto as Exhibit B.

The amount of any sales tax, excise tax, value added tax (VAT), or gross receipts tax that may be imposed on this Agreement shall be added to the CONSULTANT'S compensation as Reimbursable Expenses.

Compensation terms are defined as follows: Lump Sum

Lump Sum shall mean a fixed amount which shall be the total compensation agreed upon in advance for Scope of Services.

Compensation for CONSULTANT'S Additional Services under this Agreement shall be approved in writing prior to any work being completed. Lump Sum for additional services shall be agreed to by both CONSULTANT and OWNER before work is started.

SECTION V. PERIOD OF SERVICE

CONSULTANT shall perform the Services within 120 days from its receipt of a written authorization to proceed from OWNER.

Unless otherwise stated in this Agreement, the rates of compensation for CONSULTANT'S services have been agreed to in anticipation of the orderly and continuous progress of the Project through completion. If any specified dates for the completion of CONSULTANT'S services are exceeded through no fault of the CONSULTANT, such as Acts of God, delay attributed solely to Owner or unforeseeable delay related to Regulatory Agency, the time for performance of those services shall be automatically extended for a period which may be reasonably required for their completion and all rates, measures and amounts of CONSULTANT'S compensation may be equitably adjusted, as agreed to in writing.

SECTION VI. SPECIAL PROVISIONS

CONSULTANT shall be responsible for paying all fees related to regulatory or other governing authority submittal, review, permitting, etc. These fees shall be requested as a reimbursement from OWNER at the direct cost with no markup.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

City of Hickory
"OWNER"

BY: _____

NAME: _____

TITLE: _____

ADDRESS: PO Box 398
Hickory, NC 28603

"CONSULTANT"

BY: Signed by: Bayne Smith
301D9788FF134C7...

NAME: Bayne Smith

TITLE: Secretary and Treasurer

ADDRESS: 2160 Satellite Blvd, Suite 130
Duluth, GA 30097

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

Kari Dunlap
City of Hickory
Finance Officer

EXHIBIT A

SCOPE OF SERVICES

BACKGROUND

The City of Hickory Public Utilities Department recently acquired the Town of Long View's water plant. The Long View Water Treatment Plant (WTP) has a 1.0-million-gallon (MG) ground storage tank and a 0.330 MG Elevated Storage Tank (EST). The Long View WTP was decommissioned and is no longer in service. The 0.33 MG EST does not properly fill and drain. OWNER desires to evaluate the operation of this EST and determine modifications required to optimize the filling and draining of the EST. In addition, OWNER has experienced issues filling/draining of its EST on 1st Avenue. OWNER has requested evaluation of the operation of this EST as well.

The OWNER hereby authorizes CONSULTANT to perform the following Scope of Services:

Task 1 – Project Kickoff

Task 1.1 – Project Goal Definition

A successful project requires that KCI's project team establishes overall goals and milestones for the Project with the Owner project team. In Task 1.1, we propose the following steps:

- Schedule a Kickoff Meeting with Owner's key staff to conceptualize and establish overall goals and objectives for the project. The kickoff meeting will provide a forum to discuss the Owner's preferred options for the Project.

Task 1.2 – Data Collection & Review

Task 1.2 involves the review of any existing data available to assist in providing a complete analysis of what Owner would like to have incorporated into the Project. The following detailed tasks would be included in this Phase:

- **Data Collection:**
  - Collect and review additional information that could be relevant to the design of the Project;
    - Existing Record Drawings for Long View water system, including elevated storage tank
    - GIS data for both City of Hickory and Long View water systems
    - Current City of Hickory water model
    - Location and make/model of system PRV's within the study area
  - One (1) field visit for up to two (2) staff members
- **Data Review**
  - Review long view existing system data
  - Validate current water model operation
  - Update GIS and/or Water model to incorporate Long View system information.

Task 1 Deliverables:

- Request for Information (Email)
- Meeting Agendas and Meeting Minutes
- Analysis of data gaps and issue Second Request for Information (if necessary)

Task 2 – Water Modeling and Technical Memorandum (TM)

Task 2.1 – Water Model Scenarios

Task 2.1 involves the review of OWNER's current water model and operational regime of the Longview EST. The following detailed tasks would be included in this Phase:

- Obtain current water model
- Incorporate Long View EST and water system information (if not already added)
- Evaluate operation of Long View EST and model up to 3 scenarios for optimizing operation, possibly including:
    - Incorporating a new EST altitude valve
    - Adding PRV's to create a new pressure zone for Long View System
    - Addition or utilization of pumps to fill/drain tank
- Evaluate use of 1.0 MG ground storage tank (GST) at Long View WTP for additional system storage
- Evaluate operation of City of Hickory 1st Avenue EST. This tank has had issues with turnover of water within the tank.

Task 2.2 – TM

Task 2.2 involves incorporating results from Task 2.1 and recommended water system improvements into a summary TM. The Basis of Design Technical Memorandum will include:

- Long View EST alternative from Task 2.1 will be summarized utilizing feasibility, constructability, costs, and implementation schedule considerations.
- Recommendations for use of the Long View 1.0 GST as additional system storage
- Recommendations for proper operation of OWNER's 1st Avenue EST.

After the draft TM is prepared, we will conduct an in-person workshop with the Owner to review all the information presented in the draft, revisit the project goals and schedule and confirm that TM meets the Owner's objectives. A final TM will be prepared incorporating any comments from the review workshop.

Task 2 Deliverables:

- Meeting Agendas and Meeting Minutes
- Draft Technical Memorandum for Client Review
- Final Technical Memorandum

Assumptions and Exclusions:

- If the water model cannot be validated with limited work, additional services may be necessary to perform water model system validation
- Model scenarios outside of those outlined in the tasks above will be performed as additional services.

- Design, bidding and construction phase services are specifically excluded

Fees And Payments

The following fees are for the performance of the Services described in Exhibit A, at the location described above. The fees listed in this FEES AND PAYMENTS section do not cover any Additional Services or any other services which are not specifically described as part of the Services described in Exhibit A.

The CONSULTANT's fee for the Services described in Exhibit A will be a Lump Sum amount for each task as follows, to be paid in accordance with the Terms and Conditions attached hereto as Exhibit B:

PROFESSIONAL SERVICE FEES:

Task	Description	Lump Sum Fee
1	Project Kickoff	$11,600
2	Water Modeling and Technical Memorandum	$31,700
	Total	**$43,300**

Additional Services

Experience indicates that certain additional services ("Additional Services") may be appropriate, required, or necessary that KCI cannot presently determine or estimate. For this reason, the fee for Additional Services is not included in the "Fees and Payments" section of this Proposal. Further, the performance of these Additional Services is not included in the Scope of Services unless expressly described in that section of this Proposal.

These Additional Services are the result of many situations and decisions too numerous to include here but two such examples are your decision, or your contractor's, to deviate from current plans or standards, or a reviewing agency/regulator determination. For clarity, Additional Services, for the purposes of this Proposal, include the common understanding and purpose of the terms: extras, change orders, and add-ons.

Fees and Payments for Additional Services

Fees and payments for Additional Services shall be in addition to any fees and payments for the Services and shall be billed and paid on the same fee and payment terms described for the Services or as mutually agreed upon in written amendment when the Additional Services are ordered by the Owner.

EXHIBIT B

TERMS AND CONDITIONS

Terms and Conditions for Professional Services

1. **STANDARD OF PERFORMANCE**
The standard of care for all professional engineering, consulting and related services performed or furnished by CONSULTANT and its employees under this Agreement will be the care and skill ordinarily used by members of CONSULTANT's profession currently practicing under similar circumstances at the same time and in the same or similar locale. Except as expressly provided herein, CONSULTANT makes no warranties, express or implied, under this Agreement or otherwise, in connection with CONSULTANT's services.

2. **INSURANCE/INDEMNITY**
CONSULTANT agrees to procure and maintain, at its expense, Workers' Compensation insurance as required by statute; Employer's Liability of $250,000; Automobile Liability insurance of $1,000,000 combined single limit for bodily injury and property damage covering all vehicles, including hired vehicles, owned and non-owned vehicles; Commercial General Liability insurance of $1,000,000 combined single limit for personal injury and property damage; and Professional Liability insurance of $3,000,000 per claim for protection against claims arising out of the performance of services under this Agreement caused by negligent acts, errors, or omissions for which CONSULTANT is legally liable. OWNER shall be made an additional insured on Commercial General and Automobile Liability insurance policies and certificates of insurance will be furnished to the OWNER. CONSULTANT agrees to indemnify OWNER for claims to the extent caused by CONSULTANT's negligent acts, errors or omissions. However, neither Party to this Agreement shall be liable to the other Party for any special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project or the Agreement from any cause or causes, including but not limited to any such damages caused by the negligence, errors or omissions, strict liability or breach of contract.

3. **OPINIONS OF PROBABLE COST (COST ESTIMATES)**
Any opinions of probable project cost or probable construction cost provided by CONSULTANT are made on the basis of information available to CONSULTANT and on the basis of CONSULTANT's experience and qualifications and represents its judgment as an experienced and qualified professional engineer. However, since CONSULTANT has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s') methods of determining prices, or over competitive bidding or market conditions, CONSULTANT does not guarantee that proposals, bids or actual project or construction cost will not vary from opinions of probable cost CONSULTANT prepares.

4. **CONSTRUCTION PROCEDURES**
CONSULTANT's observation or monitoring portions of the work performed under construction contracts shall not relieve the contractor from its responsibility for performing work in accordance with applicable contract documents. CONSULTANT shall not control or have charge of, and shall not be responsible for, construction means, methods, techniques, sequences, procedures of construction, health or safety programs or precautions connected with the work and shall not manage, supervise, control or have charge of construction. CONSULTANT shall not be responsible for the acts or omissions of the contractor or other parties on the project. CONSULTANT shall be entitled to review all construction contract documents and to require that no provisions extend the duties or liabilities of CONSULTANT beyond those set forth in this Agreement.

5. **CONTROLLING LAW**
This Agreement is to be governed by the state of NC. Jurisdiction and Venue shall lie with the courts of Catawba County, NC.

6. **SERVICES AND INFORMATION**
OWNER will provide all criteria and information pertaining to OWNER's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations. OWNER will also provide copies of any OWNER-furnished Standard Details, Standard Specifications, or Standard Bidding Documents which are to be incorporated into the Project.

In performing professional engineering and related services hereunder, it is understood by OWNER that CONSULTANT is not engaged in rendering any type of legal, insurance or accounting services, opinions or advice. It is the OWNER's sole responsibility to obtain the advice of an attorney, insurance counselor or accountant to the extent any legal, insurance or accounts services, opinions or advice are needed.

7. **SUCCESSORS AND ASSIGNS**
OWNER and CONSULTANT, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the covenants of this Agreement. Neither OWNER nor CONSULTANT will assign, sublet, or transfer any interest in this Agreement or claims arising therefrom without the written consent of the other.

8. **RE-USE OF DOCUMENTS**
Upon payment of all amounts rightfully owed by Owner to the CONSULTANT for services rendered with respect to the Services provided under this Agreement, all plans, drawings, specifications, elements of design, models, reports, submissions, mock-ups and other documents and materials that are produced by the CONSULTANT as part of its performance of such Services hereunder (hereinafter the "Design Documents"), with the exception of those documents that constitute standard details, specifications, and/or other data and/or materials that are regularly used by the CONSULTANT and/or the professional design industry in the normal course of business, shall be deemed to be the property of Owner. Any reuse or modification of such documents for purposes other than those intended by the CONSULTANT shall be at the Owner's sole risk and without liability to the CONSULTANT.

9. **TERMINATION OF AGREEMENT**
OWNER or CONSULTANT may terminate the Agreement, in whole or in part, by giving ten (10) days written notice to the other party. Where the method of payment is "lump sum," or cost reimbursement, the final invoice will include an allocation for all services rendered and expenses incurred on the Project through the effective date of termination.

10. **SEVERABILITY**
If any provision of this agreement is held invalid or unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision, term or condition shall not be construed by the other party as a waiver of any subsequent breach of the same provision, term or condition.

11. INVOICES

CONSULTANT will submit monthly invoices for services rendered and OWNER will make payments within 30 days in response to CONSULTANT's invoices.

CONSULTANT will retain receipts for reimbursable expenses in general accordance with Internal Revenue Service rules pertaining to the support of expenditures for income tax purposes. Receipts will be available for inspection by OWNER's auditors upon request.

If OWNER disputes any items in CONSULTANT's invoice for any reason, including the lack of supporting documentation, OWNER may temporarily delete the disputed item and pay the remaining amount of the invoice. OWNER will promptly notify CONSULTANT of the dispute and request clarification and/or correction. After any dispute has been settled, CONSULTANT will include the disputed item on a subsequent, regularly scheduled invoice, or on a special invoice for the disputed item only.

OWNER recognizes that late payment of invoices results in extra expenses for CONSULTANT. After providing OWNER with notice and at least ten (10) days to cure any monetary default hereunder, CONSULTANT retains the right to assess OWNER interest at the rate of one percent (1%) per month, but not to exceed the maximum rate allowed by law, on invoices which are not paid within thirty (30) days from the date of receipt by OWNER. In the event undisputed portions of CONSULTANT's invoices are not paid when due, CONSULTANT also reserves the right, after ten (10) days prior written notice and opportunity to cure, to suspend the performance of its services under this Agreement until all past due amounts have been paid in full.

12. CHANGES

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made part of this Agreement. The execution of the change shall be authorized and signed in the same manner as this Agreement. Adjustments in the Project schedule and in compensation shall be in accordance with applicable paragraphs and sections of this Agreement. For those projects involving conceptual or process development services, activities often are not fully definable in the initial planning. In any event, as the project progresses, the facts developed may dictate a change in the services to be performed, which may alter the scope. CONSULTANT will inform OWNER of such situations so that changes in scope and adjustments to the time of performance and compensation can be made as required. If such change, additional services, or suspension of services results in an increase or decrease in the cost of or time required for performance of the services, an equitable adjustment may be made, and the Agreement modified accordingly.

13. CONTROLLING AGREEMENT

These Terms and Conditions shall take precedence over any inconsistent or contradictory provisions contained in any proposal, contract, purchase order, requisition, notice-to-proceed, or like document regarding the Project that has been provided to CONSULTANT prior to execution of this Agreement.

14. EQUAL EMPLOYMENT AND NONDISCRIMINATION

In connection with the services under this Agreement, CONSULTANT agrees to comply with the applicable provisions of federal and state Equal Employment Opportunity for individuals based on color, religion, sex, or national origin, or disabled veteran, recently separated veteran, other protected veteran and armed forces service medal veteran status, disabilities under provisions of executive order 11246, and other employment, statutes and regulations, as stated in Title 41 Part 60 of the Code of Federal Regulations § 60-1.4 (a-f), § 60-300.5 (a-e), § 60-741 (a-e).

CONSULTANT shall comply with NC's e-verify program.

15. HAZARDOUS MATERIALS

OWNER represents to CONSULTANT that, to the best of its knowledge, no hazardous materials are present at the Project site. However, in the event hazardous materials are known to be present, OWNER represents that to the best of its knowledge it has disclosed to CONSULTANT the existence of all such hazardous materials, including but not limited to asbestos, PCB's, petroleum, hazardous waste, or radioactive material located at or near the project site, including type, quantity and location of such hazardous materials. It is acknowledged by both parties that CONSULTANT's scope of services do not include services related in any way to hazardous materials. In the event CONSULTANT or any other party for which CONSULTANT is legally responsible encounters undisclosed hazardous materials, CONSULTANT shall have the obligation to notify OWNER and, to the extent required by law or regulation, the appropriate governmental officials, and CONSULTANT may, at its option and without liability for delay, consequential or any other damages to OWNER, suspend performance of services on that portion of the project affected by hazardous materials until OWNER: (i) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the hazardous materials; and (ii) warrants that the project site is in full compliance with all applicable laws and regulations. OWNER acknowledges that CONSULTANT is performing professional services for OWNER and that CONSULTANT is not and shall not be required to become an "arranger," "operator," "generator," or "transporter" of hazardous materials, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1990 (CERCLA), which are or may be encountered at or near the project site in connection with CONSULTANT's services under this Agreement. If CONSULTANT's services hereunder cannot be performed because of the existence of hazardous materials, CONSULTANT shall be entitled to terminate this Agreement for cause on 30 days written notice. To the fullest extent permitted by law, OWNER shall indemnify and hold harmless CONSULTANT, its officers, directors, partners, employees, and sub-consultants from and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused by, arising out of or resulting from hazardous materials, provided that (i) any such cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or injury to or destruction of tangible property (other than completed Work), including the loss of use resulting therefrom, and (ii) nothing in this paragraph shall obligate OWNER to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence or willful misconduct.

16. EXECUTION

This Agreement, including the exhibits and schedules made part hereof, constitute the entire Agreement between CONSULTANT and OWNER, supersedes and controls over all prior written or oral understandings with respect to the subject matter hereof. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by the parties.

17. ALLOCATION OF RISK

To the fullest extent permitted by law, the total aggregate liability of CONSULTANT (and its related corporations, sub-consultants, and employees) to OWNER for any and all injuries, damages, claims, losses, or expenses (including attorney and expert fees) arising out of CONSULTANT's services or this Agreement regardless of cause(s) or the theory of liability, except for claims for indemnity as provided herein above, is limited to the amount of CONSULTANT's compensation under this Agreement. This limitation shall not apply to the extent the claim or loss is covered under CONSULTANT's commercial general liability insurance policy.

18. LITIGATION SUPPORT

In the event CONSULTANT is required to respond to a subpoena, government inquiry or other legal process related to the services in connection with a legal or dispute resolution proceeding to which CONSULTANT is not a party or negligent in the performance of services rendered, OWNER shall reimburse CONSULTANT for reasonable costs in responding and compensate CONSULTANT at its then standard rates for reasonable time incurred in gathering information and documents and attending depositions, hearings, and trial.

19. UTILITY LOCATION

If underground sampling/testing is to be performed, a local utility locating service shall be contacted to make arrangements for all utilities to determine the location of underground utilities. In addition, OWNER shall notify CONSULTANT of the presence and location of any underground utilities located on the OWNER's property which are not the responsibility of private/public utilities. CONSULTANT shall take reasonable precautions to avoid damaging underground utilities that are properly marked.

20. PROFESSIONAL LICENSURE

All work shall be sealed by a properly licensed design professional in North Carolina doing business in the state of North Carolina. These shall include but not be limited to: Engineer, Landscape Architect, Surveyor, Architect, Geologist, etc.

21. E-VERIFY ADDENDUM

CONSULTANT hereby acknowledges that "E-Verify" is the federal E-Verify program operated by the US Department of Homeland Security and other federal agencies which is used to verify the work authorization of newly hired employees pursuant to federal law and in accordance with Article 2, Chapter 64 of the North Carolina General Statutes. CONSULTANT further acknowledges that all employers, as defined by Article 2, Chapter 64 of the North Carolina General Statutes, must use E-Verify and after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with NCGS §64-26(a). CONSULTANT hereby pledges, attests and warrants through execution of this Agreement that CONSULTANT complies with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes and further pledges, attests and warrants that any subconsultants currently employed by or subsequently hired by CONSULTANT shall comply with any and all E-Verify requirements. Failure to comply with the above requirements shall be considered a breach of this Agreement.

22. DISPUTE RESOLUTION

The parties agree that all claims, disputes, and other matters ("Claims") in question between the parties arising out of or relating to this Agreement or breach thereof shall first attempt to be resolved between themselves including escalating up to the appropriate levels of each party. Should those discussions not resolve the Claims, then either party may submit for non-binding mediation with both parties agreeing to the mediator, sharing the costs of mediation equally, and paying their own costs of mediation. The parties agree to fully cooperate and participate in good faith to resolve the Claims.

If mediation fails to resolve the Claims, the Claims shall be submitted for determination through litigation in a court of competent jurisdiction in the State of North Carolina or where the project is taking place at the discretion of the defending party, unless a Plaintiff not a party hereto institutes litigation in a court of competent jurisdiction and said court takes personal jurisdiction over one of the parties hereto regarding the same subject matter as in dispute between the parties hereto.

23. NOTICE

All notices shall be sufficient if delivered in person, or sent by certified mail or receipt confirmation requested email to the party's designated recipient at the following:

OWNER:
Will Hamblin, P.E.
Public Utilities Director
City of Hickory, North Carolina
(828) 323-7427
whamblin@hickorync.gov

CONSULTANT:
David DePratter, P.E.
106 Clair Dr.
Piedmont, SC 29673
864-269-0890
David.depratter@kci.com

Notice will be considered made as of the date of actual delivery if in person, as of the date of receipt if sent via certified mail, or date the confirmation of receipt is received.

24. IRAN DIVESTMENT ACT COMPLIANCE

CONSULTANT certifies that, as of the date listed below, it is not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 147-86.55 et seq. (the "Iran Divestment Act"). In compliance with the requirements of the Iran Divestment Act, CONSULTANT shall not utilize in the performance of the Contract any subcontractor that is identified on the Final Divestment List.

25. COMPANIES BOYCOTTING ISRAEL DIVESTMENT ACT CERTIFICATION

CONSULTANT certifies that that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C.G.S. 147-86.80 et seq.

26. GOVERNMENTAL IMMUNITY

Notwithstanding any other term or provision to the contrary, nothing in the Agreement shall be interpreted as waiving any claim or defense based on the principle of sovereign or governmental immunity or other State or federal constitutional or statutory provision or principle that otherwise would be available to the Owner under applicable law.

BUDGET REVISION # 21

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, 2025 and for the duration of the Project Ordinances noted herein.

SECTION 1. To amend the General Fund within the FY 2024-25 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture & Recreation	95,648	
General Government	175,711	
Public Safety	300,000	
TOTAL	571,359	-

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

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	648	
Miscellaneous	711	
Investment Earnings	370,000	
Other Financing Sources	200,000	
TOTAL	571,359	-

SECTION 2. To amend the Airport Fund within the FY 2024-25 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Transportation	2,000	
TOTAL	2,000	-

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

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	2,000	
TOTAL	2,000	-

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.

Adopted this _____ day of _____, 2025

_____
Mayor

_____
Clerk

CITY OF HICKORY
CAPITAL PROJECT ORDINANCE
HURRICANE HELENE RECOVERY PROJECT

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

SECTION 1. The project authorization is the Hurricane Helene Recovery Project.

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

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

Restricted Intergovernmental:	
FED/FEMA Reimbursements	$ 613,618
Total	**$ 613,618**

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

HeleneRecov/Construction:	
Water and Sewer Capital Projects	$ 613,618
Total	**$ 613,618**

SECTION 5. The Finance Officer is hereby directed to maintain within the Multi-Year Capital Project Fund sufficient specific detailed accounting records to provide the accounting required by any financing agreement associated with this project and/or State and Federal regulations.

SECTION 6. The Finance Officer is hereby directed to report quarterly on the financial status of each project element and on the total revenues received or claimed.

SECTION 7. The City Manager (Budget Officer) is directed to include a detailed analysis of past and future costs and revenues on this Capital Project in every budget submission made to this board.

SECTION 8. Copies of this Capital Project Ordinance shall be furnished to the Clerk of the Governing Board, the City Manager (Budget Officer) and the Finance Officer for direction in carrying out this project.

Adopted this the _____ day _____, 2025.

_____
Mayor

_____
Clerk