A G E N D A

HICKORY CITY COUNCIL

September 15, 2026

Life. Well Crafted.

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

September 15, 2026
6:00 p.m.

I. Call to Order

II. Invocation by Reverend Charles Kyker, Christ United Methodist Church

III. Pledge of Allegiance

IV. Special Presentations

A. Presentation of a Proclamation to Bill McBrayer. **(Exhibit IV.A.)**

B. Presentation of a Proclamation for Hispanic Heritage Month to Centro Latino Hickory, Program Coordinator, Soraya Valdez Place. **(Exhibit IV.B.)**

V. Persons Requesting to Be Heard

VI. Approval of Minutes

A. Regular Meeting of September 1, 2026. **(Exhibit VI.A.)**

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

A. Budget Revision Number 4. **(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 a Commercial Use Permit and Lease Agreement with The Nest at HKY, LLC for Hangar and Office Space at Hickory Regional Airport. **(Exhibit VIII.A.)**

Staff requests approval of a Commercial Use Permit and Lease Agreement with The Nest at HKY, LLC. The City currently leases hangar S-5 at the Hickory Regional Airport to The Nest at HKY, LLC. The tenant operates an Aircraft Management and Pilot operation. Due to significant growth the tenant has a need for additional hangar and office space. The Nest at HKY, LLC intends to increase their rental space by renting hangar S-1, located at 2910 2nd Avenue NW, on the south tamp of the Airport. The leased premises consist of hangar space, office space, restroom space, and storage space. The proposed annual rent amount will be $75,600 with a 2.5% annual increase. The term of this Agreement shall commence on the commencement date and continue for an initial term of four years, unless earlier terminated in accordance with this Agreement. Tenant shall have one option to renew this Agreement for one additional term of five years by providing the City with written

notice of its election to renew no later than one hundred twenty days prior to the expiration of the initial term. The renewal term shall be on the same terms and conditions set forth in this Agreement, except as otherwise expressly provided herein. Staff recommend City Council's approval.

Notice of the lease was advertised in a newspaper having general circulation in the Hickory area on August 13, 2026.

B. Approval of a Resolution to Declare Surplus 2,789 Discarded Library Items to be Given to the Friends of Hickory Public Library to be Sold at the Friends "Corner Book Store" at Patrick Beaver Memorial Library and/or Special Book Sales. **(Exhibit VIII.B.)**

The Friends of Hickory Public Library collect donated books and other materials on an ongoing basis to be sold at seasonal book sales and/or the Corner Book Store, the proceeds from which provide funds for library programming and other special activities. For many years, the library has been giving the Friends of Hickory Public Library materials that have been removed from the collection because they are out of date, in poor condition, or no longer needed to meet the collection development goals of the library. The sale of donated and discarded books is the primary fundraising activity of the Friends of Hickory Public Library, and discarded library materials comprise a significant portion of their inventory. The sale of these items ultimately benefits the library and is an appropriate means of disposing of unneeded materials. The library requests that discarded library materials be declared surplus and given to the Friends of Hickory Public Library for their use at the "Corner Book Store" and/or seasonal book sales.

Public notice declaring surplus library materials and authorizing the donation to the Friends of Hickory Public Library was posted on September 1, 2026.

C. Approval of a Microenterprise Grant Agreement with Golden Rule Music School, LLC in the Amount of $4,000. **(Exhibit VIII.C.)**

In its 2025-2029 Consolidated Plan for Housing and Community Development, the City of Hickory identified increasing entrepreneurship opportunities as a high priority need. This includes a program to provide microenterprise grants to businesses looking for funding necessary to take their business to the next level. The program offers grants of up to $4,000 for low to moderate income business owners for business property, inventory, necessary fixed assets, marketing and business promotion, or other improvements approved by the Business Development Committee. Applicants are required to submit a business plan and have a counseling session with a local business support organization. Jamie Stephens applied for a Microenterprise Grant to support and grow his existing small business, Golden Rule Music School. The Business Development Committee reviewed the application and recommended approval of the grant in the amount of $4,000. The grant funds will be used to purchase equipment and business expansion. Staff recommend that City Council approve the Microenterprise Grant agreement with Golden Rule Music School, LLC.

D. Approval of a Microenterprise Grant Agreement with Maven Med Scrubs, LLC in the Amount of $4,000. **(Exhibit VIII.D.)**

In its 2025-2029 Consolidated Plan for Housing and Community Development, the City of Hickory identified increasing entrepreneurship opportunities as a high priority need. This includes a program to provide microenterprise grants to businesses looking for funding necessary to take their business to the next level. Britiney Perry applied for a Microenterprise Grant to support and grow her small business, Maven Med Scrubs. Maven Med Scrubs is a medical apparel brand specializing in premium, comfortable scrubs. The Business Development Committee reviewed the application and recommended approval of the grant in the amount of $4,000. The grant funds will be used for business equipment, inventory, and marketing and business promotion. Staff recommend that City Council approve the Microenterprise Grant agreement with Maven Med Scrubs, LLC.

E. Approval of a Lease Agreement with Hickory Downtown Development Association for City Owned Property Located at 24 1st Avenue NE. **(Exhibit VIII.E.)**

Staff requests Council's approval of a lease agreement with the Hickory Downtown Development Association to lease property owned by the City of Hickory, located at 24 1st Avenue NE. The property has been leased to the Hickory Downtown Development Association for several years. The terms for the proposed lease will be for 9 years and 3 months in the amount of $1 per year. The lease will run through December 31, 2035. The City will continue to provide all utilities and maintenance to the building. The Lessee will be responsible for the payment of all utilities furnished to the property. Staff recommend City Council's approval of the resolution of intent to lease property and the lease agreement with the Hickory Downtown Development Association.

Notice of the lease was advertised in a newspaper having general circulation in the Hickory area on August 15, 2026.

F. Approval of Awarding the Service Weapon and Police Badge to Sergeant Cam Anderson Upon His Retirement from the City of Hickory Police Department. **(Exhibit VIII.F.)**

Hickory Police Department requests that City Council award Sergeant Cam Anderson his service weapon (Glock Model 45, Serial # CDAM805) and badge upon his retirement on October 1, 2026. Sergeant Cam Anderson will retire from the City of Hickory Police Department after completing over 24 years of qualifying service to the citizens of Hickory. By authority of the NC General Statutes, City Council may award the service weapon and police badge to Sergeant Cam Anderson upon his retirement from the Hickory Police Department. Upon approval from City Council, the police badge and service weapon will be declared surplus and removed from the City's fixed asset inventory. Staff recommends approval to award the service weapon and police badge to Sergeant Cam Anderson upon his retirement from the City of Hickory Police Department.

G. Approval of the Citizens' Advisory Committee Recommendation for Assistance through the City of Hickory's Housing Programs. **(Exhibit VIII.G.)**

The mission of the City of Hickory's Community Development Division is to preserve the existing housing base, enhance ownership opportunities for all of its citizens to obtain decent housing, and provide a quality environment conducive to the safe and healthy growth of its citizenry. The seven-member Citizens' Advisory Committee was formed to provide for citizens' input in the facilitation of the City's Community Development Block Grant (CDBG) program, as well as any other similar community enhancement funding the City may receive. The following requests were considered by the Citizens' Advisory Committee at their regular meeting on September 3, 2026:

- *Marjorie Linebarger, located at 725 7th Avenue Court SE, Hickory, was recommended for approval of up to $15,000 under the City of Hickory's 2026 Urgent Repair Program.*
- *Patricia Sullivan, located at 1014 16th Street SE, Hickory, was recommended for approval of up to $15,000 under the City of Hickory's 2026 Urgent Repair Program.*
- *Isavel Figueroa, located at 408 18th Street Place SW, Hickory was recommended for approval of up to $15,000 under the City of Hickory's 2026 Urgent Repair Program.*
- *Isavel Figueroa, located at 408 18th Street Place SW, Hickory was also recommended for approval of up to $25,000 under the City of Hickory's Housing Rehabilitation Deferred Loan Program.*

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

H. Approval to Solicit a Request for Qualifications for On-Call Professional Engineering Services Related to Water and Sewer Infrastructure. **(Exhibit VIII.H.)**

Staff requests Council's approval to solicit a Request for Qualifications (RFQ) for On-Call Professional Engineering Services related to water and sewer infrastructure. The City owns and operates public water and wastewater infrastructure serving Hickory and surrounding service areas. The City anticipates a continuing need for professional services relating to rehabilitation, replacement, expansion, regulatory compliance, asset management, and capital improvement delivery. The purpose of this RFQ is to identify firms with the technical breadth, personnel, capacity, municipal experience, and responsiveness to support water and sewer assignments that may arise during the three-year qualification period. The City of Hickory's Purchasing Policy and NC General Statute requires professional services greater than $50,000 to be procured by a qualified based selection process. The City intends to establish a pool of one or more qualified firms that may be engaged during a three-year qualification period. Selection under this RFQ would not award a specific project, guarantee any minimum amount of work, or obligate the City to issue a contract or task order. Each assignment will be authorized only by a separately negotiated and executed contract, task order, or amendment, subject to applicable law, appropriation, and required City approvals. This solicitation is intended to implement qualifications-based selection under Article 3D of Chapter 143 of the North Carolina General Statutes. Firms will be evaluated on demonstrated competence and qualifications without regard to fee. After ranking, the City may negotiate scope and a fair and reasonable fee with the best-qualified firm for an agreement or assignment. Staff recommends Council's approval to solicit a Request for Qualifications for On-Call Professional Engineering Services related to water and sewer infrastructure.

I. Approval of a North Carolina Department of Transportation Integrated Mobility Division Multimodal Program Grant in the Amount of $72,500 to Update the City's 2020 Bicycle and Pedestrian Master Plan. **(Exhibit VIII.I.)**

Staff requests Council's approval of the grant agreement for the North Carolina Department of Transportation (NCDOT) Integrated Mobility Division Multimodal Program Grant using HDR as the consultant to update the City of Hickory's 2020 Bicycle and Pedestrian Master Plan. Since the development and adoption of the 2020 Bike and Pedestrian Plan, significant changes have transpired in Hickory. Since the City's Bike and Pedestrian Master Plan is now almost six years old and significant changes have occurred, the City applied for and was awarded the NCDOT Integrated Mobility Division's (IMD) Multimodal Grant Program (MMPG) to update the City's 2020 Bike and Pedestrian Master Plan earlier this year. NCDOT IMD has assigned HDR as the consultant to help the City with these revisions and necessary modifications, taking into consideration the progress achieved thus far. Staff recommend Council's approval of the grant agreement with NCDOT IMD, with HDR serving as the City's consultant. The grant amount is $72,500, with NCDOT providing $56,750 and a local match of $15,750.

J. Approval of a Resolution Declaring Surplus Fire Equipment and Selling Equipment to Bandys Crossroads Volunteer Fire Department, Sugar Loaf Fire Department, and Mountain View Volunteer Fire Department of Catawba County, Inc. **(Exhibit VIII.J.)**

City of Hickory Fire Department staff requests approval to declare as surplus a 26 piece Rescue 42 Strut Kit and the sale of the kit to Bandys Crossroads Volunteer Fire Department in the amount of $2,500. Staff request approval to declare as surplus one Hurst Hydraulic Power Unit, one Combination Spreader/Cutter, one Telescopic Ram, two Hydraulic Hoses, and the sale of the equipment to Sugar Loaf Fire Department for $1,500. Staff request approval to declare as surplus a 44 piece Rescue 42 Strut Kit and sale of the kit to Mountain View Volunteer Fire Department in the amount of $3,000. These fire departments are 501(c)(3) non-profit organizations. The revenue from the sale of the equipment will be used towards the associated costs for new technical rescue equipment for the fire department. The sell of this equipment will be in accordance with North Carolina General

Statute 160A-267. Staff recommend approval of the Resolution declaring the equipment surplus and the sale of the equipment at the negotiated amounts.

K. Approval of a Resolution Authorizing the City to Apply for the Outdoor Recreation Legacy Partnership (ORLP) Grant in an Amount up to $2,000,000, (up to $1,000,000 from the ORLP Grant and up to $1,000,000 City of Hickory Local Match), for the Catawba River Environmental Education Center (CREEC) Project. **(Exhibit VIII.K.)**

Staff requests Council's approval of a Resolution authorizing the City to apply for the ORLP Grant for the Catawba River Environmental Education Center: Outdoor Science, Heritage and Recreation Gateway Project. The National Park Service administers the Outdoor Recreation Legacy Partnership (ORLP) program under the Land and Water Conservation Fund Act. This program specifically targets eligible urban communities with populations over 25,000 to create or significantly improve outdoor recreation spaces in areas that lack adequate park access. The City of Hickory owns three parcels along the Catawba River in Burke County identified as (Parcel IDs: 2783788894, 2783785060, and 2783886713) designated for the project site. The project's eligible grant expenses will focus on the construction of passive and active recreation amenities, including a paved walking path, boat dock, kayak launch, trails, outdoor classrooms, amphitheater, educational signage, drop-off pavilion, site furnishings, a scenic overlook and natural restoration areas. The ORLP grant program requires a minimum 50% non-federal match. A grant application covering eligible opportunities could be submitted in an amount of up to $2,000,000 with up to $1,000,000 from the ORLP Grant, and up to $1,000,000 from the City of Hickory as a local match. The anticipated grant project cycle begins in October 2028. Staff recommend Council's approval of a Resolution authorizing the City to apply for the ORLP Grant.

L. Budget Revision Number 5. **(Exhibit VIII.L.)**

1. *To appropriate $10,000 in insurance reimbursements towards workers compensation expenses.*
2. *To appropriate a total of $72,500 to update the City's Bicycle and Pedestrian masterplan. The NCDOT is providing grant funds of $56,750 with the local match of $15,750 coming from General Fund contingency.*
3. *To transfer $25,300 in General Fund contingency to the Water and Sewer Capital Projects Fund to award a contract for topographic and wetland surveying services for the Catawba River Environmental Education Center.*
4. *To appropriate $5,884 in insurance reimbursements to the Solid Waste Fund for vehicle repair.*
5. *To appropriate a total of $35,587 in General Fund Balance from unspent 911 funds in FY26 for Police Department communication needs.*

IX. Items Removed from Consent Agenda

X. Informational Items

XI. New Business

A. Public Hearings

1. Consideration of the Voluntary Non-Contiguous Annexation of Property Located at 964 and 970 Airport Rhodhiss Road, and an Unaddressed Parcel to the East, Identified as Burke County PINs 2783785060, 2783788894, and 2783886713, the Catawba River Environmental Education Center (CREEC), Owned by the City of Hickory – Presented by Planning Manager Cal Overby. **(Exhibit XI.A.1.)**

Staff requests Council's consideration of the voluntary non-contiguous annexation of property owned by the City of Hickory, located in Burke County, containing approximately 24.39 acres, located at 964 and 970 Airport Rhodhiss Road and an

unaddressed parcel to the east. The City's intention is to use the properties for the future location of the Catawba River Environmental Education Center (CREEC). Staff determined the petition meets the statutory requirements for voluntary non-contiguous annexation and adequate public services are available. Staff recommends approval of the petition.

Notice of the public hearing was advertised in a newspaper having general circulation in the Hickory area on September 5, 2026.

B. Departmental Reports

1. Appointments to Boards and Commissions

CITIZENS ADVISORY COMMITTEE
(Terms Expiring 6-30; 3-Year Terms) Appointed by City Council
Small Cities Project Area (Council Appoints) VACANT

COMMUNITY APPEARANCE COMMISSION
(Terms Expiring 6-30; 3-Year Terms) Appointed by City Council
Ward 2 (Williams Appoints) VACANT

COMMUNITY RELATIONS COUNCIL
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Caucasian (Council Appoints) VACANT
Caucasian (Council Appoints) VACANT
Caucasian (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

LIBRARY ADVISORY BOARD
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 4 (Freeman Appoints) VACANT
Ward 5 (Dula Appoints) VACANT
At-Large (1) (Mayor Appoints) VACANT
At-Large (2) (Mayor Appoints) VACANT

PUBLIC ART COMMISSION
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 3 (Seaver Appoints) VACANT

RECYCLING ADVISORY BOARD
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 4 (Freeman Appoints) VACANT
Ward 6 (Patton Appoints) VACANT
At-Large (Council Appoints) VACANT
At-Large (Council Appoints) VACANT

UNIVERSITY CITY COMMISSION
(Terms Expiring 6-30; 2-Year Terms) (Appointed by City Council)
At-Large Not Including ETJ (Council Appoints) VACANT

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

St. Stephens High School 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

City of Hickory
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Office of the Mayor

PROCLAMATION

WHEREAS, a native of Forest City, William "Bill" Paul McBrayer, Jr. spent four decades in the furniture manufacturing industry in North Carolina. During his extensive career he served in the Human Resources and Environmental Management and Operations Management profession, including key roles at Classic Leather Inc. and Lexington House Brands; and

WHEREAS, he was instrumental in the development of the Catawba Valley Furniture Academy at Catawba Valley Community College, a program that trains and educates the next generation of skilled workers for the technical demands of furniture manufacturing; and

WHEREAS, in 1995, he advocated for House Bill 340, which ensured that individuals unable to pass a controlled substance exam were ineligible for unemployment benefits. This legislation addressed a gap in the system and promoted fairer use of unemployment benefits; and

WHEREAS, Bill has taught supervisory and leadership skills as an instructor with the Western Carolina Industries' Supervisor Development Institute; and

WHEREAS, for over three decades Bill served on City of Hickory boards and commissions including the Library Advisory Board, and the University City Commission. He served multiple terms on the Parks and Recreation Commission from 1991 to 2007. He also served on the Hickory Regional Planning Commission from December 18, 2007 until September 1, 2026, acting as Chair during his tenure; and

WHEREAS, he served on numerous boards and commissions across Catawba County, as well as the North Carolina State Board of Community Colleges and the Local Government Commission; and

WHEREAS, in 2022, in recognition of his contributions, Bill received North Carolina's highest civilian honor, the Order of the Long Leaf Pine; and

WHEREAS, his leadership and community service are priceless, and his enduring commitment has been invaluable. Bill showed us that a single individual with a heart for service can enrich an entire community.

THEREFORE, BE IT RESOLVED that I, Hank Guess, Mayor of the City of Hickory, on behalf of Hickory City Council do hereby recognize Bill McBrayer for his contributions to the community and the City of Hickory, and proclaim September 15, 2026

BILL MCBRAYER DAY

in the City of Hickory.

Proclaimed this, the 15th day of September 2026.

Hank Guess, Mayor

City of Hickory
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Office of the Mayor

PROCLAMATION

HISPANIC HERITAGE MONTH
MES DE LA HERENCIA HISPANA
SEPTEMBER 15th - OCTOBER 15th 2026

WHEREAS, Each year, Americans observe National Hispanic Heritage Month **"Mes de la Herencia Hispana"** from September 15th to October 15th, by celebrating the histories, cultures, and contributions of American citizens whose ancestors came from Spain, Mexico, the Caribbean and Central and South America; and

WHEREAS, the City of Hickory recognizes the significant contributions of all Hispanic city residents, Hispanic city employees, El Centro Latino, and numerous grassroots leaders, outreach groups that help increase cultural awareness, provide education, enrichment, and community engagement with our residents. It is through their support and community involvement that our city has continued to become a more culturally diverse, inclusive, and welcoming city for everyone; and

WHEREAS, the City of Hickory recognizes that Hispanics amount to an estimated total 12% of the City of Hickory population of which the majority of these residents speak Spanish; and

WHEREAS, the city of Hickory recognizes that Hispanics play a vital role in our economy and workforce and have also contributed in making Hickory a great city to live in.

THEREFORE, I Hank Guess, Mayor of Hickory, NC on behalf of Hickory City Council declare September 15th through October 15th, 2026

Hispanic Heritage Month

Proclaimed this, the 15th day of September, 2026.

Hank Guess, Mayor

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, September 1, 2026 at 6:00 p.m., with the following members present:

Hank Guess

Tony Wood		Anthony Freeman
Charlotte C. Williams	Aldermen	Arnita M. Dula
Danny Seaver		Jill Patton

A quorum was present.

Also present were City Manager Warren Wood, Deputy City Manager Rodney Miller, Assistant City Manager Steve Miller, Assistant City Manager Yaidee Fox, City Attorney Timothy Swanson, Deputy City Clerk Crystal B. Mundy and City Clerk Debbie D. Miller

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

II. Invocation by Reverend Melissa Sparks, Unitarian Universalist Church of Catawba Valley

III. Pledge of Allegiance

IV. Special Presentations

V. Persons Requesting to Be Heard

VI. Approval of Minutes

A. Regular Meeting of August 18, 2026.

Alderwoman Patton moved, seconded by Alderman Seaver that the Minutes of August 18, 2026 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 Dula that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

A. Budget Revision Number 3. (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.

City Manager Warren Wood asked that Item “E” be removed from the Consent Agenda and considered under Departmental Reports.

Alderwoman Patton moved, seconded by Alderwoman Williams approval of the Consent Agenda with the exception of Item “E”. The motion carried unanimously.

A. Approved a Commercial Use Permit and Lease Agreement with Bearonautics, LLC for Space at Hickory Regional Airport.

Staff requests approval of a Commercial Use Permit and Lease Agreement with Bearonautics, LLC for lease of premises within the Commercial Terminal building at Hickory Regional Airport. This lease encompasses approximately 1,121 square feet of office space, with a monthly rental rate of $1,367 or $16,404 annually. Bearonautics, LLC plans to establish, operate and conduct an advanced aviation simulation and flight training facility. The term of this agreement shall commence on the commencement date and continue for an initial term of one year, unless earlier terminated in accordance with the agreement. Following the initial term, the agreement shall automatically renew for up to five successive additional one year terms, unless either party provides the other with written notice of its intent to terminate the agreement at least ninety days prior to the expiration of the then-current term. Staff recommend approval by City Council.

Notice of the lease was advertised in a newspaper having general circulation in the Hickory area on July 23, 2026.

RESOLUTION NO. 26-41
RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT BY THE CITY OF HICKORY PURSUANT TO N.C.G.S. § 160A-272

WHEREAS, the City Council of the City of Hickory desires to lease certain designated space within the Commercial Terminal Building located at the Hickory Regional Airport, 3101 9th Avenue Drive NW, Hickory, North Carolina 28601 (the “Property”), the Property being more particularly described in Exhibit “A” to the Commercial Use Permit and Lease Agreement (the “Lease Agreement”), to Bearonautics, LLC for an initial term of one (1) year beginning September 1, 2026, and ending August 31, 2027, with five (5) one-year renewal options, at a monthly rental rate of One Thousand Three Hundred Sixty-Seven

Dollars ($1,367.00) (or $16,404.00 annually), which shall automatically increase by five percent (5%) at the commencement of each renewal term; and

WHEREAS, City staff has reported that the City will not need the Property for City purposes during the term of the proposed Lease Agreement and recommends that the City Council authorize execution of the Lease Agreement; and

WHEREAS, N.C.G.S. § 160A-272 authorizes the City to lease property owned by the City for such terms and upon such conditions as the City Council may determine, provided that the term does not exceed ten (10) years and the City Council determines that the property will not be needed by the City during the term of the lease; and

WHEREAS, N.C.G.S. § 160A-272 further provides that such property may be leased only pursuant to a resolution adopted at a regular meeting of the City Council authorizing execution of the Lease Agreement after thirty (30) days' public notice describing the property to be leased, stating the annual rental or lease payments, and announcing the City Council's intent to authorize the lease at its next regular meeting; and

WHEREAS, notice was published on July 23, 2026, describing the Property to be leased, stating the annual rental or lease payments, and announcing the City Council's intent to authorize the Lease Agreement at its regular meeting scheduled for September 1, 2026, in accordance with N.C.G.S. § 160A-272.

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

1. The City Council hereby determines that the Property that is the subject of the proposed Lease Agreement between the City of Hickory and Bearonautics, LLC will not be needed by the City for City purposes during the term of the Lease Agreement.

2. The City Council hereby authorizes the lease of the Property to Bearonautics, LLC upon the terms and conditions set forth in the proposed Lease Agreement and pursuant to N.C.G.S. § 160A-272.

3. The City Manager is hereby authorized and directed to execute, on behalf of the City of Hickory, the Lease Agreement with Bearonautics, LLC for an initial term beginning September 1, 2026, and ending August 31, 2027, with five (5) one-year renewal options. The initial monthly rental rate shall be One Thousand Three Hundred Sixty-Seven Dollars ($1,367.00) (or $16,404.00 annually) and shall automatically increase by five percent (5%) at the commencement of each renewal term. The City Manager is further authorized to approve and execute such non-material revisions to the Lease Agreement as may be necessary or appropriate, subject to pre-audit certification by the City Chief Financial Officer, if required by law, and approval as to form by the City Attorney.

(Exhibit "A" is on file in the City Clerk's Office and is hereby incorporated by reference and made a part of the minutes)

B. Accepted a North Carolina Department of Transportation Grant (36237.66.11.1) in the Amount of $230,464 for Airport Terminal Apron Rehab Design.

Staff requests City Council to accept Grant 36237.66.11.1 State Aid Funds awarded by the NC Department of Transportation (NCDOT) in the amount of $230,464 with the local match of $12,130 for Terminal Apron Rehab at Hickory Regional Airport. The NCDOT has allocated State Aid Funds via Grant 36237.66.11.1 with the State share of $230,464 and a local match of $12,130. The total project cost is $242,594. The rehabilitation project will include the rehabilitation of asphalt on the apron, fillet widening of the lead-in taxi lane, as well as the installation of new pavement markings to conform with FAA standards. This grant will assist in the continuation of the airfield improvement program as recommended by the Airport's Task Force. Staff recommend acceptance of Grant 36237.66.11.1 in the amount of $230,464 from the NCDOT. The local share of $12,130 will be funded by utilizing Airport Capital Funds.

C. Accepted the North Carolina Department of Transportation Grant (36237.66.11.2) in the Amount of $615,452 for the West and South Apron Rehabilitation and North Apron Expansion Design.

Staff request City Council's acceptance of Grant (36237.66.11.2) State Aid Funds awarded by the North Carolina Department of Transportation (NCDOT) in the amount of $615,452 with a local match of $32,393 for the west and south apron rehabilitation and north apron expansion design. By letter dated August 11, 2026, NCDOT allocated State Aid Funds. The total project cost is $647,845. Due to the pavement condition of this area, this project will include the design phase for rehabilitation of the associated pavements. The project

also includes the design phase for expansion of the north apron. The expansion will provide additional apron space to support growing demand, improve aircraft circulation, and enhance safety during peak operations. This grant will assist in the continuation of the airfield improvement program as recommended by the Airport's Task Force. Staff recommend acceptance of the grant in the amount of $615,452 from NCDOT. The local share of $32,393 will be funded by utilizing Airport Capital Funds.

D. Approved a Contract with J.T. Russell & Sons, Inc. in the Amount of $551,975 for the Runway EMAS Schedule II Project.

Staff requests City Council's approval of a construction contract agreement with J.T. Russell & Sons, Inc., for the Runway 24 EMAS "Schedule II" project. The contract, in the amount of $511,975, will include grading, Engineered Material Arresting System (EMAS) bed prep and 198 feet of shoulder strength pavement at the approach end of Runway 24 as well as demo and removal of existing MALSR associated electrical infrastructure. By installing EMAS the safety area will meet regulatory requirements by having a system in place in the event of an aircraft runway excursion. Staff recommend approval of the contract with J.T. Russell & Sons, Inc. in the amount of $511,9755. This portion of the project will be funded by using remaining funds from the Aviation Walk project.

E. Removed from Consent Agenda and Considered Under Item XI.B.1. Departmental Reports, Update on Airport Projects. Approved a Work Authorization with Talbert, Bright, and Ellington (TBE) in an Amount not to Exceed $1,461,128.53 for Runway 6 Avigation Easement Acquisition and Obstruction Removal Preliminary Design.

Staff requests approval of a work authorization with Talbert, Bright, and Ellington (TBE) in an amount not to exceed $1,461,128.53. Airports that accept Federal grants are required through grant assurances to keep runway protection zones (RPZ) clear of obstructions for safety of navigation. During an RPZ analysis, obstructions were identified within and beyond 3,000 feet of the runway 6 approach corridor that poses a hazard to air navigation. The identified obstructions lie within 83 off-Airport properties. To remove the obstructions avigation easements must be acquired. An avigation easement is a property right granted by a landowner to allow aircraft to operate over their land at low altitudes. It is also a legal right that allows for the removal of obstructions that hazard aircraft operation. The avigation easement process includes acquiring air rights above the properties by offering a fair and reasonable fee to the landowners which is determined by an appraiser. The final stage of the project will be obstruction removal. Staff recommend approval of the work authorization with TBE in an amount not to exceed $1,461,128.53. This work authorization will be funded utilizing a portion of a previously accepted grant in the amount of $3,000,000 awarded by the North Carolina Department of Transportation.

F. Accepted the 2025 Justice Assistance Grant in the Amount of $33,457.

Hickory Police Department requests approval to accept the 2025 Justice Assistance Grant in the amount of $33,457. The JAG Program is a formula-based grant through the Office of Justice Programs/Bureau of Justice Assistance (BJA) that utilizes Uniform Crime Reporting statistics from all law enforcement agencies to determine eligibility for direct federal grant awards. There is no match required. The Hickory Police Department will utilize grant funds to renew the annual licensing fee for two Grayshift forensic devices in partnership with the Catawba County Sheriff's Office. The Hickory Police Department recommends accepting the JAG grant award and partnering with the Catawba County Sheriff's Office for the 2025 Justice Assistance Grant. The total cost for this project is $61,395, with the JAG grant award contributing $33,457. The Hickory Police Department and the Catawba County Sheriff's Office will share the remaining cost of the software.

G. Approved the Amended Interlocal Agreements and Memorandums of Understanding for the 2024 JAG Grant and the 2025 JAG Grant.

Staff requests Council's approval of the Amended Interlocal Agreements and Memorandums of Understanding (MOU) for the 2024 Justice Assistance Grant and the 2025 Justice Assistance Grant. The Bureau of Justice Assistance (BJA) requires compliance and oversight for grants awarded under its jurisdiction, including the Justice Assistance Grant (JAG). The City of Hickory has been awarded funding through the 2024 JAG Grant and the 2025 JAG Grant which requires amending the existing Interlocal Agreements and MOU(s) to reflect the distribution of funds accurately. This amendment(s) addresses the terms agreed upon by the City of Hickory and Catawba County for the allocation of grant funds, ensuring that all parties are aligned with the financial and programmatic responsibilities associated with the grant(s). Staff recommend that City Council accept the Amended Interlocal Agreements and MOU(s) for the 2024 JAG Grant and the 2025 JAG Grant.

H. Called for a Public Hearing to Consider the Voluntary Non-Contiguous Annexation of Property Located at 964 and 970 Airport Rhodhiss Road, and an Unaddressed Parcel to the East, Identified as Burke County PINs 2783785060, 2783788894, and 2783886713,

the Catawba River Environmental Education Center (CREEC), Owned by the City of Hickory. (Authorized the Public Hearing for September 15, 2026, at 6:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).

RESOLUTION NO. 26-42
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 the City of Hickory requesting annexation of an area described in a petition was received on August 18, 2026, 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 the City of Hickory, containing approximately 24.39-acres of property located at 964 and 970 Airport Rhodhiss Road, and including an unaddressed parcel to the east, identified as Burke County PINs 2783785060, 2783788894, and 2783886713.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory this 18th day of August, 2026.

/s/ Debbie D. Miller, City Clerk

RESOLUTION 26-43
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 September 15, 2026, 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 the City of Hickory, containing approximately 24.39-acres of property located at 964 and 970 Airport Rhodhiss Road, and including an unaddressed parcel to the east, identified as Burke County PINs 2783785060, 2783788894, and 2783886713.

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

RESOLUTION NO. 26-44
A RESOLUTION DETERMINING THE INTENT TO ANNEX INTO THE CORPORATE LIMITS OF THE CITY OF HICKORY CERTAIN PROPERTY OWNED BY THE CITY OF HICKORY AND CALLING FOR A PUBLIC HEARING ON THE SAME

WHEREAS, the City of Hickory is the owner of certain real property as described herein, which property is located at 964 and 970 Airport Rhodhiss Road, and including an unaddressed parcel to the east, containing 24.39 acres; identified as Burke County PINs 2783785060, 2783788894, and 2783886713.

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 1st day of September, 2026, 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 15th day of September, 2026, 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 map entitled City of Hickory, Voluntary Non-Contiguous Annexation Map 1, City Boundary, subject property outlined in red; City of Hickory Voluntary Non-Contiguous Annexation Map 2, Zoning, subject property outlined in red; City of Hickory, Voluntary Non-Contiguous Annexation, Map 3, Aerial Photography, 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.

(Maps are on file in the City Clerk's Office and are hereby incorporated by reference and made a part of the minutes)

I. Approved the Issuance of Pyrotechnic Display Permits to PyroStar Entertainment for Fireworks Display at Hickory Motor Speedway, and to Pyro Shows Inc. for Fireworks Display at Hickory Crawdads Stadium.

Staff request approval to issue a pyrotechnic display permit to PyroStar Entertainment for a fireworks display at Hickory Motor Speedway on September 19, 2026, (rain date October 17, 2026). Kevin Peircy, General Manager of Hickory Motor Speedway submitted a request to obtain permission to conduct a public fireworks display. Staff also request approval to issue a pyrotechnic display permit to Pyro Shows, Inc., for a fireworks display at Hickory Crawdads Stadium on September 8, 2026, (rain date September 9, 2026). Douglas Locascio, General Manager of the Hickory Crawdads submitted a request to obtain permission to conduct a public fireworks display. The North Carolina Fire Code requires an operational permit for the use and handling of pyrotechnic special effects material. The Hickory Fire Department Fire & Life Safety Division shall review all required documentation for the event(s), including Alcohol Tobacco and Firearm's (ATF) License, Operator and Assistant Operators Permits from North Carolina Office of State Fire Marshal (NCOSFM), Site Plan, and the one-million dollar liability insurance policy. The Fire & Life Safety Division will also inspect the pyrotechnics display area before the event(s) to ensure compliance with NCOSFM Guidelines, National Fire Protection Association (NFPA) NFPA 1123 Code for Fireworks Display, and NFPA 1126 Use of Pyrotechnics Before a Proximate Audience (if applicable). Staff recommend approval of the above pyrotechnics displays, subject to drought conditions and the Fire Marshal's final approval.

J. Approved of a Community Appearance Grant for Non-Residential Property Owned by the Hickory Elk's Lodge, Located at 356 Main Avenue NW, in the Amount of $10,000.

The Community Appearance Commission recommend City Council's approval of a Community Appearance Grant for non-residential property owned by the Hickory Elks

Lodge and occupied by a commercial building, located at 356 Main Avenue NW in the amount of $10,000. The Community Appearance Grant program by the City of Hickory offers 50/50 matching reimbursements up to $7,500 for property upgrades in the Urban Revitalization Area. Projects of impact on the community and of architectural merit may be considered for funding in excess of the $7,500 ceiling. The grant proposal includes enhancement of the landscaping, pavement, and painting of the exterior of the lodge, as well as the area surrounding the Veterans Memorial along the City Walk and Main Avenue NW. The property is located within the City's defined Urban Revitalization Area and is eligible for the consideration of a Community Appearance Grant. The Community Appearance Commission reviewed the application and unanimously recommended funding of the grant application in the amount of $10,000.

K. Approved on First Reading Budget Revision Number 4.

ORDINANCE NO. 26-30
BUDGET REVISION NUMBER 4

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, 2027, and for the duration of the Project Ordinance noted herein.

SECTION 1. To amend the General Fund within the FY 2026-27 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture & Recreation	50	-
TOTAL	50	-

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

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	50	-
TOTAL	50	-

SECTION 2. To amend the Airport Fund within the FY 2026-27 Budget Ordinance the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Transportation	-	44,523
Other Financing Uses	44,523	-
TOTAL	44,523	44,523

SECTION 3. To amend the Aviation Walk (#B1N001) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	511,975	511,975
TOTAL	511,975	511,975

SECTION 4. To amend the Runway 24 EMAS Project (650033) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	511,975	-
TOTAL	511,975	-

To provide funding for the above, the Runway 24 EMAS Project (#650033) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	511,975	-
TOTAL	511,975	-

SECTION 5. To amend the Runway 6 – Avigation Easements (#65038) Capital Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	3,333,333	-
TOTAL	3,333,333	-

To provide funding for the above, the Runway 6 – Avigation Easements (#65038) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Investment Earnings	333,333	-
Restricted Intergovernmental	3,000,000	-
TOTAL	3,333,333	-

SECTION 6. To amend the TRF Runway Extension (#650034) Grant Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	-	3,333,333
TOTAL	-	3,333,333

To provide funding for the above, the TRF Runway Extension (#650034) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Investment Earnings	-	333,333
Restricted Intergovernmental	-	3,000,000
TOTAL	-	3,333,333

SECTION 7. To amend the Terminal Apron Renovation (#65040) Grant Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	242,594	-
TOTAL	242,594	-

To provide funding for the above, the Terminal Apron Renovation (#65040) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	12,130	-
Restricted Intergovernmental	230,464	-
TOTAL	242,594	-

SECTION 8. To amend the West/South Apron Rehabilitation and North Ramp Expansion (#65039) Grant Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	647,845	-
TOTAL	647,845	-

To provide funding for the above, the West/South Apron Rehabilitation and North Ramp Expansion (#65039) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	32,393	-
Restricted Intergovernmental	615,452	-
TOTAL	647,845	-

SECTION 9. 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 – Item “E”

Item “E” - Discussed under Item XI.B.1. Departmental Reports, Update on Airport Projects

X. Informational Items

XI. New Business

A. Public Hearings

1. Approved the FY2025-2026 Consolidated Annual Performance and Evaluation Report (CAPER) for Submission as Required by the US Department of Housing and Urban Development - Presented by Business Development Director, Dave Leonetti.

Staff requests Council’s consideration of the FY 2025-2026 Consolidated Annual Performance Evaluation Report (CAPER). The CAPER evaluates the effectiveness of the use of resources in addressing identified goals and objectives cited in the Annual Action Plan which is prepared before the fiscal year begins.

CDBG resources were used for the following: housing rehabilitation - $110,390.49; ALFA - $8,000; Exodus Homes - $7,000; Salvation Army - $9,000; Hickory Soup Kitchen - $7,500; Catawba Science Center - $7,500; Women's Resource Center - $5,000; GHCCM - $7,500; public infrastructure improvements - $329,966.71; fair housing - $840; and program administration - $36,128.90; Total $528,826.10. In complying with the US Department of Housing and Urban Development's requirements the CAPER outlines the City's expenditures from July 1, 2026 to June 30, 2026. These funds were approved by the Citizen's Advisory Committee as part of the Annual Action planning process.

Notice of the public hearing was advertised in a newspaper having general circulation in the Hickory area on August 15, 2026, and September 1, 2026. A copy of the CAPER has been available on the City's website and at City Hall beginning August 17, 2026.

City Manager Warren Wood asked Business Development Director, Dave Leonetti to the podium to present Council with the FY2025-2026 Consolidated Annual Performance and Evaluation Report (CAPER) for submission as required by the US Department of Housing and Urban Development.

Business Development Director, Dave Leonetti gave a PowerPoint presentation. He discussed the FY2025-2026 Consolidated Annual Performance and Evaluation Report (CAPER). He advised that previously Anna Beth Walker presented to Council the Annual Action Plan. That was the plan for the coming year, the current 2026-2027 fiscal year. He noted that 90 days after the previous program year was finished they submit a performance evaluation report to HUD. It contained all of the information about where the funds were spent and what was accomplished during the last year. The City of Hickory was an entitlement community for Community Development Block Grant Funds because Hickory was one of the three principle cities of the Hickory, Lenoir, Morganton, metropolitan statistical areas. That meant the City got funding directly from HUD every year instead of smaller municipalities that have to apply for grants through the North Carolina Department of Commerce's small cities program. The year under consideration was July 1, 2025 through June 30, 2026. Overall, the majority of the City's spending for last year was for the improvements to Hickory Optimist Park, which included fencing, paving, construction of the new dog park, picnic tables, and trail connections to existing trails within the park. He mentioned that opened right at the July 4th weekend. He displayed photos of the finished project. He advised it was the conversion of the former baseball field to a grass area for dogs and other places for people to walk and enjoy the park. Other spending included the housing rehabilitation program, $110,000. That was for two homes and included a final payment on a home that was completed in the previous year along with the funds to administer the program. In April they declare Fair Housing Month to help the citizens be aware of their rights under the Fair Housing Act. They also purchased some advertising in local newspapers and social media to inform people of their fair housing rights. He advised $36,000 was for program administration which was for staff time to administer the program. He noted that $51,500 was for public service activities. The US Department of Housing and Urban Development allowed the City to spend up to 15% of the project grant in previous year program income on public service activities. This past year they worked with seven different local non-profits that assist low-moderate income individuals. ALFA works with HIV and AIDs patients; they do medical case management to keep them in care. Exodus Homes helps their residents find employment and transportation. Salvation Army Boys and Girls Club, which was for their summer camp and afterschool program. Soup Kitchen was meals that they serve and the food bank that they operate. Catawba Science Center operates a portal to science program that provides low cost memberships for low and moderate income households and scholarships to take advantage of their summer camps. Women's Resource Center provides case management and supplies different support to women in crisis, especially homeless women. Greater Hickory Cooperative Christian Ministry received $7,500 for their homeless ministry to help the homeless find housing, showers, setup mailboxes, and other social work and activities. In this current fiscal year, they were going under contract soon to do HVAC improvements at the Ridgeview Recreation Center. He noted they did not have any small or microenterprise loans last year, but Council had approved one in this fiscal year and there would be two more on their September 15 City Council meeting agenda. There was one other one in the pipeline. The word was getting out about that program and there were a lot of good ways that they could help the low to moderate income business owners to buy equipment and receive marketing and support for their small businesses. They would continue the housing rehab program. He mentioned this was not included in those numbers; they received funding from the North Carolina Financing Agency for the urgent repair program. That was a fully forgivable loan for low to moderate income homeowners with special needs. They assisted 13 homeowners last fiscal year through their rehab efforts. Funding was

in the budget for additional grants to nonprofit public service agencies next year. He asked for questions.

Alderwoman Patton asked how often they got other non-profits applying.

Business Development Director, Dave Leonetti advised they received request for more than they were able to fund. The Citizens Advisory Committee reviewed the requests and staff also reviewed them. They have to be careful not to duplicate services and ensure that all the non-profits have the capacity to deal with all the Federal red tape and requirements.

Alderman Freeman thanked Mr. Leonetti for what he does. Mr. Leonetti mentioned that 13 homes for the low moderate income rehabilitation. He asked was that an average of the number of homes that they usually help, or what could they compare it to.

Business Development Director, Dave Leonetti advised that the 13 homes were right around what they normally do with their urgent repair. Last year there were two for their housing rehab, the more traditional deferred loan program that they offer. This year they currently have three in the pipeline and a couple more. He thought a lot of it was just timing. They have a few that were approved in the May/June timeframe that are just getting started now. He would anticipate 4-5 with that, plus another 13 or so from the urgent repair program.

Alderman Wood asked of the 7 non-profits that were on the list if any of them were first time recipients of these grants.

Business Development Director, Dave Leonetti replied not first time. He thought that the Women's Resource Center may have been their second time.

Alderman Wood asked if there were geographic perimeters on how they could use the money that they use directly, for instance, the Hickory Optimist Park. Where there perimeters in terms of geography in terms of where that money could be used?

Business Development Director, Dave Leonetti advised that the US Housing and Urban Development wants to ensure that the City's funding benefits low and moderate income individuals. Those infrastructure and facility improvement projects qualify under what was known as the area benefit category. They could spend that funding where the service area of the facility of the improvement, 51 percent of the population of the service area was low to moderate.

Alderman Wood asked if the grants that were made to the non-profits were not under the same obligations. Correct?

Business Development Director, Dave Leonetti explained they were funded through the low and moderate income clientele. At least 51 percent of the clientele that benefit from the program have to be low and moderate income. They either have to sign as self-certification that speaks to their household income. Certain categories are presumed low and moderate income, such as homeless, and persons living with HIV and AIDs and some other categories.

Alderman Wood commented that HUD was responsible for "audit", for tracking that and making sure that those things were being met.

Business Development Director, Dave Leonetti mentioned that the City was responsible as the recipient of the funds making sure that they monitor all of the sub-recipients. Staff go out every year.

Alderman Wood thanked Mr. Leonetti for his answers and what he does.

Alderman Freeman questioned the $329,000 plus that went into the Hickory Optimist Park, in the grant, they get the amount that was allocated for infrastructure, correct?

Business Development Director, Dave Leonetti explained the City has the ability as an entitlement community to spend funding on anything that meets the national objective. Going back to the previous year, they stacked 2 years of public infrastructure funding together to get the money to do the more recent one. The entitlement grant this year was around $363,000; it varies between $100,000 and $175,000 in program income from repayment of loans and other activities. That was the money they were working with.

Alderman Freeman knew that their objective goal was certainly to hit all four corners of Hickory. He asked each year what the process was related to which particular neighborhood or area was going to benefit from the now $360,000.

Business Development Director, Dave Leonetti explained as Alderman Wood eluded to with his question, they qualify these facility improvements under the area benefit category. There were certain census tracts that were potentially eligible for those improvements. They have public meetings. He referred to the meeting at the Optimist Park, about 12-13 years ago, the Community Building that was built there was requested by the Green Park Neighborhood Association in one of those public meetings. Internal staff, in conjunction with the input they get from the public, look through which parks may be eligible for the funding. They try to go through those different areas. They spent money in the Cliff Teague Park, Taft Broome Park and this year at the Ridgeview Recreation Center. West Hickory Senior Center and West Hickory Park had improvements in recent years as well.

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

Alderwoman Patton moved, seconded by Alderman Seaver approval of the FY2025-2026 Consolidated Annual Performance Evaluation Report. The motion carried unanimously.

B. Departmental Reports

1. Update on Airport Projects – Presented by Airport Director, Chad Hunsucker

City Manager Warren Wood advised there were a number of items on the agenda related to the Airport. They had talked about all of these projects at previous meetings. He asked Airport Director, Chad Hunsucker to the podium to present Council with an update on Airport Projects. They would have the Avigation Easement (Item “E”) to consider at the end of his presentation.

Airport Director, Chad Hunsucker gave a PowerPoint presentation. He discussed an update on the Airport projects. He noted as he put the presentation together this was not everything that they had going on, it was just a snippet of it. There were other projects starting later this month, like lighting, and in October the tower rehab was starting. This was just the tip of the iceberg. He referred to the PowerPoint and displayed a photo. They could see it if they were coming up Clement Boulevard. He mentioned the photo was taken on Friday, and it was already super old, because this evening they should complete the upper portion of the wall. All that was going to be left was a little bit of grading, and some stormwater work and that project should be wrapped up by end of next week. They had gotten lucky and only had been shutdown maybe two nights because of weather. He referred to the PowerPoint and advised the view was the extension of the new safety area when it was done. That would be adjacent to the EMAS. He briefed Council in May on the EMAS project. What would happen next after the retaining wall was complete, in about 3-weeks JT Russell would come in and start grading work and start some paving. They would prepare the EMAS bed, which was 2,771 blocks to make up the EMAS system at Hickory. That project was starting. They were able to accelerate the timeline for that and were hopeful that that project would be wrapped up by Christmas.

Airport Director, Chad Hunsucker discussed the north ramp expansion. The north ramp was the FBO ramp. Traditionally they service 90 percent of the customers both base and transient customers. Quite honestly it was too small. They set a record in August with the amount of transient traffic and the amount of fuel sold. There were many days when they literally ran out of parking space. They had to be creative. He referred to the PowerPoint and displayed photos; he showed a grassy area between the existing ramp and the old runway. That would completely be paved and would expand that entire area. Really tripling the size of the current ramp. He displayed photos of the south and west ramp rehabilitation. The key things to take away here were they conducted a pavement condition index study in 2023, it was 3 years old. He pointed out the area that was the west ramp of the airport, which 6 corporate hangars were located there. He pointed out the south ramp, which there were 3 corporate hangars there. In 2023, the west ramp pavement was already in very poor condition. They could imagine where it was now. The agenda item approved was to begin the design process for that rehabilitation.

Airport Director, Chad Hunsucker discussed avigation easements. Most people were familiar with property easement which they might think of as putting a driveway through someone else's property. An avigation easement was actually obtaining airspace rights above a property owners' property. The reason they will need to do that at the airport was that grant assurance 20 required if they receive Federal funds, which the airport has and will in the future, they are required to keep all of the departure, approach and transitional surfaces clear of obstructions. Most notably trees. They conducted an approach analysis, he referred to the image on the PowerPoint, in 2023, and 116 properties at the approach end of Runway 6 had known obstructions that need to be removed. Before they get to the obstruction removal process they have to obtain the avigation easement rights. It was a process that they were going to do a work authorization with their consultant Talbert, Bright, and Ellington (TBE). The Staff Attorney would get involved at some point in the process as far as title searches go. They go out, make appraisals, and eventually make an offer to the property owner(s). Once they have obtained that avigation easement it will last forever, no matter who owns the property. That would allow them to go on the property and remove any obstruction at any time. The goal for them was to go in and do it one time. Go in and completely take the known obstructions down and they will be done with it. Why this was important? He referred to a map on the PowerPoint and pointed out the area that was the first 3,000 feet off the approach end of Runway 6. That was for their existing threshold now there were known obstructions. How it affects them was their approach weather minimum that a pilot uses to safely know whether they can make a landing to that runway in adverse weather were raised significantly for Runway 6 because of the known trees. For example, Runway 24 has no obstructions, the weather minimums were 200 feet ceiling and half mile visibility. For Runway 6 it was 500 feet and one and a quarter mile. By removing that first 3,000 feet area of obstructions they would be able to reduce those weather minimums. Additionally, they were trying to pursue an eventual 400 foot runway extension on that end of the runway. The areas outside of the 3,000 feet, those obstructions will become an issue if they extend the runway. It was important that they address those now. This was step one in an eventual runway extension.

Mayor Guess asked if other than trees were there any structures, buildings or anything like that.

Airport Director, Chad Hunsucker advised no structures it was all trees. He was reading today that one of the highest trees was 68 feet.

Mayor Guess asked what the minimum was.

Airport Director, Chad Hunsucker advised it was a 20 to 1 slope at the end of the runway. He did not know what height that would come to as far as the height of the tree. He discussed some of the things in the scope of work with Talbert, Bright, and Ellington in the work authorization. They would negotiate and establish a budget. They would be in charge of the project management portion. They had already performed some of the avigation easement analysis, he noted that was the portion where he had shown the number of the properties involved and how many obstructions had been identified. They would also work through a subcontractor where they would do the appraisals and negotiations with the property owner(s). This was going to be funded with a previously accepted State Aid Grant that they received. He asked Council's approval to allow City Manager Warren Wood to execute the work authorization with TBE in an amount not to exceed $1.6 million. He asked for questions.

Alderwoman Dula asked how many properties were affected.

Airport Director, Chad Hunsucker advised 116.

Alderwoman Dula asked if most of them were occupied or if some of them were vacant.

Airport Director, Chad Hunsucker commented from what he had seen most of them were occupied. Obviously, one of the things was the timeline, this was a multiyear project.

Alderwoman Williams asked what the funding sources were to pay for this were.

Airport Director, Chad Hunsucker advised they had received a grant from the State for $3 million dollars, that would fund the 3,000 feet of the existing threshold and they would be able to use AIG Federal funding for the other properties.

Alderman Wood asked if eminent domain was in the toolbox as a last resort.

Airport Director, Chad Hunsucker replied yes.

Alderman Wood questioned the tree removal. He was hoping that it was removal and not topping. He hoped topping of the trees was not an option. Were they going to insist it be removed.

Airport Director, Chad Hunsucker explained once they obtained the avigation easement it was their prerogative on which means to utilize. They would recommend full removal. He explained why. Some species of trees when they are trimmed, it actually encourages growth. The Federal government was only going to fund them one time to do this. If they come back in 10 years and say sorry the tree grew back, they were going to pay for it. The other fear with trimming was if they prune incorrectly they could kill the tree then they have a deadfall situation and a liability issue if that tree were to fall on the property owner(s) property.

Alderman Wood noticed that he had said recommend. What prevents them from insisting that the tree be removed?

Airport Director, Chad Hunsucker advised nothing.

Alderman Wood used as an example, they go out and remove the trees, were the property owner(s) prohibited from replanting. Was there any type of prohibition against replanting in this area?

Airport Director, Chad Hunsucker advised it does not prohibit them from replanting, but it does specify that it can not become a future hazard. They would not want to plant an oak tree. It would specify what type of tree it would be.

Alderman Wood asked if that would be at their costs if they did.

Airport Director, Chad Hunsucker advised that it would be.

Mayor Guess asked if that was the same case even if something grew there that they did not plant.

Airport Director, Chad Hunsucker confirmed that was correct.

Alderwoman Patton confirmed if they replanted something they would be responsible for taking it down if it grew 50 years from now.

Mayor Guess moved, seconded by Alderwoman Patton approval of the work authorization (Consent Agenda Item “E”). The motion carried unanimously.

2. Appointments to Boards and Commissions

CITIZENS ADVISORY COMMITTEE
(Terms Expiring 6-30; 3-Year Terms) Appointed by City Council
Small Cities Project Area (Council Appoints) VACANT

COMMUNITY APPEARANCE COMMISSION
(Terms Expiring 6-30; 3-Year Terms) Appointed by City Council
Ward 2 (Williams Appoints) VACANT
At-Large (Council Appoints) VACANT

Alderwoman Patton Nominated Anne Brock as an At-Large Representative on the Community Appearance Commission.

COMMUNITY RELATIONS COUNCIL
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Caucasian (Council Appoints) VACANT
Caucasian (Council Appoints) VACANT
Caucasian (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)
Ward 1 (Wood Appoints) VACANT
Burke County Representative (Mayor Appoints with Recommendation from Burke County) VACANT

Alderman Wood Nominated John Andrews as Ward 1 Representative on the Hickory Regional Planning Commission.

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

Ward 4 (Freeman Appoints)	VACANT
Ward 5 (Dula Appoints)	VACANT
At-Large (1) (Mayor Appoints)	VACANT
At-Large (2) (Mayor Appoints)	VACANT

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

Ward 3 (Seaver Appoints)	VACANT

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

Ward 3 (Seaver Appoints)	VACANT
Ward 4 (Freeman Appoints)	VACANT
Ward 6 (Patton Appoints)	VACANT
At-Large (Council Appoints)	VACANT
At-Large (Council Appoints)	VACANT

Alderman Seaver Nominated Johnna Flood as Ward 3 Representative on the Recycling Advisory Board.

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

At-Large Not Including ETJ (Council Appoints)	VACANT

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

Homeschool	VACANT
St. Stephens High School	VACANT
Hickory High School	VACANT

Youth Council Applicant Review Committee Recommend the Following Appointment:

Nahla Holmes as a Hickory High School Representative on the Youth Council.

Mayor Guess Nominated Nahla Homes as a Hickory High School Representative on the Youth Council.

Mayor Guess moved, seconded by Alderwoman Patton approval of the above nominations. The motion carried unanimously.

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

Mayor Guess acknowledged, on behalf of the entire Council, their sincere condolences to City Manager Warren Wood on the passing of his mother Ann Turner Wood. He offered their sincere condolences.

City Manager Warren Wood thanked City Council for their support and kind words. He thanked staff as well.

Mayor Guess commented for him to let them know if he or his family needed anything.

XIV. There being no further business, the meeting adjourned at 6:32 p.m.

_____
Mayor

_____
City Clerk

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: *Chad Hunsucker*

Contact Person: Shelly Campbell

Date: 08/01/2026

Re: Request for approval of Commercial Use Permit for The Nest at HKY, LLC

REQUEST

Request for approval for Commercial Use Permit for The Nest at HKY, LLC

BACKGROUND

The City currently leases Hangar S-5, located on the South Ramp of Hickory Regional Airport to The Nest at HKY, LLC. The tenant operates an Aircraft Management and Pilot operation that has seen significant growth and has a need for additional hangar and office space.

ANALYSIS

The Nest at HKY, LLC intends to increase their rental space by renting hangar S-1, located at 2910 2nd Avenue NW, Hickory NC on the South Ramp of the Airport. The Leased Premises consists of approximately 9,600 square feet of hangar space, 870 square feet of office and restroom space and 1,160 square feet of storage space.

The proposed annual rent amount will be $75,600 with a 2.5% annual increase. Additionally, tenant currently manages over $40 million worth of tax based aircraft with the potential to add another $15 million within the next year.

The term of this Agreement shall commence on the Commencement Date (October 1) and continue for an initial term of four (4) years, unless earlier terminated in accordance with this Agreement. Tenant shall have one (1) option to renew this Agreement for one (1) additional term of five (5) years by providing the City with written notice of its election to renew no later than one hundred twenty (120) days prior to the expiration of the initial term. The renewal term shall be on the same terms and conditions set forth in this Agreement, except as otherwise expressly provided herein.

Leases greater than one year require public notice prior to approval. The public notice of the lease was advertised in the Hickory Daily Record on August 13, 2026.

RECOMMENDATION

Recommendation for approval by City Council.

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE:

Reviewed by:

Chad Hunsucker Initiating Department Head-	08/01/2026 Date	Asst. City Manager Yaidee Fox	9/8/26 Date
Asst. City Manager Rodney Miller	9/8/26 Date	Asst. City Manager, R. Beasley	9-10-26 Date
Finance Officer, Kari Dunlap	9/9/26 Date	Deputy Finance Officer, Cameron McHargue	9-9-26 Date

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

City Manager, W. Wood

9-10-26

Date

RESOLUTION NO. 26-___

RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT BY THE CITY OF HICKORY PURSUANT TO N.C.G.S. § 160A-272

WHEREAS, the City Council of the City of Hickory desires to lease to The Nest HKY, LLC ("Tenant") a portion of Hangar S1 at the Hickory Regional Airport, located at 2910 2nd Avenue NW, Hickory, North Carolina 28601, consisting initially of approximately 9,600 square feet of aircraft storage space, 870 square feet of office and restroom space, and 1,160 square feet of storage space (collectively, the "Leased Premises"), together with the non-exclusive right to use approximately 342 square feet of lobby and restroom space (the "Common Space"), as more particularly described in **Exhibit A** to the Commercial Use Permit and Lease Agreement (the "Lease Agreement"), for an initial term beginning October 1, 2026, and ending September 30, 2030, with one (1) option to renew for an additional five (5) years, at an initial annual rental of Seventy-Five Thousand Six Hundred Dollars ($75,600.00), which shall increase by two and one-half percent (2.50%) annually beginning October 1, 2027; and

WHEREAS, the Lease Agreement further grants Tenant a conditional option to lease approximately 3,200 square feet of additional hangar space and approximately 120 square feet of additional office space within Hangar S1 (the "Option Space") if and when the Option Space becomes available during the Term, at the rental rates set forth in **Exhibit B** to the Lease Agreement, and further provides that, upon Tenant's timely exercise of such option, the Option Space and the Common Space shall automatically be incorporated into the Leased Premises, with the Common Space thereafter being for the exclusive use and occupancy of Tenant for the remainder of the Term; and

WHEREAS, City staff has reported that the City will not need the Property for City purposes during the term of the proposed Lease Agreement and recommends that the City Council authorize execution of the Lease Agreement; and

WHEREAS, N.C.G.S. § 160A-272 authorizes the City to lease property owned by the City for such terms and upon such conditions as the City Council may determine, provided that the term does not exceed ten (10) years and the City Council determines that the property will not be needed by the City during the term of the lease; and

WHEREAS, N.C.G.S. § 160A-272 further provides that such property may be leased only pursuant to a resolution adopted at a regular meeting of the City Council authorizing execution of the Lease Agreement after thirty (30) days' public notice describing the property to be leased, stating the annual rental or lease payments, and announcing the City Council's intent to authorize the lease at its next regular meeting; and

WHEREAS, notice of the proposed lease was published on August 13, 2026, describing the Property to be leased, stating the annual rental payments, and giving notice that the City Council intended to consider a resolution authorizing execution of the Lease Agreement at its regular meeting on September 15, 2026, all in accordance with N.C.G.S. § 160A-272.

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

1. The City Council hereby determines that the Leased Premises, the Common Space, and, if and when leased pursuant to the terms of the Lease Agreement, the Option Space, will not be needed by the City for City purposes during the applicable term of the Lease Agreement.

2. The City Council hereby authorizes the lease of the Leased Premises, together with Tenant's non-exclusive right to use the Common Space, upon the terms and conditions set forth in the Lease Agreement, including Tenant's conditional option to lease the Option Space and the resulting incorporation of the Option Space and the Common Space into the Leased Premises upon Tenant's exercise of such option in accordance with the terms of the Lease Agreement, all pursuant to N.C.G.S. § 160A-272.

3. The City Manager is hereby authorized and directed to execute, on behalf of the City of Hickory, the Lease Agreement with Tenant for the lease of the Leased Premises, together with the non-exclusive right to use the Common Space, for an initial term beginning October 1, 2026, and ending September 30, 2030, with one (1) option to renew for an additional five (5) years, upon the terms and conditions approved herein, including an initial annual rental of Seventy-Five Thousand Six Hundred Dollars ($75,600.00), which shall automatically increase by two and one-half percent (2.50%) on October 1, 2027, and on October 1 of each year thereafter. The Lease Agreement shall further include Tenant's conditional option to lease the Option Space if it becomes available during the Term, at the rental rates set forth in **Exhibit B** to the Lease Agreement, and shall provide that, upon Tenant's timely exercise of such option in accordance with the terms of the Lease Agreement, the Option Space and the Common Space shall automatically be incorporated into the Leased Premises, the Common Space shall thereafter be for the exclusive use and occupancy of Tenant, and the annual rent shall automatically increase in accordance with **Exhibit B** to the Lease Agreement, all without the necessity of further action by the City Council.

4. The City Manager is further authorized and directed to execute any acknowledgment, notice, certification, or other document contemplated by or necessary to implement the terms of the Lease Agreement, including Tenant's exercise of the option to lease the Option Space, and to approve and execute any minor, non-substantive revisions to the Lease Agreement that are consistent with the intent of this Resolution, subject to approval as to form by the City Attorney and pre-audit certification by the Chief Financial Officer, if required by law.

Adopted this the _____ day of _____, 2026

[AFFIX SEAL]

THE CITY OF HICKORY

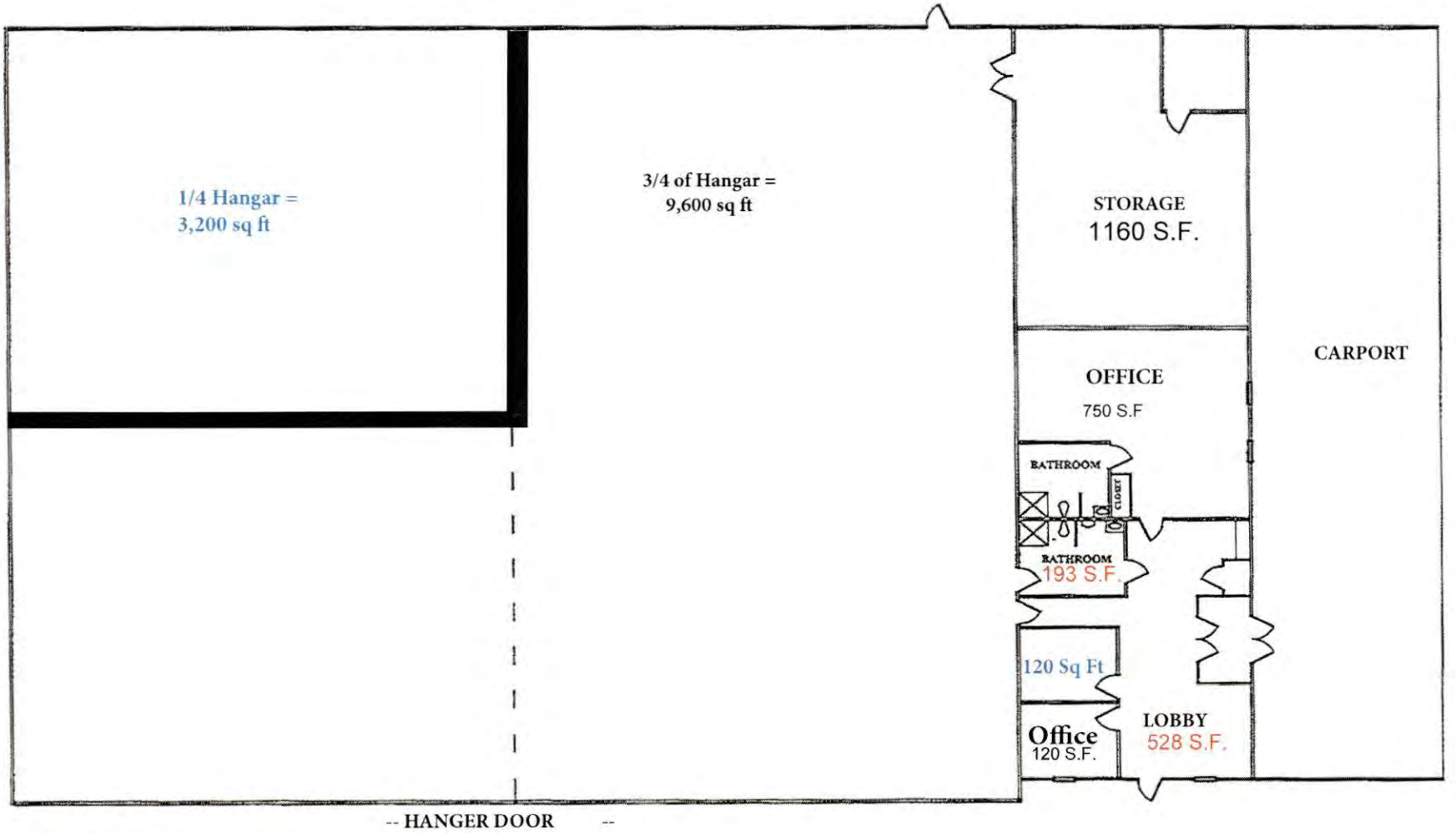
ATTEST:

By: _____
Hank Guess, Mayor

_____
Debbie D. Miller, City Clerk

HICKORY REGIONAL AIRPORT
SOUTH RAMP HANGAR SI

APPENDIX A



RED = Non-exclusive/common areas
BLUE = Shurtape
BLACK = The Nest At Hickory

Exhibit B
Rent Schedule

Hangar S1 2.5% Annually Increase					
Year	Dates	Partial Hangar - Monthly	Partial Hangar - Annually	Entire Hangar - Monthly	Entire Hangar - Annually
YEAR 1	10/1/2026 - 9/30/2027	$ 6,300.00	$75,600.00	$7,425.00	$ 89,100.00
YEAR 2	10/1/2027 - 9/30/2028	$ 6,457.50	$77,490.00	$7,610.63	$ 91,327.50
YEAR 3	10/1/2028 - 9/30/2029	$ 6,618.94	$79,427.25	$7,800.89	$ 93,610.69
YEAR 4	10/1/2029 - 9/30/2030	$ 6,784.41	$81,412.93	$7,995.91	$ 95,950.96
YEAR 5	10/1/2030 - 9/30/2031	$ 6,954.02	$83,448.25	$8,195.81	$ 98,349.73
YEAR 6	10/1/2031 - 9/30/2032	$ 7,127.87	$85,534.46	$8,400.71	$ 100,808.47
YEAR 7	10/1/2032 - 9/30/2033	$ 7,306.07	$87,672.82	$8,610.72	$ 103,328.68
YEAR 8	10/1/2033 - 9/30/2034	$ 7,488.72	$89,864.64	$8,610.93	$ 103,331.18
YEAR 9	10/1/2034 - 9/30/2035	$ 7,675.94	$92,111.26	$8,826.21	$ 105,914.46

City of Hickory
PO Box 398
Hickory, NC 28603
Phone: (828) 828-323-7564
Fax: (828)323-7550

HICKORY REGIONAL AIRPORT
COMMERCIAL USE PERMIT AND LEASE AGREEMENT

This Commercial Use Permit and Lease Agreement ("Agreement") is made and entered by and between the City of Hickory, a North Carolina municipal corporation, having a mailing address of P.O. Box 398, Hickory, NC 28603 ("City"), and The Nest at HKY, LLC, a North Carolina limited liability company, having a mailing address of 907 Ravenglass Turn, Gastonia, NC 28054("Tenant"). The identified parties are at times referred to herein collectively as "Parties" and individually as a "Party."

WHEREAS, Section 3-41 of City of Hickory Code of Ordinances provides that no person shall operate a FBO at the Hickory Regional Airport or offer or provide aeronautical services to aeronautical operators at the Airport, including the sale or delivery of aviation fuel, except the Airport Director, except such operations and activities that shall have been approved by the City and described in a lease, concession agreement or commercial use permit approved by the City; and

WHEREAS, Tenant is seeking issuance of a Commercial Use Permit and lease of hangar and office space at the Airport to operate as a FBO and to offer or provide aeronautical services to aeronautical operators at the Airport.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth in this Agreement and for such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties to this Agreement hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below:

(a) "Additional Rent" means all amounts payable by Tenant under this Agreement other than Base Rent.

(b) "Adjustment Date" means October 1, 2027, and October 1 of each year thereafter as set forth in Section 3.05(b).

(c) "Aircraft" means any aircraft owned, operated, stored, maintained, serviced, or otherwise present on the Airport by or through Tenant.

(d) "Airport" means the Hickory Regional Airport.

(e) "Airport Director" means the individual designated by the City to manage and operate the Airport, or such person's authorized designee.

(f) "Base Rent" has the meaning set forth in Section 3.05(a).

(g) "Commencement Date" has the meaning set forth in Section 3.03.

(h) "Commercial Use Permit" means the non-exclusive, revocable permit granted by the City pursuant to Article II authorizing Tenant to conduct the Permitted Activities at the Airport.

(i) "Event of Default" means any event described in Section 6.01.

(j) "FBO" means Fixed-Base Operator.

(k) "Hazardous Materials" has the meaning set forth in Section 4.04.

(l) "Improvements" means the improvements described in Section 4.06.

(m)"Leased Premises" has the meaning set forth in Section 3.01.

(n) "Lease Year" means each consecutive twelve (12)-month period during the Term, with Lease Year 1 commencing on the Effective Date (or Commencement Date, if different), Lease Year 2 commencing on the first anniversary thereof, and each successive Lease Year commencing on each anniversary thereafter.

(o) "Permitted Activities" has the meaning set forth in Section 4.01.

(p) "Rent" means Base Rent and Additional Rent collectively.

(q) "Term" has the meaning set forth in Section 3.04.

(r) "Waste Oil Storage Area" has the meaning set forth in Section 3.09.

Additional capitalized terms used in this Agreement shall have the meanings ascribed to them elsewhere in this Agreement.

ARTICLE II
COMMERCIAL USE PERMIT

Section 2.01 Permit Grant. The City hereby grants Tenant a non-exclusive, revocable Commercial Use Permit authorizing Tenant to conduct the Permitted Activities at the Airport from the Leased Premises during the Term, subject to the terms and conditions of this Agreement.

Section 2.02 Nature and Control of Permit. The Commercial Use Permit is a revocable contractual license only and does not create any property right, leasehold interest, or vested right in Tenant. The Permit is subordinate to the City's authority to operate, manage, and regulate the Airport in accordance with applicable law, Federal Aviation Administration requirements, Airport Rules and Regulations, and Airport Minimum Standards, as may be adopted or amended from time to time.

Section 2.03 Suspension or Revocation. The City may suspend or revoke the Commercial Use Permit (i) for cause, including Tenant's failure to comply with this Agreement or applicable laws, rules, or standards, or (ii) if reasonably necessary to protect safety, respond to an emergency, or maintain regulatory compliance. Except in cases involving safety or emergency conditions, the City shall provide Tenant with written notice and a reasonable opportunity to cure any correctable condition. The City shall exercise its authority under this Section in good faith and shall not act in an arbitrary or capricious manner.

Section 2.04 Effect of Revocation. Revocation of the Commercial Use Permit for cause shall constitute a material default under this Agreement and may result in termination of this Agreement as provided herein. Upon expiration or termination of this Agreement for any reason, the Commercial Use Permit shall automatically terminate, and Tenant shall have no further right to conduct Permitted Activities at the Airport. Tenant shall not be entitled to compensation arising from the suspension, revocation, or termination of the Permit, except as expressly provided in this Agreement. Tenant acknowledges that its right to occupy the Leased Premises is subordinate to and conditioned upon the continued validity of the Commercial Use Permit.

Section 2.05 Relationship of Commercial Use Permit and Lease. The Commercial Use Permit and the lease of the Leased Premises granted under this Agreement are interdependent. Tenant's right to occupy and use the Leased Premises is expressly conditioned upon the continued validity of the Commercial Use Permit. Suspension or revocation of the Commercial Use Permit shall constitute a material default under this Agreement and, at the City's option, grounds for termination of the Lease. Notwithstanding anything to the contrary, the City retains all governmental and regulatory authority over the Airport, and no provision of this Agreement shall be construed to limit such authority.

ARTICLE III
LEASE OF PREMISES

Section 3.01 Leased Premises. In consideration of the mutual promises and undertakings set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City hereby leases to Tenant, and Tenant hereby leases from the City, the right to use the portion of the common-use hangar with an address of 2910 2nd Avenue NW, Hickory, NC, located at the Airport and identified as Hangar S1, consisting of approximately 9,600 square feet of aircraft storage space, 870 square feet of office and restroom space, and 1,160 square feet of storage space, as more particularly depicted on **Exhibit A**, attached hereto and incorporated herein by this reference (the "Leased Premises"). The Leased Premises are located within a shared-use hangar and remain subject to the rights of other Authorized Users (defined below) and the City's management and operation of the Airport.

Tenant shall have the exclusive right to use and occupy the Leased Premises during the Term; provided, however, that 528 square feet of lobby space and 193 square feet of restroom space identified on **Exhibit A** (collectively, the "Common Facilities") shall be subject to the non-exclusive right of use by Tenant and are also intended to serve other tenants, occupants, guests of Hangar S1, and other authorized users designated by the City (collectively, the "Authorized Users"). Notwithstanding the foregoing, if Tenant exercises its option to lease the Option Space as provided below, the Common Facilities shall thereafter be incorporated into the Leased Premises and shall be for the exclusive use and occupancy of Tenant during the remainder of the Term.

The City acknowledges that approximately 3,200 square feet of additional hangar space and approximately 120 square feet of office space within Hangar S1 (the "Option Space") are currently leased to another tenant. If the lease for the Option Space expires or is terminated during the Term of this Agreement and the Option Space becomes available for lease, Tenant shall have the first option to lease the Option Space. The rental rates applicable to the Option Space are set forth in **Exhibit B**.

Tenant may exercise its option by providing written notice to the City within thirty (30) days after the City provides written notice that the Option Space is available. Upon Tenant's timely exercise of the option, the Option Space and the Common Facilities shall automatically be incorporated into the Leased Premises effective as of the date the Option Space becomes available for occupancy by Tenant (or such later date as Tenant specifies in its notice of exercise). Beginning on such effective date, the Rent payable under this Agreement shall automatically increase by the amount set forth in **Exhibit B** for the Option Space for the applicable Lease Year, and the Common Facilities shall no longer be subject to shared use by Authorized Users but shall instead be for the exclusive use and occupancy of Tenant. No amendment to this Agreement shall be required to effect the incorporation of the Option Space and the Common Facilities into the Leased Premises, although the Parties shall execute a written acknowledgment of such incorporation upon the request of either Party.

Tenant shall use the Leased Premises solely for the operation of a fixed base operator ("FBO") and the provision of aeronautical services in accordance with the Commercial Use Permit granted under this Agreement and the Airport's Minimum Standards.

Section 3.02 Condition of Leased Premises. Except for the Improvements described in Section 4.06, Tenant accepts the Leased Premises "as is," "where is," and "with all faults," without representation or warranty by the City as to condition, suitability, or fitness for Tenant's intended use. Tenant shall maintain the Leased Premises in good order and repair during the Term, ordinary wear and tear excepted, and shall return the Leased Premises to the City at the expiration or earlier termination of the Term in substantially the same condition as of the Commencement Date, ordinary wear and tear excepted. Tenant shall, at its sole cost and expense, comply with all applicable federal, state, and local laws, ordinances, codes, and Airport rules.

Section 3.03 Commencement Date. This Agreement shall become effective on October 1, 2026 (the "Commencement Date"), subject to (i) execution of this Agreement by both the City and Tenant; and (ii) the City's receipt of a certificate of insurance naming the City as an additional insured as required under Section 5.02 of this Agreement.

Section 3.04 Term. The term of this Agreement shall commence on the Commencement Date and continue for an initial term of four (4) years, unless earlier terminated in accordance with this Agreement. Tenant shall have one (1) option to renew this Agreement for one (1) additional term of five (5) years by providing the City with written notice of its election to renew no later than one hundred twenty (120) days prior to the expiration of the initial term. The renewal term shall be on the same terms and conditions set forth in this Agreement, except as otherwise expressly provided herein.

Section 3.05 Rent.

(a) Base Rent. Tenant shall pay to the City annual rent for the Leased Premises in the amount of Seventy-Five Thousand Six Hundred Dollars ($75,600.00) for Lease Year

1, with Base Rent for each subsequent Lease Year as set forth in **Exhibit B** (collectively, "Base Rent"), payable in twelve (12) equal monthly installments. Base Rent shall be due and payable monthly, in advance, without demand, on the fifteenth (15th) day of each month during the Term. If Tenant exercises its option to lease the Option Space pursuant to Section 3.01, Base Rent shall automatically increase, effective as provided in Section 3.01, by the amount applicable to the Option Space for the applicable Lease Year as set forth in **Exhibit B**. All sums payable by Tenant under this Agreement other than Base Rent shall constitute Additional Rent.

(b) Annual Rent Adjustment. Beginning October 1, 2027, and on October 1 of each year thereafter (each, an "Adjustment Date"), the Base Rent shall be adjusted to the amount set forth in Exhibit B for the applicable Lease Year.

(c) Interest on Late Payments. Any Rent or other sum not paid when due shall bear interest at the rate of one and one-half percent (1.5%) per month, or the maximum rate permitted by law, whichever is less.

Section 3.06 Aircraft Movement Notification. The City owns Hangar S1 and intends to lease the remaining portions of Hangar S1 that are not included in the Leased Premises. Tenant acknowledges that the aircraft in the remaining portions of Hangar S1 may encroach into the Leased Premises, which shall be permitted so long as such encroachments do not interfere with Tenant's use of the Leased Premises. In the event the City leases hangar space to another tenant and the wing of such tenant's aircraft extends into the Tenant's portion of the Leased Premises, the City shall notify the Tenant in advance of towing such aircraft into or out of the Leased Premises. This notice is to allow the Tenant to act as a safety observer to help ensure that the Tenant's aircraft are not damaged during such movement.

Section 3.07 Common Facilities. The City and Tenant acknowledge that the Common Facilities are intended primarily for the use of Tenant and Tenant's guests. Notwithstanding the foregoing, the Common Facilities are also intended to serve other Authorized Users.

Tenant's use of the Common Facilities shall be non-exclusive, and Authorized Users shall have the non-exclusive right to use the Common Facilities for their intended purposes, subject to reasonable rules and regulations established by Tenant with the approval of the Airport Director, or by the City, provided such rules and regulations are consistent with this Agreement.

In consideration of Tenant's primary use of the Common Facilities, Tenant shall, at its sole cost and expense, be responsible for the upkeep of the Common Facilities, including all cleaning, janitorial services, routine maintenance, and consumable supplies. Tenant shall maintain the Common Facilities in a clean, sanitary, safe, and fully operational condition, reasonable wear and tear excepted, unless otherwise expressly provided in this Agreement.

Tenant shall not be responsible for repairing damage to the Common Facilities caused by the negligence or willful misconduct of any Authorized User, provided Tenant promptly notifies the City of such damage and reasonably cooperates in identifying the responsible party. The City may recover the cost of such repairs from the responsible Authorized User or tenant, if applicable, or otherwise bear or allocate such costs as permitted under applicable agreements.

The rights granted to Authorized Users under this Section constitute a revocable license only and do not create any leasehold, tenancy, easement, or other possessory interest in the Leased

Premises or the Common Facilities. The City reserves the right to adopt and enforce reasonable building-wide policies governing the use of the Common Facilities, provided such policies do not materially interfere with Tenant's primary use thereof.

Section 3.08 Parking. During the Term of this Agreement, Tenant is also granted the exclusive use of seven (7) covered parking spaces. The parking spaces shall be designated by the City and may be redesignated by the City from time to time upon notice to Tenant. Upon Tenant's request and approval by the Airport Director, Tenant may install signage designating the parking spaces assigned to Tenant. All such signage shall be subject to the Airport Director's prior approval.

Section 3.09 Jet Fuel Pricing.

(a) Definitions. For purposes of this Section:

(i) "Cost" means the City's total cost of Jet Fuel delivered to the Airport, including (A) the purchase price paid by the City to its supplier, (B) any applicable federal, state, or local taxes, and (C) all freight, delivery, and handling charges.

(ii) "Retail Rate" means the price per gallon charged by the Airport to the general public for Jet Fuel, as published weekly on the Airport website or otherwise posted at the Airport fuel facility.

(iii) "Fuel Year" means the period beginning October 1 and ending September 30 of each year during the Term of this Agreement.

(b) Jet Fuel Sales. Except as otherwise provided in this Agreement, during the Term of this Agreement, the City shall sell Jet Fuel to Tenant for use in Tenant's operations at the Airport at a price equal to the City's Cost plus One Dollar and Fifty Cents ($1.50) per gallon. Because the City's Cost fluctuates based upon supplier pricing and delivery costs, the price charged to Tenant shall automatically adjust to reflect the City's then-current Cost at the time of each sale.

Tenant shall purchase a minimum of seventy-five thousand (75,000) gallons of Jet Fuel during each Fuel Year. If Tenant fails to purchase at least seventy-five thousand (75,000) gallons during any Fuel Year, then, beginning with the next Fuel Year, the markup over the City's Cost shall increase by Five Cents ($0.05) per gallon, resulting in a price equal to the City's Cost plus One Dollar and Fifty-five Cents ($1.55) per gallon. The increased markup shall remain in effect for that Fuel Year. If Tenant purchases at least seventy-five thousand (75,000) gallons during that Fuel Year, the markup shall revert to One Dollar and Fifty Cents ($1.50) per gallon for the following Fuel Year.

(c) Payment Terms. Tenant shall pay all invoices for Jet Fuel in full by cash or check within thirty (30) days after the invoice date. Any amount not paid when due shall accrue interest at the lesser of one and one-half percent (1.5%) per month or the maximum rate permitted by applicable law until paid.

Suspension of Fuel Sales. Notwithstanding any other provision of this Agreement, the City may suspend the sale of Jet Fuel to Tenant during any period in which Tenant is in default under this Agreement, including any failure to timely pay fuel invoices. The City shall have no obligation to resume fuel sales until such default has been cured.

ARTICLE IV
OPERATIONS AND MAINTENANCE

Section 4.01 Permitted Activities. Tenant is hereby granted the right to engage in and conduct the following commercial activities at the Airport from the Leased Premises: operate a FBO and provide aeronautical aircraft management and pilot services ("Permitted Activities"). Tenant shall always conduct its operations in a lawful manner and in compliance will all municipal orders, codes, ordinances, and regulations, applicable to the business of Tenant and shall maintain during the Term of this Agreement all licenses and permits required by law with respect to Tenant's operations. Except for the Permitted Activities, Tenant shall not engage in any other business or commercial activities at the Airport.

Section 4.02 Utilities. During the Term of this Lease, and except as otherwise provided herein, Tenant shall be solely responsible for establishing and maintaining all utility services to the Leased Premises, specifically including, but not limited to, water, sewer, and electricity. City shall be solely responsible for establishing and maintaining natural gas service to the Leased Premises and shall timely pay all charges for natural gas service incurred during the Term. Tenant shall transfer all utility accounts for which Tenant is responsible into its name within five (5) business days after the Commencement Date and shall timely pay all charges for utility services incurred during the Term.

Section 4.03 Repairs.

(a) Repairs by the City. The City shall, at its sole cost and expense, maintain and repair the following portions of the Leased Premises: (i) the exterior supporting walls of the building, including the hangar door forming part of the Leased Premises; (ii) the foundation, roof (including drains, downspouts, flashing, and parapets); and (iii) the parking areas and curbs serving the Leased Premises. Tenant shall promptly notify the City in writing of any condition requiring repair. Upon receipt of such notice, the City shall make repairs within a reasonable time if the City determines such repairs are necessary for safety or to prevent avoidable loss or damage.

The City shall have no obligation to repair damage caused by the negligent acts, willful misconduct, or breach of this Agreement by Tenant or its officers, employees, agents, contractors, invitees, or customers, and Tenant shall reimburse the City for the reasonable cost of repairing such damage.

Except as expressly provided in this Section, the City shall have no obligation to maintain, repair, alter, or replace any other portion of the Leased Premises or any plumbing, heating, ventilation, electrical, air conditioning, or other mechanical installations located within or exclusively serving the Leased Premises. The City shall, however, contribute up to Two Thousand Dollars ($2,000.00) during each City fiscal year (July 1 through June 30) toward the cost of major repairs or replacement of exterior HVAC equipment serving the Leased Premises.

Tenant shall not place equipment on the roof or make any repairs or alterations to the roof, structural components, or other portions of the building for which the City is responsible without the City's prior written consent.

Notwithstanding anything herein to the contrary, the City shall have no obligation to rebuild or restore the Leased Premises following a casualty except as the City may determine in its sole discretion.

(b) Repairs by Tenant. Tenant shall, at its sole cost and expense, maintain, repair, and keep the interior of the Leased Premises in a clean, safe, orderly, and first-class condition, ordinary wear and tear excepted. Tenant's maintenance responsibilities include, without limitation, the interior of the Leased Premises, all fixtures, furnishings, lighting, doors, signs, plumbing, heating, ventilation, air conditioning, electrical installations, and other non-structural improvements and equipment located within or exclusively serving the Leased Premises, except to the extent Section 4.03(a) expressly assigns responsibility to the City.

Tenant shall: (i) maintain and properly dispose of all trash, garbage, used industrial fluids, aircraft parts, and other waste generated by its operations in accordance with applicable law; (ii) maintain, at Tenant's expense, a contract with a licensed HVAC service provider to inspect, service, adjust, clean, and repair the HVAC systems serving the Leased Premises, including changing filters not less than semi-annually, and provide copies of service reports to the City upon request; and (iii) promptly repair any damage to the Leased Premises, Hangar S1, common areas, or Airport property caused by the negligent acts, willful misconduct, or breach of this Agreement by Tenant or its officers, employees, agents, contractors, invitees, or customers.

If Tenant fails to perform any maintenance or repairs required under this Section within a reasonable time after written notice from the City, the City may, but shall not be obligated to, perform such maintenance or repairs, and Tenant shall reimburse the City for all reasonable costs incurred within thirty (30) days after receipt of an invoice therefor. The City's exercise of this right shall not limit any other remedy available under this Agreement.

Tenant shall not make repairs, alterations, or improvements affecting the structural components of the building, utility systems, or building systems without the City's prior written consent.

Section 4.04 Environmental Compliance and Hazardous Materials. Tenant shall not use, generate, manufacture, store, handle, release, or dispose of any hazardous or regulated substances, including without limitation petroleum products, fuels, oils, lubricants, solvents, or chemicals (collectively, "Hazardous Materials"), on or about the Leased Premises or Airport property, except in such quantities and in such manner as are customarily incidental to the normal operation and maintenance of aircraft and in full compliance with all applicable federal, state, and local laws, regulations, ordinances, and Airport Rules and Regulations.

Tenant shall not cause or permit any spill, discharge, or release of Hazardous Materials onto the Leased Premises or Airport property. Tenant shall immediately notify the City of any such occurrence and shall promptly take all actions necessary to contain, remediate, and clean up such

condition in accordance with applicable law and to the reasonable satisfaction of the City and any applicable governmental authority.

Tenant shall be solely responsible for, and shall indemnify, defend, and hold harmless the City and its officers, officials, employees, and agents from and against, any and all claims, demands, damages, losses, liabilities, costs, and expenses, including without limitation reasonable attorneys' fees and environmental investigation and remediation costs, arising out of or related to the presence, use, release, or disposal of Hazardous Materials by Tenant or its employees, agents, contractors, or invitees, except to the extent caused by the gross negligence or willful misconduct of the City.

The obligations of Tenant under this Section shall survive the expiration or earlier termination of this Agreement. Tenant's obligations apply regardless of whether the contamination is discovered during or after the Term.

Section 4.05 Inspection and Audit Rights. The City, through the Airport Director or authorized representatives, shall have the right, upon reasonable notice to Tenant (except in cases of emergency or where immediate access is reasonably necessary to protect safety, security, or Airport operations), to enter the Leased Premises and inspect the same, including any aircraft, equipment, records, and operations located thereon, for the purpose of verifying Tenant's compliance with this Agreement, including without limitation compliance with use restrictions, maintenance obligations, performance requirements, and applicable laws, rules, and regulations.

Tenant shall, upon reasonable request, provide documentation reasonably necessary to demonstrate compliance with this Agreement, including without limitation aircraft registration information, insurance certificates, fuel sales records, and any other information relevant to rent calculations or performance thresholds under this Agreement.

If the City determines, acting reasonably, that Tenant is not in compliance with this Agreement, the City may provide written notice specifying the nature of such non-compliance and require Tenant to cure the same within the applicable cure period, or immediately if the condition presents a safety, operational, or regulatory concern.

The rights granted under this Section are in addition to, and not in limitation of, any other rights of access, inspection, or enforcement available to the City under this Agreement, Airport Rules and Regulations, or applicable law.

Section 4.06 Improvements. Tenant shall not make or permit to be made any alterations, additions, or improvements to the Leased Premises or Common Facilities ("Improvements") without the prior written consent of the City or the Airport Director. Any request for consent shall be accompanied by detailed plans and specifications, including a description of the proposed Improvements, the names and qualifications of the contractors and subcontractors who will perform the work, and the estimated time for completion. All Improvements shall (a) be performed in a good and workmanlike manner using materials of good quality, (b) comply with all applicable laws, ordinances, rules, regulations, and requirements of all governmental authorities having jurisdiction over the Leased Premises and Common Facilities, (c) comply with all insurance requirements under this Agreement, (d) be performed in a manner that will not interfere with Airport operations; and (e) be performed at Tenant's sole cost and expense. Upon completion of any Improvements, Tenant shall provide the City with copies of as-built plans, final lien waivers from all contractors and subcontractors, and evidence that all governmental inspections and

approvals have been obtained. Unless otherwise specified in writing, all Improvements shall become the property of the City upon installation and shall remain on the Leased Premises and/or Common Facilities upon the expiration or earlier termination of this Agreement. The City may, however, at the time of giving consent to Improvements, require as a condition on its consent thereto that Tenant remove some or all of the Improvements at the expiration or earlier termination of this Agreement and restore the Leased Premises and Common Facilities to substantially the same condition as existed prior to such Improvements, reasonable wear and tear excepted. Improvements shall not include removable trade fixtures.

Section 4.07 Contractor Insurance. Prior to performing any improvements, Tenant shall cause any contractor performing such work to procure and maintain during the duration of such work the following coverages:

(a) Occurrence based commercial general liability insurance naming the City as an additional insured, with respect to liability for bodily injury, including death and property damage caused in whole or in part by the acts or omissions of the contractor or those working on behalf of the contractor (ongoing operations/CG 20 10 04 13) or the contractor's work (completed operations/CG 20 37 04 13) with limits of no less than $1,000,000.00 per each occurrence and $2,000,000.00 in aggregate limits;

(b) Occurrence based automobile insurance for owned, leased, non-owned, and hired vehicles with single limits of no less than $1,000,000.00 per each occurrence for property damage and personal or bodily injury, including death;

(c) Statutory worker's compensation insurance for the contractor's respective employees in accordance with the laws of the State of North Carolina to pay compensation to any employees performing work on the Leased Premises; and

(d) Occurrence based umbrella liability insurance in excess of the coverage in clauses (a) and (b) above, with limits of at least $3,000,000.00 per occurrence and in the aggregate that follow the applicable underlying limit.

All insurance policies shall be from reputable insurance companies licensed to do business in the State of North Carolina. Tenant shall deliver certificates of liability insurance in ACORD form 25 (2016/03) (or the substantial equivalent of such form) and the required policy endorsements evidencing the foregoing insurance coverage to the City prior to any contractor accessing the Leased Premises or performing any work under or pursuant to this Agreement. Any costs or expenses associated with adding the City as a certificate holder in any contractor's certificate of liability insurance and providing the required additional insured endorsements naming the City as an additional insured shall be borne by the contractor or Tenant, but in no event shall such costs or expenses be borne by the City.

Section 4.08 Mechanic's Lien. Neither Tenant, nor any person performing work for Tenant shall have the right to lien the interest of the City in the Property. Any mechanic's lien or other lien attributable to work performed for Tenant shall attach solely to Tenant's leasehold interest. If by reason of any alteration, repair, labor performed or materials furnished to the Leased Premises for or on behalf of Tenant any mechanic's or other lien shall be filed, claimed, perfected or otherwise established as provided by law against the Leased Premises, Tenant shall discharge or

remove the lien by bonding or otherwise, within ten (10) days after notice from the City to Tenant of the filing of same.

Section 4.9 Trade Fixtures. All trade fixtures and equipment installed by Tenant in Leased Premises shall be functioning and shall remain the property of Tenant. Tenant shall obtain the written consent of the City before installing any fixtures or equipment that could possibly weaken or impair the structural portions of the Leased Premises.

Provided Tenant is not in default hereunder, Tenant shall have the right, at the termination of this Agreement, to remove any and all trade fixtures, equipment and other items of personal property not constituting a part of the freehold which it may have stored or installed in the Leased Premises which are susceptible to being moved without damage to the building, provided this right is exercised before this Agreement has expired or during the ten (10) day period prior to any such termination provided herein, and provided that Tenant shall repair any damage to the Leased Premises caused thereby. The right granted hereunder shall not include the right to remove any plumbing or electrical fixtures or equipment, heating or air-conditioning equipment, floor coverings glued or fastened to the floors or any paneling, tile or the materials fastened or attached to the walls or ceilings, all of which shall be deemed to constitute a part of the freehold, and, as a matter of course, shall not include the right to remove any fixtures or machinery that were furnished by the City. If Tenant shall fail to remove its trade fixtures or other property at the termination of this Agreement, such fixtures and other property not removed by Tenant shall be deemed abandoned by Tenant, and, at the option of the City, such property will either become (i) the City's ownership, or (ii) the City will dispose of such property and bill back Tenant.

Section 4.10 Damage by Fire or Other Casualty. Tenant shall promptly notify the City in writing of any fire, casualty, or other event causing damage to the Leased Premises. If the Leased Premises are damaged or destroyed by fire, flood, tornado, hurricane, or other casualty, the City shall have no obligation to repair, restore, or rebuild the Leased Premises. The City may, in its sole discretion, elect to repair, restore, or rebuild all or any portion of the Leased Premises by providing written notice to Tenant within thirty (30) days after the casualty.

If the City elects to repair, restore, or rebuild the Leased Premises, the City shall diligently pursue such work, subject to delays caused by force majeure, permitting requirements, labor shortages, insurance adjustments, or other causes beyond the City's reasonable control. During the period in which the Leased Premises are rendered unusable for Tenant's operations, Base Rent shall be equitably abated in proportion to the portion of the Leased Premises that is unusable.

If the City elects not to repair, restore, or rebuild the Leased Premises, or fails to provide notice of its election within thirty (30) days after the casualty, either party may terminate this Agreement by written notice to the other, effective as of the date specified in such notice. Any termination pursuant to this Section shall be without penalty to either party, and neither party shall have any further liability or obligation under this Agreement arising from such termination, except for obligations that expressly survive termination or that accrued prior to the effective date of termination.

Except as expressly provided in this Section, Tenant shall have no claim against the City arising from any casualty damage to the Leased Premises, including any claim for relocation expenses, business interruption, lost profits, or consequential damages.

Section 4.11 Loss or Damage to Tenant's Property. The City shall not be liable for any damage to property of Tenant or of others located on the Leased Premises, nor for the loss of or damage to any property of Tenant or of others by theft or otherwise unless caused because of City's gross negligence. The City shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, or snow or leaks from any part of the Leased Premises or from the pipes, appliances, or plumbing works or from any other place or by dampness or by any other cause of whatsoever nature, unless caused because of the City's gross negligence. The City shall not be liable for any such damage caused by other tenants or persons in the Leased Premises, occupants of property adjacent to the Leased Premises, or the public, or for damage caused by operations in construction of any private, public, or quasi-public work. All property of Tenant kept or stored on the Leased Premises shall be so kept or stored at the risk of Tenant only, and Tenant shall hold the City harmless from any claim arising out of damage to the same, including subrogation claims by Tenant's insurance carriers, unless such damage shall be caused by the willful act or negligence of the City.

ARTICLE V
INSURANCE AND LIABILITY

Section 5.01 Indemnification. Tenant shall indemnify, defend, and hold harmless the City and its officers, officials, employees, and agents from and against any and all claims, demands, suits, damages, losses, liabilities, costs, and expenses, including reasonable attorneys' fees, arising out of or related to Tenant's use or occupancy of the Leased Premises or the Airport, the conduct of Tenant's operations, the presence, storage, operation, maintenance, servicing, or movement of aircraft, vehicles, equipment, or personal property, any injury to persons or damage to Airport property or the property of any third party caused by Tenant or its employees, agents, contractors, customers, or invitees, or any activities of Tenant or its employees, agents, contractors, customers, or invitees, including without limitation any claims arising under Section 4.04 (Environmental Compliance and Hazardous Materials), except to the extent caused by the gross negligence or willful misconduct of the City or its officers, officials, employees, or agents.

Section 5.02 Insurance. Prior to taking possession of the Leased Premises or conducting any operations at the Airport, Tenant shall procure and maintain, at its sole cost and expense, insurance coverage with insurers licensed to do business in North Carolina and reasonably acceptable to the City, and shall deliver to the City certificates of insurance and required endorsements evidencing such coverage prior to the Commencement Date and upon each renewal of coverage.

(a) Commercial General Liability Insurance, written on an occurrence basis, with limits of not less than $1,000,000.00 per occurrence and $2,000,000.00 general aggregate, covering bodily injury, property damage, personal and advertising injury, products/completed operations, contractual liability, and premises and operations.

(b) Aviation Liability Insurance, including aviation general liability and, if applicable to Tenant's operations, hangar keepers liability, with limits not less than $2,000,000.00 per occurrence, covering claims arising from aircraft, aircraft operations, storage, maintenance, or servicing.

(c) Workers' Compensation Insurance in compliance with North Carolina law, and employer's liability insurance with limits of not less than $500,000.00.

(d) Property Insurance covering the full replacement cost of Tenant's improvements, inventory, trade fixtures, furnishings, equipment, and other personal property located on the Leased Premises.

Section 5.03 Additional Insured. All liability policies shall name the City, its officers, employees, and agents as additional insureds on a primary and non-contributory basis with respect to claims arising out of Tenant's use or occupancy of the Leased Premises or operations at the Airport. Tenant's insurance shall be primary to any insurance maintained by the City. Tenant shall cause its insurers to waive all rights of subrogation against the City to the extent of coverage provided. Each policy shall provide that the insurer will give the City at least thirty (30) days' prior written notice of cancellation or material modification, or ten (10) days' notice in the event of cancellation for nonpayment of premium. Tenant shall deliver certificates of insurance and required endorsements to the City at least ten (10) days prior to the Commencement Date, and renewal certificates at least ten (10) days prior to expiration of any required policy.

ARTICLE VI
DEFAULT AND ABANDONMENT

Section 6.01 Default. Each of the following shall constitute an event of default (each an "Event of Default") by Tenant under this Agreement: (i) Tenant fails to pay any rent or other amounts due under this Agreement when due, and such failure continues for ten (10) days after written notice from the City; (ii) Tenant fails to procure or maintain the insurance required under this Agreement, or fails to provide satisfactory evidence of such insurance upon request by the City. No cure period shall apply if such failure creates an immediate risk to persons or property; (iii) Tenant or Tenant's use of the Leased Premises violates any applicable Airport Rules and Regulations, Minimum Standards, or any federal, state, or local law, and such violation is not cured within ten (10) days after written notice from the City, or immediately if the violation presents a safety, operational, or regulatory concern; (iv) Tenant fails to comply with any other material term or condition of this Agreement and such failure continues for thirty (30) days after written notice from the City, or such shorter period as is reasonably necessary to address a safety or operational concern; provided that if such failure is not reasonably capable of cure within thirty (30) days, Tenant shall not be in default if it commences cure within such period and diligently prosecutes the same to completion; (v) Tenant uses the Leased Premises or Airport facilities in a manner that endangers persons, aircraft, or Airport facilities, or materially interferes with Airport operations; or (vi) Tenant fails to provide documentation or information required under this Agreement, including aircraft registration or tax reporting information, within the time required.

Section 6.02 Remedies. Upon the occurrence of any Event of Default, the City may, in addition to any other rights available at law or in equity, exercise one or more of the following remedies: (i) Terminate this Agreement upon written notice to Tenant; (ii) Enter the Leased Premises and move, relocate, or remove any Aircraft or other personal property, without liability to Tenant except for the gross negligence or willful misconduct of the City, as reasonably necessary to protect Airport operations, safety, or property; (iii) Recover from Tenant all reasonable costs and expenses incurred by the City in connection with enforcement of this Agreement, including costs of aircraft movement, towing, storage, securing property, and administrative expenses; (iv) Suspend Tenant's access to the Airport or the Leased Premises until the Event of Default is cured; and (v) Deny Tenant the right to store aircraft or use Airport facilities following termination of this Agreement. The remedies provided herein are cumulative and the exercise of any one remedy shall not preclude the City from pursuing any other remedy available under applicable law or in equity.

Section 6.03 Abandoned Aircraft. Tenant shall not abandon any Aircraft on Airport property. An Aircraft may be deemed abandoned if (i) Tenant fails to pay rent or other amounts owed for storage of the Aircraft for sixty (60) consecutive days; (ii) the Aircraft is left unattended in violation of Airport Rules and Regulations; or (iii) the City is unable to contact Tenant after reasonable efforts regarding removal of the Aircraft. Upon determination that an Aircraft is abandoned, the City may, upon written notice to Tenant (unless notice is not practicable), remove, tow, store, secure, or otherwise dispose of the Aircraft in accordance with applicable law, including N.C. Gen. Stat. §160A-303. Tenant shall be responsible for all reasonable costs and expenses incurred by the City in connection with such actions, including towing, storage, administrative costs, and disposal expenses. The City shall not be liable for any damage to the Aircraft or personal property resulting from actions taken in accordance with this Section, except to the extent caused by the gross negligence or willful misconduct of the City.

Section 6.04 Condition on Surrender. At the expiration of the tenancy hereby created, Tenant shall surrender the Leased Premises in the same condition as the Leased Premises was in as of the Commencement Date, reasonable wear and tear excepted, and damage by unavoidable casualty excepted, to the extent that the same can be covered by fire insurance with extended coverage endorsement and Tenant shall surrender all keys for the Leased Premises to the City. Tenant shall (i) remove all its trade fixtures and repair any damage; (ii) deliver the Leased Premises in a broom clean condition, with all Tenant's personal property removed; and (ii) meet with the City's representative for a lease maturity inspection to confirm the Leased Premises are in surrender condition. If any work remains to be completed post inspection, such work will be completed within five (5) days of inspection, or the City will complete and bill back to Tenant. Tenant's obligations to observe or perform this covenant shall survive the expiration or other termination of the Term.

Section 6.05 Holding Over. If Tenant retains possession of the Leased Premises or any part thereof after the termination of this Agreement, Tenant shall, from that day forward, be a tenant from month to month and Tenant shall pay the City rent at one hundred and fifty percent (150%) of the monthly rate in effect immediately prior to the termination of this Agreement for the time Tenant remains in possession. No acceptance of rent by, or other act or statement whatsoever on the part of the City, or its agent, or employee, in the absence of a writing signed by the City, shall be construed as an extension or as a consent for further occupancy. Tenant shall indemnify and pay the City for all documented damages consequential as well as direct, sustained by reason of Tenant's retention of possession, including without limitation the value loss of any approved subsequent tenant for any portion of the Leased Premises. The provisions of this Section do not exclude pursuit of the City's right of re-entry or any other right under this Agreement. Should the City send a notice to vacate to Tenant during any such holdover, Tenant shall vacate the Leased Premises within ten (10) days of receipt of the notice.

ARTICLE VII
TERMINATION

Section 7.01 Termination. This Agreement may be terminated (i) upon the occurrence of an Event of Default, as provided in Article VII, or (ii) as otherwise expressly provided in this Agreement.

Section 7.02 Termination for Safety/Regulatory Reasons. Notwithstanding any other provision of this Agreement, the City may suspend or terminate this Agreement, in whole or in

part, if reasonably necessary to protect the safety of persons or property, respond to an emergency condition, maintain compliance with applicable law or Federal Aviation Administration requirements, or ensure the safe and efficient operation of the Airport.

Section 7.03 Surrender of Premises. Upon expiration or earlier termination of this Agreement for any reason, Tenant shall promptly surrender the Leased Premises to the City in the condition required under this Agreement, ordinary wear and tear and casualty not caused by Tenant excepted, and shall remove all personal property and equipment, except as otherwise directed by the City. If Tenant fails to do so, the City may, upon reasonable notice (or without notice in the case of a safety or operational concern), enter the Leased Premises and remove, store, or dispose of such property at Tenant's sole risk and expense, without liability to the City except for gross negligence or willful misconduct.

Section 7.04 Survival. Expiration or termination of this Agreement shall not relieve Tenant of any obligations accrued prior thereto, including payment of rent and other amounts due, indemnification obligations, insurance obligations, and any responsibilities relating to the condition or surrender of the Leased Premises.

Section 7.05 No Compensation. Except as expressly provided in this Agreement, Tenant shall not be entitled to any compensation, reimbursement, or damages arising from the expiration or termination of this Agreement, including loss of business, relocation costs, or loss of use of the Leased Premises.

Section 7.06 Tenant Business Change Termination. Notwithstanding Section 7.01, Tenant may terminate this Agreement upon three hundred sixty five (365) days' prior written notice if Tenant demonstrates that its gross revenues attributable to the operations conducted from the Leased Premises have declined and Tenant reasonably determines that continued occupancy of the Leased Premises is no longer commercially feasible. Tenant shall provide documentation reasonably satisfactory to the City establishing such decline, including a certification from Tenant's chief financial officer or an independent certified public accountant. Tenant shall remain responsible for all obligations under this Agreement through the effective date of termination. For purposes of this Section, Gross Revenue shall include revenue derived from operations conducted at the Leased Premises by Tenant and any Affiliate. Tenant shall not take any action for the primary purpose of transferring, reallocating, or redirecting business, customers, contracts, or revenue to an Affiliate or other entity in order to satisfy the requirements of this Section. Any such transfer or reallocation shall be disregarded in determining Gross Revenue. "Affiliate" means any entity that directly or indirectly controls, is controlled by, or is under common control with Tenant.

ARTICLE VIII
GENERAL PROVISIONS

Section 8.01 Rules and Regulations. Tenant's use of the Leased Premises shall be subject to any Rules and Regulations adopted by the City or Airport Director, so long as said rules and regulations do not abridge, restrict or eliminate Tenant's rights under this Commercial Use Permit and Lease Agreement. At the City's sole option, the City shall have the right to modify and/or rescind the rules and regulations so long as said modifications or recission of the rules do not abridge, restrict or eliminate Tenant's rights under the Commercial Use Permit and Lease Agreement. Tenant's use of the Leased Premises is subordinate to the safe and efficient operation of the Airport and the Airport Director's operational directives.

Section 8.02 Noise and Nuisances. Tenant shall not use or permit the Leased Premises to be used in any manner that creates a public or private nuisance in violation of applicable federal, state, or local laws or regulations. Notwithstanding the foregoing, Tenant acknowledges that the Airport is an active aviation facility, and noise, vibration, fumes, odors, propwash, jet blast, and similar effects are inherent in normal, lawful aviation operations. Such effects, when conducted in compliance with applicable laws, FAA regulations, and Airport rules and regulations, shall not constitute a nuisance under this Agreement. Tenant shall conduct its operations in a commercially reasonable manner so as to avoid unnecessary or unreasonable interference with other airport users or adjacent properties.

Section 8.03 Notice. Whenever any notice or payment is required under this Agreement to be made, given or transmitted to the Parties hereto, such notice or payment shall be deemed to have been given if enclosed in an envelope with sufficient postage attached, and sent by certified mail, to ensure delivery, and deposited in the United States mail addressed to:

City: Hickory Regional Airport
3103 9th Avenue Drive, NW
Hickory, NC 28601
Attn: Airport Director

Tenant: The Nest at HKY, LLC
907 Ravenglass Turn
Gastonia, NC 28054
Attn: Matt Blackburn

Section 8.04 Non-Discrimination. Tenant, for itself, its personal representatives, successors in interest and assign, as a part of the consideration hereof, does hereby covenant and agree that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Tenant shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the City shall have the right to terminate this Agreement and reenter and repossess the Leased Premises and hold the same as if this Agreement had never been made. This provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed including exercise of expiration of appeal rights.

Section 8.05 NC Prohibitions on Contracts with Companies that Invest in Iran or Boycott Israel. Tenant warrants and certifies that it is not identified on the Final Divestment Lists created by the NC State Treasurer pursuant to N.C.G.S. 147 Articles 6e or 6g. Tenant further warrants and certifies it will not take any action during the term of this Agreement that would provide a basis for it to be placed upon the Final Divestment Lists nor will it utilize under this Agreement any subcontractor that is identified on the Final Divestment Lists. In signing this Agreement, Tenant

further agrees, as an independent obligation, separate and apart from this Agreement, to reimburse the City for any and all damages, costs and attorneys' fees incurred by the City in connection with any claim that this Agreement or any part thereof is void due to Tenant appearing on the Final Divestment Lists.

Section 8.06 Governmental Immunity. Notwithstanding any other term or provision to the contrary, nothing in this 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 City under applicable law.

Section 8.07 E-Verify. To the extent required under applicable law, the Parties shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. If the Parties utilize a subcontractor they shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

Section 8.08 Governing Law; Enforcement. This Agreement shall be deemed to have been made and performed in North Carolina. All rights arising under this Agreement, and all disputes and controversies arising from or in connection with this Agreement, including but not limited to, enforcement of any term of condition of this Agreement, shall be governed by and determined in accordance with the laws of North Carolina only, and without regard for any choice of laws rules.

Section 8.09 Jurisdiction. Any actions to enforce this Agreement and all disputes between the Parties arising out of, connected with, related to, or incidental to the relationship established between the Parties in connection with this Agreement, whether arising in contract, statute, tort, equity, common law or otherwise, shall be resolved only by a state or federal court located in Catawba County, North Carolina, and the Parties hereby consent and submit to the jurisdiction of such court.

Section 8.10 Binding Agreement. The Parties, respectively, bind themselves, their agents, successors, assigns, and legal representatives to this Agreement. Tenant may not assign its interest or obligations under this Agreement without the written consent of the City, which consent may be withheld by the City its sole and absolute discretion, with or without reason.

Section 8.11 Subleasing. Tenant shall not assign this Agreement or sublease all or any portion of the Leased Premises without the prior written consent of the City. Such consent shall be granted or withheld by the Airport Director (or the Airport Director's authorized designee) in the Airport Director's sole and absolute discretion, which discretion may be exercised for any reason or for no reason, and without any obligation to provide notice of or explanation for such decision. Any attempted assignment or sublease without the City's prior written consent shall be void and shall constitute a material default under this Agreement.

For the avoidance of doubt, the storage, parking, servicing, maintenance, repair, fueling, or management of aircraft owned by third parties, and the provision of customary FBO services to such aircraft or their owners or operators, shall not be deemed an assignment or sublease of the Leased Premises, provided that Tenant does not grant any third party an exclusive possessory interest in any portion of the Leased Premises.

Section 8.12 No Third Party Beneficiary. This Agreement is not intended to and does not confer any right, power, or benefit on any person other than the Parties and only the Parties may

enforce, modify or terminate this Agreement as provided herein. There are no third-party beneficiaries to this Agreement.

Section 8.13 Force Majeure. No Party shall be responsible for any default, delay, or failure to perform if such default, delay, or failure to perform is due to causes beyond the Party's reasonable control, including, but not limited to, actions or inactions of governmental authorities, epidemics, wars, actions of malicious actors, embargoes, fires, hurricanes, unusual adverse weather, acts of God, or the default of a common carrier. In the event of a default, delay, or failure to perform due to causes beyond a Party's reasonable control, the Party shall diligently and in good faith act to the extent within its power to remedy the circumstances affecting its performance and to complete its performance in as timely a manner as is reasonably possible.

Section 8.14 Waiver. The failure of either Party to insist upon a strict performance of any of the terms or provisions of this Agreement, or to exercise any option, right, or remedy under this Agreement, shall not be construed as a waiver or relinquishment for the failure of such term, provision, option, right, or remedy, but the same shall continue and remain in full force and effect. No waiver of either Party of any term or provision of this Agreement shall be deemed to have been made unless expressed in writing and signed by the Party against whom the waiver is asserted.

Section 8.15 Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be declared invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 8.16 Consent; Approval. Except as provided otherwise herein, any consent or approval to be given hereunder shall not be effective unless the same shall be given in advance of the taking of the action for which consent or approval is requested and shall be in writing. Except as provided otherwise herein, any consent or approval requested of a Party may be withheld by that Party in its sole and absolute discretion.

Section 8.17 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Either Party may provide a facsimile or electronic signature of its execution of this Agreement and the other Party shall accept the same as an original.

Section 8.18 Entire Agreement. This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof. The Agreement may not be altered, amended, modified, or otherwise changed in any respect whatsoever except by a writing signed by the Parties hereto. The Agreement shall be construed without regard to the identity of the drafter and therefore shall not be construed against the drafting Party. The paragraph headings in the Agreement shall not bear independent meaning and shall be disregarded in the construction of any provision, term, or condition of the Agreement.

[Signature pages follow.]

IN WITNESS WHEREOF, this Agreement is executed and delivered this the _____ day of _____, 2026.

CITY OF HICKORY

By: _____
Name: Warren Wood
Title: City Manager

Attest: _____
Debbie Miller, City Clerk

This Agreement has been pre-audited pursuant to North Carolina General Statute§ 159-28 in the manner required by the Local Governmental Budget and Fiscal Control Act.

_____
Kari Dunlap, Finance Director

Approved as to form on behalf of the City of Hickory this ____ day of _____, 2026.

_____
Timothy D. Swanson, City Attorney

STATE OF NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public of _____ County, State of North Carolina, do hereby certify that Debbie Miller personally came before me this day and acknowledged that she is the City Clerk for the City of Hickory, a North Carolina municipal corporation, and that by authority duly given and as the act of the City Council of the City of Hickory, the foregoing instrument was signed in its name and by its City Manager, Warren Wood, sealed with its corporate seal, and attested by her as its City Clerk.

Witness my hand and notarial stamp or seal, this _____ day of _____, 2026.

_____
Notary Public

[AFFIX NOTARIAL SEAL]

My Commission Expires: _____.

585439.7

IN WITNESS WHEREOF, this Agreement is executed and delivered this the 10th day of August, 2026.

THE NEST HKY, LLC

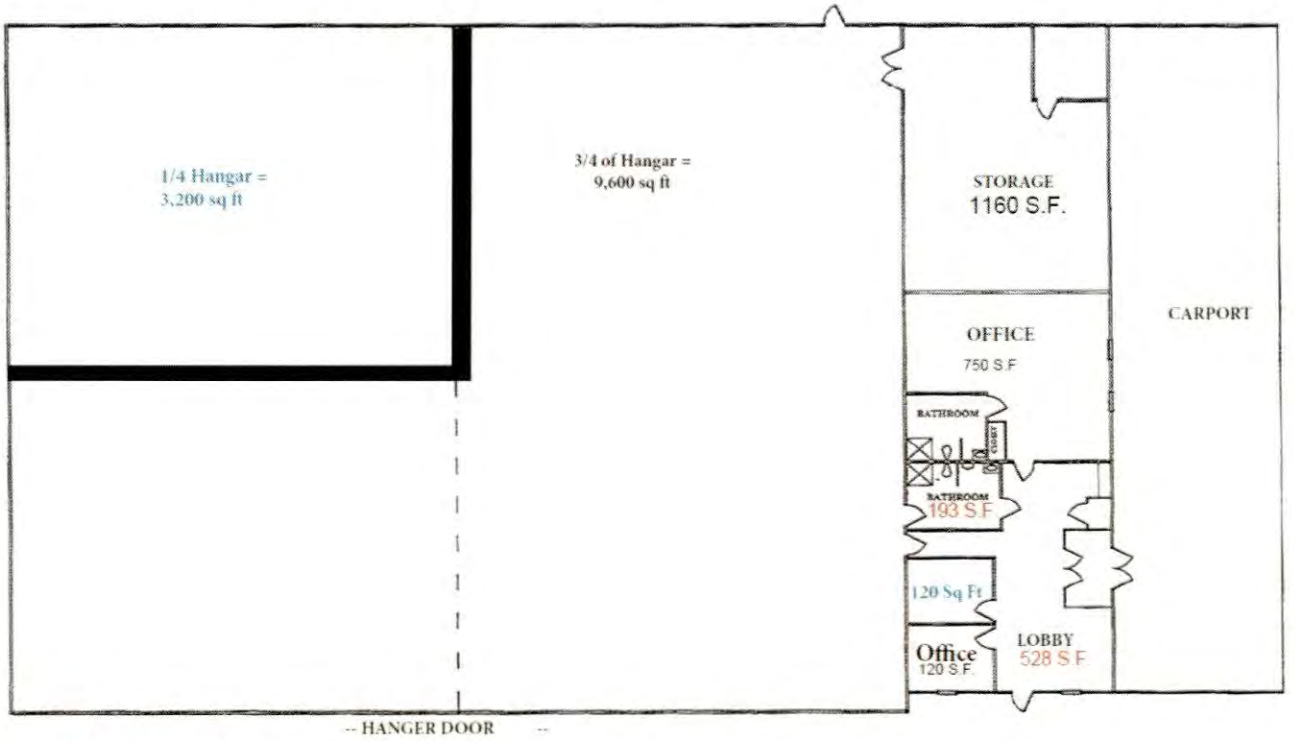
Matt Blackburn
Matt Blackburn (Aug 10, 2026 13:57:20 EDT)

By: Matt Blackburn
Its: Manager

Exhibit A
Leased Premises

HICKORY REGIONAL AIRPORT
SOUTH RAMP HANGAR SI

APPENDIX A



RED = Non-exclusive/common areas
BLUE = Shurtape
BLACK = The Nest At Hickory

585439.7

Exhibit B
Rent Schedule

Hangar S1 2.5% Annually Increase					
Year	Dates	Partial Hangar - Monthly	Partial Hangar - Annually	Entire Hangar - Monthly	Entire Hangar - Annually
YEAR 1	10/1/2026 - 9/30/2027	$ 6,300.00	$75,600.00	$7,425.00	$ 89,100.00
YEAR 2	10/1/2027 - 9/30/2028	$ 6,457.50	$77,490.00	$7,610.63	$ 91,327.50
YEAR 3	10/1/2028 - 9/30/2029	$ 6,618.94	$79,427.25	$7,800.89	$ 93,610.69
YEAR 4	10/1/2029 - 9/30/2030	$ 6,784.41	$81,412.93	$7,995.91	$ 95,950.96
YEAR 5	10/1/2030 - 9/30/2031	$ 6,954.02	$83,448.25	$8,195.81	$ 98,349.73
YEAR 6	10/1/2031 - 9/30/2032	$ 7,127.87	$85,534.46	$8,400.71	$ 100,808.47
YEAR 7	10/1/2032 - 9/30/2033	$ 7,306.07	$87,672.82	$8,610.72	$ 103,328.68
YEAR 8	10/1/2033 - 9/30/2034	$ 7,488.72	$89,864.64	$8,610.93	$ 103,331.18
YEAR 9	10/1/2034 - 9/30/2035	$ 7,675.94	$92,111.26	$8,826.21	$ 105,914.46

HICKORY REGINAL AIRPORT

Final Audit Report 2026-08-10

Created:	2026-08-10
By:	Shelly Campbell (scampbell@hickorync.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAA9nl1b4rnARPDKXaxEEg4iYBfAJM7rtiv

"HICKORY REGINAL AIRPORT" History

Document created by Shelly Campbell (scampbell@hickorync.gov)
2026-08-10 - 5:19:29 PM GMT

Document emailed to Matt Blackburn (matt@242aviation.com) for signature
2026-08-10 - 5:19:36 PM GMT

Email viewed by Matt Blackburn (matt@242aviation.com)
2026-08-10 - 5:21:26 PM GMT

Document e-signed by Matt Blackburn (matt@242aviation.com)
Signature Date: 2026-08-10 - 5:57:20 PM GMT - Time Source: server - Signature Appearance Selected: TYPE

Agreement completed.
2026-08-10 - 5:57:20 PM GMT

Adobe Acrobat Sign

2

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Sarah Greene, Library Director

Contact Person: Sarah Greene

Date: September 1, 2026

Re: Library Surplus Materials

REQUEST

To surplus 2,789 discarded library items so that these materials may be given to Friends of Hickory Public Library. Books will be sold at the Friends "Corner Book Store" at Patrick Beaver Memorial Library and/or at special book sales.

BACKGROUND

Friends of Hickory Public Library collect donated books and other materials on an ongoing basis to be sold at seasonal book sales and/or the Corner Book Store, the proceeds from which provide funds for library programming and other special activities. For many years the library has given materials to the Friends group that have been removed from the collection because they are out of date, in poor condition, or no longer needed to meet the collection development goals of the library.

ANALYSIS

The sale of donated and discarded books is the primary fundraising activity of the Friends of the Library, and discarded library materials comprise a significant portion of their inventory. The sale of these items ultimately benefits the library and is an appropriate means of disposing of unneeded materials.

RECOMMENDATION

The library requests that discarded library materials be declared surplus and given to Friends of Hickory Public Library for their use at the "Corner Book Store" and/or seasonal book sales.

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE: N/A

Reviewed by:

Initiating Department Head	9/1/26 Date	Asst. City Manager Yaidee Fox	9/8/26 Date
Asst. City Manager Rodney Miller	9/8/26 Date	Asst. City Manager, Steve Miller	9-10-26 Date
Finance Officer, Kari Dunlap	9/9/26 Date	Deputy Finance Officer, Cameron McHargue	9-9-26 Date

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

City Manager, W. Wood

9.16.26
Date

RESOLUTION NO. 26-

A RESOLUTION OF THE HICKORY CITY COUNCIL DECLARING SURPLUS LIBRARY MATERIALS AND AUTHORIZING DONATION TO THE FRIENDS OF THE LIBRARY

WHEREAS, the Hickory Public Library declares a list of 2,789 discarded library materials which are out of date, in poor condition, or no longer needed to meet the collection development goals of the library; and

WHEREAS, the Library wishes to dispose of said property to The Friends of Hickory Public Library. Books will be sold at the Friends "Corner Book Store" at Patrick Beaver Memorial Library and/or at special book sales.

WHEREAS, G.S. 160A-280 allows the city to donate to another governmental unit within the United States, or a nonprofit organization incorporated after advertising and Council approval.

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

SECTION 1. That authorization is given to the Hickory Public Library to dispose of the declared surplus in a manner serving the best interest of the City.

SECTION 2. This Resolution shall become effective upon adoption.

Adopted this the 15th day of September 2026.

City of Hickory

By: _____
Hank Guess, Mayor

ATTEST:

_____
Debbie D. Miller, City Clerk

PUBLIC NOTICE

Declaring Surplus Library Materials and Authorizing Donation to the Friends of the Library

WHEREAS, G.S. 160A-280 allows the city to donate to another governmental unit within the United States, or a nonprofit organization incorporated after advertising and Council approval.

WHEREAS, the Library declares a list of 2,789 discarded items to be disposed of to the Friends of Hickory Public Library. The materials will be sold at the Friends "Corner Book Store" at Patrick Beaver Memorial Library and/or at special book sales.

WHEREAS, the City Council of the City of Hickory, at their September 15, 2026, City Council meeting, will consider a Resolution Declaring Surplus Library Materials and Authorizing Donation to the Friends of the Library.

Notice Given this 1st day of September, 2026.

Debbie D. Miller
City Clerk

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COUNCIL AGENDA MEMOS

To: **City Manager's Office**

From: **David Leonetti, Business Development Director**

Contact Person: **David Leonetti**

Date: **August 28, 2026**

Re: **Microenterprise Grant Agreement with Golden Rule Music School, LLC**

REQUEST

Approve microenterprise grant agreement with Golden Rule Music School, LLC.

BACKGROUND

In its 2025-2029 Consolidated Plan for Housing and Community Development, the City of Hickory identified increasing entrepreneurship opportunities as a high priority need. This includes a program to provide microenterprise grants to businesses looking for funding necessary to take their business to the next level. According to the US Department of Housing and Urban Development, a microenterprise is a business that has fewer than five employees, one of whom is the owner of the business. The program offers grants of up to $4,000 for low to moderate income business owners for business property, inventory, necessary fixed assets, marketing and business promotion, or other improvements approved by the Business Development Committee. Applicants are required to submit a business plan and have a counseling session with a local business support organization.

ANALYSIS

Jamie Stephens has applied for a Microenterprise Grant to support and grow his existing small business, Golden Rule Music School. Golden Rule Music School is an all around music education experience. There is one-on-one instruction with a dedicated curriculum to find a student's level of competence on their individual instrument. The Business Development Committee reviewed the application and recommended approval of the grant in the amount of $4,000. The grant funds will be used for equipment and marketing expenses. More information can be found in the attached agreement, which contains the original application.

RECOMMENDATION

Staff recommends that City Council approve the Microenterprise Grant agreement with Golden Rule Music School, LLC.

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE:

059-1537-553885

Reviewed by:

Dave Leonetti — Initiating Department Head — 8-28-2026 Date

Asst. City Manager Rodney Miller — 9/8/26 Date

Asst. City Manager, S. Miller — 9-10-26 Date

Finance Officer, Kari Dunlap — 9/9/26 Date

Deputy Finance Officer, Cameron McHargue — 9-9-26 Date

Asst. City Manager Yaidee Fox — 9/8/26 Date

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

City Manager, W. Wood

9-10-26
Date

Revised: June 5, 2015

PREPARED BY: Legal Department, City of Hickory
PO Box 398, Hickory, NC 28603

STATE OF NORTH CAROLINA

CDBG MICROENTERPRISE GRANT PERFORMANCE AGREEMENT

COUNTY OF CATAWBA

THIS AGREEMENT, made and entered into this _____day of _____, 2026, by and between the **CITY OF HICKORY**, a municipal corporation of Catawba County, North Carolina, hereinafter referred to as the "City" and having a mailing address of P.O. Box 398, Hickory, North Carolina 28603, and Golden Rule Music School, LLC hereinafter referred to as the "Recipient" and having a mailing address of 118 3rd Ave. NW, Hickory, NC 28601.

WITNESSETH

THAT WHEREAS, as part of its 2025-2029 Consolidated Plan for Housing and Community Development, the City has identified increasing entrepreneurial opportunities in the community as a priority; and

WHEREAS, to fulfill this priority, the CITY has created the Community Development Block Grant Microenterprise Grant Program ("CDBG Microenterprise Grant Program" or "Program") to provide grants to qualifying business owners upon the terms and subject to the conditions hereinafter set forth.

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

1. The City shall provide a grant to the Recipient for the sum of $4,000.00, which the City shall disburse in accordance with the schedule set forth in Exhibit B. The City shall not be obligated to disburse any grant funds until the Recipient complies with all disbursement prerequisites set forth in this Agreement for all or any part of the grant funds.
2. The Recipient agrees to utilize the grant funds for the purposes set forth in: to fulfill that project as described in the CDBG Microenterprise Grant Program Guidelines and Application Materials attached hereto as Exhibit "A." Said guidelines and application materials are made a part of this Agreement and incorporated herein by reference as if more fully set forth.
3. Projects funded in whole or in part must meet all applicable regulations of the CDBG program, including environmental review requirements. The purpose of the environmental review process is to identify if the project will have a significant impact on the quality of the human environment. The grant agreement for an approved grant cannot be executed until this process has been completed.

4. The Recipient shall ensure that the grant is used for permitted purposes only and shall be responsible for any misuse of grant funds by any of its officers, members, employees, or agents.

5. The grant is payable in accordance with the funding schedule which will be developed by the City of Hickory's Business Development Committee, hereinafter referred to as the "BDC." The funding schedule is made a part of this Agreement as Exhibit B and incorporated herein by reference as if more fully set forth.

6. Grant disbursements shall be for expenses incurred as set forth in the Application only. The City shall require itemized documentation of project expenses.

7. Strict compliance by the Recipient with all of its obligations imposed by this Agreement is an express condition of the Recipient's obligation to make any portion of the grant funds available. No degree of partial performance by the Recipient shall deprive the City of its right to require complete performance prior to its disbursement of grant funds.

8. Technical assistance provided by the City will be advisory only. The City will not be a party in negotiations between the Recipient and any contractor employed by the Recipient nor will the City provide legal advice or services to any party. The Recipient agrees to hold the City harmless for any defects in workmanship or from any liability, damages, or other costs relative to this project.

9. The RECIPIENT shall not assign or subcontract any of its rights or obligations under this Agreement without the prior written consent of the CITY.

10. By executing this Agreement/Contract, Jamie Stephens certify/certifies Golden Rule Music School, LLC is/are not listed on the Iran Final Divestment List ("List") created by the State Treasurer pursuant to N.C.G.S. 147-86.58, Iran Divestment Act ("Act"). In compliance with the Act's requirement and N.C.G.S. § 147-86.59, Golden Rule Music School, LLC shall not utilize in the performance of this agreement/contract any subcontractor that is identified on the List. The List can be found on the State Treasurer's website at the address www.nctreasurer.com/Iran and should be updated at least every 180 days.

11. This Agreement may be terminated and the City may withhold grant monies upon the Recipient's breach of or failure to perform any of the terms of this agreement. The City shall give the Recipient notice in writing of any potential breach of this Agreement, after which the applicant shall have thirty (30) calendar days in which to cure said breach. The thirty (30) calendar day cure period shall not apply to any of the time requirements described in this agreement.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed upon the day and year first written above.

CITY OF HICKORY

By: _____
Hank Guess, Mayor

ATTEST: (SEAL)

_____
Debbie D. Miller, City Clerk

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

_____
Attorney for the City of Hickory

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

_____
Kari Dunlap, Financial Officer

Recipient

By: _____

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

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

Witness my hand and seal this _____ day of _____, 202_.

(Seal) _____
Notary Public

My Commission Expires: _____

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, Chasity L Hollar, a Notary Public of Catawba County, North Carolina, do hereby certify that Jamie Stephens, owner of Golden Rule Music School, LLC personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

Witness my hand and official stamp or seal this 1st day of September, 2026

Chasity L Hollar
(Seal) Notary Public

My Commission Expires: October 26, 2030

CHASITY L HOLLAR
Notary Public, North Carolina
Catawba County
My Commission Expires
October 26, 2030

The City of Hickory

CDBG Microenterprise Grant Program

In its 2025-2029 Consolidated Plan for Housing and Community Development, the City of Hickory identified increasing entrepreneurship opportunities as a high priority need. This led to the creation of a program to provide microenterprise grants to businesses looking for funding necessary to take their business to the next level.

What is a microenterprise?

According to the US Department of Housing and Urban Development, a microenterprise is a business that has five or fewer employees, one of whom is the owner of the business.

Since the project will be funded with CDBG funds, all applicants will need to have a household income of less than 80% of the area median income. That is currently $68,150 for a family of four. The table below indicates the current HUD income limits. (All limits are subject to change as HUD updates their information.)

Persons in Family	Maximum Income
1	$47,750
2	$54,550
3	$61,350
4	$68,150
5	$73,650
6	$79,100
7	$84,550
8	$90,000

Award Ceiling

The award range will be from $1,000 to $4,000. The maximum funding will be based on needs presented in the business plan.

Use of Funds

Grant funds may be used for the following purposes:

- Business Equipment
- Inventory
- Necessary Fixed Assets
- Marketing and business promotion
- Other necessary business improvements as approved by the Business Development Committee

Grant funds may not be used for real property improvements. Funds may not be used for expenses that were incurred prior to final approval of the funding agreement by the Hickory City Council.

Additional Requirements

The following additional requirements apply to all recipients.

- The business must be located in the Hickory City Limits.
- The business must be in compliance with all applicable City of Hickory regulations including the Land Development Code.

Funding Eligibility Exclusions

The following uses are not eligible for funding:

- Religious organizations for sectarian purposes;
- Buildings not within the City of Hickory municipal limits;
- Individual K-12 schools (public or private);
- Organizations that discriminate on the basis of race, culture, gender sexual orientation, age, or religion;
- Political activities;
- Adult businesses;
- Civic Organizations.

Application Requirements

- Completed application form
- Business Plan (template included)
- Financial Projections
- Counseling appointment with one of the following three agencies: the CVCC Small Business Center, LRU Center for Social and Commercial Entrepreneurship, or the Small Business Technology Development Center.
- Letter of Recommendation from one of the above counseling agencies
- Income verification information to include prior year tax returns for all household members. Additional information may be required to meet HUD income verification requirements. The City of Hickory uses the Internal Revenue Service Form 1040 method of calculating income.

Scoring Criteria

The following criteria will be used by the Business Development Committee to prioritize grant projects:

- Number of jobs created
- Length of time business has been in existence (priority will be given to startups)
- Growth potential
- General quality of the business plan
- Other funding secured
- Social return on investment

Grant Payment Schedule and Other Required Activities

- After consulting with the counseling organization, the Business Development Committee will approve a project schedule detailing implementation milestones and objectives. This schedule will be part of the funding agreement. Funding will generally be paid in at least two equal installments based upon meeting required milestones.
- Recipients will be required to check in with the Business Development Committee at least once during project execution to provide updates on the business.
- Recipients will also be required to have periodic meetings with the counseling organization. The frequency of these meetings will be described in the funding agreement. Generally, one additional meeting during project execution will be required.

Conflicts of Interest

No member of the City Council of the City of Hickory and no other official, employee, or agent of the City, nor their families shall be eligible to receive any assistance under this program This prohibition will continue for a period of one year from the date their affiliation ceases. Immediate family members include: parents, spouses and domestic partners, siblings, and children regardless of age.

General Disclaimer

There is no right or entitlement to funding. All decisions are made at the discretion of the granting authority. All projects must meet all applicable regulations of the Community Development Block Grant program, including environmental review requirements. All grant agreements are subject to approval by the Hickory City Council.

Exhibit A Page 4 of 17

CITY OF HICKORY MICROENTERPRISE GRANT APPLICATION

Applications should be submitted to the Department of Planning and Development. For more information, please contact David Leonetti at (828) 323-7422.

APPLICANT INFORMATION

Business Name: Golden Rule Music School LLC

Mailing Address: 118 3rd Ave. NW Street Address: 118 3rd Ave NW

City: Hickory State: NC Zip: 28601

Telephone: 828.302.2719 FAX: E-Mail: goldenrulemusicschool@gmail.com

Business Project Manager Name and Title (if different than above.):

Project Manager Organization Name:

Date Business Established: 2/1/2024 Tax ID or Social Security Number: 99 0601201

PROJECT INFORMATION

Amount Requested: $ 4,000 Project Title: Golden Rule Expansion

Address of Building: 118 3rd Ave NW Zoning of the Parcel: O1

Proposed Use: Music School

INCOME INFORMATION

Total Household Income of Business Owner: $ 9,167 Number of Persons in Household: 1

	Name	Date of Birth
1.	Jamie Stephens	07/15/1981
2.		
3.		
4.		
5.	(Add additional lines as needed)	

FY 2026 Income Limit Area	Median Family Income	FY 2026 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Hickory-Lenoir-Morganton, NC MSA	$85,200	Very Low (50%) Income Limits ($)	$29,850	$34,100	$38,350	**$42,600**	$46,050	$49,450	$52,850	$56,250
		Extremely Low Income Limits ($)*	$17,900	$21,640	$27,320	**$33,000**	$38,680	$44,360	$50,040	$55,720
		Low (80%) Income Limits ($)	$47,750	$54,550	$61,350	**$68,150**	$73,650	$79,100	$84,550	$90,000

****TO QUALIFY FOR THE MICROENTERPRISE GRANT YOUR INCOME AND HOUSEHOLD SIZE MUST MEET THE ABOVE INCOME LIMITS****

Exhibit A Page 5 of 17

PROPOSED FINANCING SOURCES FOR PROJECT:

BANK LOAN	AMOUNT $_____	% OF TOTAL ____
GRANT	AMOUNT $ 4,000	% OF TOTAL 100
APPLICANT/EQUITY	AMOUNT $_____	% OF TOTAL ____
OTHER	AMOUNT $_____	% OF TOTAL ____
TOTAL	AMOUNT $ 4,000	% OF TOTAL 100.0

PROJECT NARRATIVE:

Provide a brief narrative description of business, proposed project and reason for grant:

PROPOSED USE OF PROJECT FUNDS:

BUSINESS EQUIPMENT	$ 3,000
INVENTORY	$_____
MARKETING AND BUSINESS PROMOTION	$ 1,000
OTHER* (_____)	$_____

*MUST BE APPROVED BY BUSINESS DEVELOPMENT COMMITTEE

REQUIRED ATTACHMENTS

All applications must include the following information:

- Completed application form
- Business Plan (template included)
- Financial Projections (template included)

- Confirmation of completed counseling appointment with one of the following three agencies: the CVCC Small Business Center, LRU Center for Social and Commercial Entrepreneurship, or the Small Business Technology Development Center.
- Letter of Recommendation from one of the above counseling agencies
- Income verification information to include prior year tax returns for all household members. Additional information may be required to meet HUD income verification requirements. The City of Hickory uses the Internal Revenue Service Form 1040 method of calculating income.

Applicant's Certification:

I/We certify that all information in this application and all information furnished in support of this application are true and complete to the best of my/our knowledge and belief. Verification can be obtained from any source named, and I/we agree to submit to personal and business credit checks.

Signature _____ Date 8/19/2026

Signature _____ Date _____

Signature _____ Date _____

Exhibit A Page 7 of 17

Starting September 1st I am expanding the school. I will start renting the bottom commercial space. It is 2000sqft +/-, 4 rooms total. The expansion will include 2 lesson/rehearsal spaces. 1 big band room/rehearsal room. 1 sound stage/rehearsal room/recital stage. Opening a new space is beneficial for multiple reasons.

1.) It allows more space for more students. More students means more revenue. Also, it means,

2.) Teachers will have fuller schedules and I can hire more teachers to not only accommodate student demand but also have them teach new programs the school will add because of the expansion.

3.) More students means we will have more performers which will help bolster Stage Craft classes. As part of the curriculum Golden Rule students will now be able to add Stage Craft classes to their practice. These are band intensive lessons that prepare you for performances in real time. These will allow us as a school to put out a better product and an overall experience.

4.) This ability allows us to play more in the community. Senior centers, Recreation Centers, around Hickory, and the surrounding areas. We can provide entertainment for fundraisers or fun community events for free.

5.) Advertising the new space and the new programs has created the need to update the website, create new marketing material, and start a newsletter. For this I have hired a virtual assistant local to the area. She will take over all the website and design needs, thus creating another job locally.

6.) The space can also be used for rehearsal spaces for students who do not have drums at their house or parents who may not want practice to be full volume.

The main portion of the grant will go toward equipment. Drum sets, PA systems, amps for electric instruments, and keyboards.

Describe the fundamental elements of your business. Describe what business you are in, why you are in it, and what you hope to accomplish. List and describe the products or services you will offer.

- Golden Rule Music School is an all around music education experience. There is one-on-one instruction with a dedicated curriculum to find a student's level of competence on their individual instrument. This is so the student can accurately be placed in an ensemble class to help them further their skill and provide an all around musical environment in which to better grow and perform on the instrument. With the addition of the new space, the ensemble classes, band rehearsals, recitals, group classes, Intro To Music classes, and other group aspects of the curriculum can be fully realized.

Describe the qualifications and experience of your management team and any other key employees. Also describe any outside professional services (accountants, attorneys, etc.) you have or plan to engage.

- Musically, I have over 20 years experience playing and performing in various groups across the country. I have been a session player at Westlake Studios in Los Angeles for a number of recording artists. I have my Journeyman and Professional Certificates from Musician's Institute in Hollywood CA. As an educator, I have 18 years experience teaching in-person lessons in Los Angeles and Chicago. In 2010 I was a founding member of the Rock House, a school started by a former Nashville recording artist and four Chicago musicians, myself included. Working and managing the school for 10 years has helped show me what works and what does not work in a performance based school. The school was a success and eventually bought by an investor and changed to Twelve Tone Music School. I taught and was a manager at that school from 2018-2021. Tyler Nelson has been teaching at the school from 2024-present. He is an all around musician and has the ability to teach multiple instruments and different ensemble groups. He also started teaching summer camps this year. Ashlen Cheers is our female vocal instructor with a heavy theatre background making her the go to vocal coach and instructor for students aspiring to participate in musical theatre as well as singing in choirs or ensembles. To help with the promotion of the school in general, the new expansion, and all the programs we offer, Candi Barbagallo, owner of Indie Edge LLC, has been hired. I have hired Richie D. Phillips, owner of Richie D. Phillips Tax and Accounting, to prepare my tax returns every year.

Describe the customers you will serve and the geographic territory to be targeted with your marketing efforts. Describe the advertising, marketing techniques, pricing strategies, and tools you will use to promote your business.

- I am looking for dedicated students who want to learn to play an instrument or already play an instrument but think they are not talented, they are too old, or have taken lessons in the past and did not get the results they expected. I want students of all ages and abilities because no matter where they are in their musical journey they can play with similar skilled students and make music in an enjoyable environment. That alone will encourage growth and confidence. The geographic territory I plan to market is the city of Hickory initially. I already serve some of the surrounding areas but I will eventually market the entire Catawba County. I want to continue marketing the Golden Rule Music School brand and philosophy. The proof is in doing and by doing I want to show the results and they will speak for themselves. Students of all ages playing various styles of music, multiple instruments, and various age groups all accomplishing their goals and what they set out to do, play music on their instrument. As a bonus they get to do it with other people. Usually an accomplishment they thought they were incapable of doing initially. My pricing strategy is to have one set price or subscription that includes everything a person would need to start their musical journey. Word of mouth, social media, and a website to direct all the traffic will be the biggest influence on spreading the mission of Golden Rule Music School. I have added monthly video marketing to social media. A newsletter will begin going out monthly and a newly redesigned website will help more potential customers reach, interact, and join the school.

List those firms you have identified as primary competitors in your market(s). Identify their strengths and weaknesses. What advantages does your company have as compared with these primary competitors?

- Hickory Music Factory, Music and Arts, Hickory Arts, and Larry's Music are my primary competitors. Hickory Music Factory's strengths are that they have name/brand recognition. They are non-profit so they get funding from businesses as tax write-offs. Their weakness is that they are a big entity so they lose the personal touch. They operate at such a volume they cannot give individual attention. Music and Arts is a huge corporate conglomerate so they have marketing funds dedicated to the lesson aspect of the corporation. They operate on sheer volume and the policies are very rigid and corporate so there is very little room for the personal touch. Hickory Arts is very small and they barely advertise. The only strength they have is their teachers are top notch but they are also very busy doing their own pursuits. Larry's Music also has a strength in their longevity in Hickory. Many people know they exist but they are more of a retail store rather than a dedicated lesson provider. They also have limited offerings. Golden Rule Music School is a very hands-on experience that offers many formats to allow students to reach their goal. The school is dedicated to music education and performance with many opportunities to further your individual skills. With the new facility and more direct marketing of our services, Golden Rule Music School can truly set itself apart from the competition.

Exhibit A Page 10 of 17

Describe your plans for growth or expansion. Include the impact on working capital needs, equipment, and/or your current facility or building.

- Starting September 1st I am expanding the school. I will start renting the bottom commercial space. It is 2000sqft +/-, 4 rooms total. The expansion will include 2 lesson/rehearsal spaces. 1 big band room/rehearsal room. 1 sound stage/rehearsal room/recital stage. The new rooms will need to be outfitted with new equipment. Drum sets, PA systems, amps for electric instruments, and keyboards. This will allow current teachers an opportunity to fill in gaps in their schedule and help new teachers work while they build up a consistent schedule.

Describe in detail your plan for financing your business. Please specify how much money you can put towards the project, and how much money you can borrow.

- I am financing my business by continuing to work and grow every day. Going into year number three, the business is sustaining itself and continuing to turn a profit. With the addition of the new space, my rent expense will go up but with the additional space and the full utilization of the program, new revenue should quickly balance out the extra cost. Any and all money I have to invest or to borrow against is my own personal money.

Golden Rule Music School/Jamie Stephens

Year	2024	2025	YTD 2026	2026 Forecast	2027 Forecast
Income	$ 30,288.60	$ 57,181.31	$ 59,666.08	$ 90,000.00	+25% $ 112,500.00
Operating Exp	$ 44,611.39	83% $ 47,253.60	85% $ 50,737.66	85% $ 76,500.00	85% $ 95,625.00
Net Profit	$ (14,322.79)	17% $ 9,927.71	15% $ 8,928.42	15% $ 13,500.00	15% $ 16,875.00

Notables

Sales Increase of nearly 100% from Year 1 to Year 2
Profitable within Year 2 (2025)
YTD Sales by Aug 18 '26 exceeds ALL of '25
Forecasting 51% increase in Net Profit for '26 over '25

Exhibit A Page 12 of 17

Profit and Loss

Golden Rule Music School LLC

Date Range: Jan 01, 2024 to Dec 31, 2024

Report Type: Accrual (Paid & Unpaid)

ACCOUNTS	Jan 01, 2024 to Dec 31, 2024
Income	$30,288.60
Cost of Goods Sold	$0.00
Gross Profit	**$30,288.60**
As a percentage of Total Income	**100.00%**
Operating Expenses	$44,611.39
Net Profit	**-$14,322.79**
As a percentage of Total Income	**-47.29%**

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Profit and Loss

Golden Rule Music School LLC

Date Range: Jan 01, 2025 to Dec 31, 2025

Report Type: Accrual (Paid & Unpaid)

ACCOUNTS	Jan 01, 2025 to Dec 31, 2025
Income	$57,181.31
Cost of Goods Sold	$0.00
Gross Profit	**$57,181.31**
As a percentage of Total Income	**100.00%**
Operating Expenses	$47,253.60
Net Profit	**$9,927.71**
As a percentage of Total Income	**17.36%**

Exhibit A Page 14 of 17

Profit and Loss

Golden Rule Music School LLC

Date Range: Jan 01, 2026 to Dec 31, 2026

Report Type: Accrual (Paid & Unpaid)

ACCOUNTS	Jan 01, 2026 to Dec 31, 2026
Income	$59,666.08
Cost of Goods Sold	$0.00
Gross Profit	**$59,666.08**
As a percentage of Total Income	**100.00%**
Operating Expenses	$50,737.66
Net Profit	**$8,928.42**
As a percentage of Total Income	**14.96%**

Profit and Loss

Golden Rule Music School LLC

Date Range: Jan 01, 2026 to Aug 19, 2026

Report Type: Accrual (Paid & Unpaid)

ACCOUNTS	Jan 01, 2026 to Aug 19, 2026
Income	
Transfer from Fons	$56,710.70
Uncategorized Income	$2,955.38
Total Income	**$59,666.08**
Total Cost of Goods Sold	**$0.00**
Gross Profit	**$59,666.08**
As a percentage of Total Income	**100.00%**
Operating Expenses	
Advertising & Promotion	$6,059.88
Bank Service Charges	$36.95
Computer – Hosting	$24.99
Computer – Internet	$180.56
Computer – Software	$994.14
Insurance - General Liability	$487.00
Meals and Entertainment	$456.06
Musical Instruments	$1,351.25
Office Supplies	$2,771.68
Payroll – Salary & Wages	$11,565.00
Professional Fees	$7,103.00

Exhibit A Page 16 of 17

Operating Expenses

Rent Expense	$17,325.00
Repairs & Maintenance	$400.00
Teaching Material/Software	$156.22
Telephone – Wireless	$19.25
Uncategorized Expense	$1,176.64
Vehicle – Fuel	$653.04
Total Operating Expenses	**$50,760.66**
Net Profit	**$8,905.42**
As a percentage of Total Income	**14.93%**

Exhibit A Page 17 of 17

SBC
SMALL BUSINESS CENTER
CATAWBA VALLEY COMMUNITY COLLEGE

August 18, 2026

Dave Leonetti
Business and Community Development Manager
Business Development Programs – City of Hickory
76 N Center St
Hickory NC 28601

Re: Letter of Recommendation for Jamie Stephens/Golden Rule Music School LLC

Dear Mr. Leonetti,

Let this letter serve as a recommendation for Jamie Stephens and Golden Rule Music School. The Small Business Center office has worked with Mr. Stephens in many areas of his business – from overall business planning, marketing directions/strategies, growth and scale capacities, forecasting EOY and future sales and management reviews of financial statements.

From our recent counsels, Mr. Stephens has demonstrated an understanding of the needs to continue his growth trends, scale into a larger student base, and potentially increase the labor hours/employment to satisfy demand. Based on our counsels and his demonstrated growth alongside YTD and EOY projections, I support his efforts in participating in the City of Hickory's Business Development Programs.

Please feel free to contact me at creese147@cvcc.edu or 828-327-7000 (x 4635) if you need any further information. Thank you for your consideration and support of our local small businesses

Sincerely,

Chris Reese
Director
Small Business Center – CVCC
2664 US Hwy 70SE
Hickory NC 28602

Exhibit B

Microenterprise Grant Funding Schedule – Jamie Stephens, Golden Rule Music School, LLC

The grant will be disbursed in three installments.

Payment 1: $1750 payable after business equipment expenses incurred and completion of first meeting with counseling center. This must occur within four months of grant approval. Receipts must be provided showing at least $1750 in eligible costs incurred. If progress is not shown during this time period, the grant shall expire and no funds will be paid.

Payment 2: $1750 payable after business equipment expenses incurred and completion of second meeting with counseling center. This must occur within 12 months of grant approval. **Receipts** must be provided showing at least $1750 in eligible costs incurred.

Payment 3: $500 payable after final check-in session with Business Development Committee. Receipts must be provided showing at least $500 in eligible costs incurred. This must occur within 12 months of grant approval. **Note that the Business Development Committee only meets monthly. Arrangements should be made in time to ensure that a meeting with the committee will take place prior to contract expiration.**

6

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: David Leonetti, Business Development Director

Contact Person: David Leonetti

Date: August 28, 2026

Re: Microenterprise Grant Agreement with Maven Med Scrubs, LLC

REQUEST

Approve microenterprise grant agreement with Maven Med Scrubs, LLC.

BACKGROUND

In its 2025-2029 Consolidated Plan for Housing and Community Development, the City of Hickory identified increasing entrepreneurship opportunities as a high priority need. This includes a program to provide microenterprise grants to businesses looking for funding necessary to take their business to the next level. According to the US Department of Housing and Urban Development, a microenterprise is a business that has fewer than five employees, one of whom is the owner of the business. The program offers grants of up to $4,000 for low to moderate income business owners for business property, inventory, necessary fixed assets, marketing and business promotion, or other improvements approved by the Business Development Committee. Applicants are required to submit a business plan and have a counseling session with a local business support organization.

ANALYSIS

Britiney Perry has applied for a Microenterprise Grant to support and grow her small business, Maven Med Scrubs. Maven Med Scrubs is a medical apparel brand specializing in premium, comfortable scrubs. The Business Development Committee reviewed the application and recommended approval of the grant in the amount of $4,000. The grant funds will be used for business equipment, inventory, and marketing and business promotion. More information can be found in the attached agreement, which contains the original application.

RECOMMENDATION

Staff recommends that City Council approve the Microenterprise Grant agreement with Maven Med Scrubs, LLC.

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE:

059-1537-553885

Reviewed by:

Dave Leonetti Initiating Department Head	8-28-2026 Date		
Asst. City Manager Rodney Miller	9/8/26 Date	Asst. City Manager, S. Miller	9-10-26 Date
Finance Officer, Kari Dunlap	9/9/26 Date	Deputy Finance Officer, Cameron McHargue	9-9-26 Date
Asst. City Manager Yaidee Fox	9/8/26 Date		

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

City Manager, W. Wood

9-10-26

Date

PREPARED BY: Legal Department, City of Hickory
PO Box 398, Hickory, NC 28603

STATE OF NORTH CAROLINA

CDBG MICROENTERPRISE GRANT PERFORMANCE AGREEMENT

COUNTY OF CATAWBA

THIS AGREEMENT, made and entered into this _____day of _____, 2026, by and between the **CITY OF HICKORY**, a municipal corporation of Catawba County, North Carolina, hereinafter referred to as the "City" and having a mailing address of P.O. Box 398, Hickory, North Carolina 28603, and Maven Med Scrubs, LLC hereinafter referred to as the "Recipient" and having a mailing address of 3094 12th Ave #104, Hickory, NC 28602.

WITNESSETH

THAT WHEREAS, as part of its 2025-2029 Consolidated Plan for Housing and Community Development, the City has identified increasing entrepreneurial opportunities in the community as a priority; and

WHEREAS, to fulfill this priority, the CITY has created the Community Development Block Grant Microenterprise Grant Program ("CDBG Microenterprise Grant Program" or "Program") to provide grants to qualifying business owners upon the terms and subject to the conditions hereinafter set forth.

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

1. The City shall provide a grant to the Recipient for the sum of $4,000.00, which the City shall disburse in accordance with the schedule set forth in Exhibit B. The City shall not be obligated to disburse any grant funds until the Recipient complies with all disbursement prerequisites set forth in this Agreement for all or any part of the grant funds.
2. The Recipient agrees to utilize the grant funds for the purposes set forth in: to fulfill that project as described in the CDBG Microenterprise Grant Program Guidelines and Application Materials attached hereto as Exhibit "A." Said guidelines and application materials are made a part of this Agreement and incorporated herein by reference as if more fully set forth.
3. Projects funded in whole or in part must meet all applicable regulations of the CDBG program, including environmental review requirements. The purpose of the environmental review process is to identify if the project will have a significant impact on the quality of the human environment. The grant agreement for an approved grant cannot be executed until this process has been completed.

4. The Recipient shall ensure that the grant is used for permitted purposes only and shall be responsible for any misuse of grant funds by any of its officers, members, employees, or agents.

5. The grant is payable in accordance with the funding schedule which will be developed by the City of Hickory's Business Development Committee, hereinafter referred to as the "BDC." The funding schedule is made a part of this Agreement as Exhibit B and incorporated herein by reference as if more fully set forth.

6. Grant disbursements shall be for expenses incurred as set forth in the Application only. The City shall require itemized documentation of project expenses.

7. Strict compliance by the Recipient with all of its obligations imposed by this Agreement is an express condition of the Recipient's obligation to make any portion of the grant funds available. No degree of partial performance by the Recipient shall deprive the City of its right to require complete performance prior to its disbursement of grant funds.

8. Technical assistance provided by the City will be advisory only. The City will not be a party in negotiations between the Recipient and any contractor employed by the Recipient nor will the City provide legal advice or services to any party. The Recipient agrees to hold the City harmless for any defects in workmanship or from any liability, damages, or other costs relative to this project.

9. The RECIPIENT shall not assign or subcontract any of its rights or obligations under this Agreement without the prior written consent of the CITY.

10. By executing this Agreement/Contract, Britiney Perry certify/certifies Maven Med Scrubs, LLC is/are not listed on the Iran Final Divestment List ("List") created by the State Treasurer pursuant to N.C.G.S. 147-86.58, Iran Divestment Act ("Act"). In compliance with the Act's requirement and N.C.G.S. § 147-86.59, Maven Med Scrubs, LLC shall not utilize in the performance of this agreement/contract any subcontractor that is identified on the List. The List can be found on the State Treasurer's website at the address www.nctreasurer.com/Iran and should be updated at least every 180 days.

11. This Agreement may be terminated and the City may withhold grant monies upon the Recipient's breach of or failure to perform any of the terms of this agreement. The City shall give the Recipient notice in writing of any potential breach of this Agreement, after which the applicant shall have thirty (30) calendar days in which to cure said breach. The thirty (30) calendar day cure period shall not apply to any of the time requirements described in this agreement.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed upon the day and year first written above.

CITY OF HICKORY

By: _____
Hank Guess, Mayor

ATTEST: (SEAL)

_____
Debbie D. Miller, City Clerk

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

_____
Attorney for the City of Hickory

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

_____
Kari Dunlap, Financial Officer

Recipient

By: _____

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

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

Witness my hand and seal this _____ day of _____, 202_.

(Seal) _____
Notary Public

My Commission Expires: _____

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, _____, a Notary Public of Catawba County, North Carolina, do hereby certify that Britiney Perry, owner of Maven Med Scrubs, LLC personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

Witness my hand and official stamp or seal this _____ day of _____, 202_.

(Seal) _____
Notary Public

My Commission Expires: _____

The City of Hickory

CDBG Microenterprise Grant Program

In its 2025-2029 Consolidated Plan for Housing and Community Development, the City of Hickory identified increasing entrepreneurship opportunities as a high priority need. This led to the creation of a program to provide microenterprise grants to businesses looking for funding necessary to take their business to the next level.

What is a microenterprise?

According to the US Department of Housing and Urban Development, a microenterprise is a business that has five or fewer employees, one of whom is the owner of the business.

Since the project will be funded with CDBG funds, all applicants will need to have a household income of less than 80% of the area median income. That is currently $68,150 for a family of four. The table below indicates the current HUD income limits. (All limits are subject to change as HUD updates their information.)

Persons in Family	Maximum Income
1	$47,750
2	$54,550
3	$61,350
4	$68,150
5	$73,650
6	$79,100
7	$84,550
8	$90,000

Award Ceiling

The award range will be from $1,000 to $4,000. The maximum funding will be based on needs presented in the business plan.

Use of Funds

Grant funds may be used for the following purposes:

- Business Equipment
- Inventory
- Necessary Fixed Assets
- Marketing and business promotion
- Other necessary business improvements as approved by the Business Development Committee

Grant funds may not be used for real property improvements. Funds may not be used for expenses that were incurred prior to final approval of the funding agreement by the Hickory City Council.

Additional Requirements

The following additional requirements apply to all recipients.

- The business must be located in the Hickory City Limits.
- The business must be in compliance with all applicable City of Hickory regulations including the Land Development Code.

Funding Eligibility Exclusions

The following uses are not eligible for funding:

- Religious organizations for sectarian purposes;
- Buildings not within the City of Hickory municipal limits;
- Individual K-12 schools (public or private);
- Organizations that discriminate on the basis of race, culture, gender sexual orientation, age, or religion;
- Political activities;
- Adult businesses;
- Civic Organizations.

Application Requirements

- Completed application form
- Business Plan (template included)
- Financial Projections
- Counseling appointment with one of the following three agencies: the CVCC Small Business Center, LRU Center for Social and Commercial Entrepreneurship, or the Small Business Technology Development Center.
- Letter of Recommendation from one of the above counseling agencies
- Income verification information to include prior year tax returns for all household members. Additional information may be required to meet HUD income verification requirements. The City of Hickory uses the Internal Revenue Service Form 1040 method of calculating income.

Scoring Criteria

The following criteria will be used by the Business Development Committee to prioritize grant projects:

- Number of jobs created
- Length of time business has been in existence (priority will be given to startups)
- Growth potential
- General quality of the business plan
- Other funding secured
- Social return on investment

Grant Payment Schedule and Other Required Activities

- After consulting with the counseling organization, the Business Development Committee will approve a project schedule detailing implementation milestones and objectives. This schedule will be part of the funding agreement. Funding will generally be paid in at least two equal installments based upon meeting required milestones.
- Recipients will be required to check in with the Business Development Committee at least once during project execution to provide updates on the business.
- Recipients will also be required to have periodic meetings with the counseling organization. The frequency of these meetings will be described in the funding agreement. Generally, one additional meeting during project execution will be required.

Conflicts of Interest

No member of the City Council of the City of Hickory and no other official, employee, or agent of the City, nor their families shall be eligible to receive any assistance under this program This prohibition will continue for a period of one year from the date their affiliation ceases. Immediate family members include: parents, spouses and domestic partners, siblings, and children regardless of age.

General Disclaimer

There is no right or entitlement to funding. All decisions are made at the discretion of the granting authority. All projects must meet all applicable regulations of the Community Development Block Grant program, including environmental review requirements. All grant agreements are subject to approval by the Hickory City Council.

Exhibit A Page 4 of 14

CITY OF HICKORY MICROENTERPRISE GRANT APPLICATION

Applications should be submitted to the Department of Planning and Development. For more information, please contact David Leonetti at (828) 323-7422.

APPLICANT INFORMATION

Business Name: Maven Med Scrubs, LLC

Mailing Address: 3094 12th Ave #104 Street Address: 3094 12th Ave #104

City: Hickory State: North Carolina Zip: 28602

Telephone: 757-476-3247 FAX: E-Mail: mavenmedscrubs@gmail.com

Business Project Manager Name and Title (if different than above.):

Project Manager Organization Name: Maven Med Scrubs, LLC

Date Business Established: July 29, 2025 Tax ID or Social Security Number: 39-3559213

PROJECT INFORMATION

Amount Requested: $ 4,000 Project Title: Maven Med Scrubs E-commerce Launch

Address of Building: 3094 12th Ave. SE #104 Zoning of the Parcel: 372296001766

Proposed Use: D2C e-commerce medical apparel retail

INCOME INFORMATION

Total Household Income of Business Owner: $ 0 Number of Persons in Household:

	Name	Date of Birth	
1.	Britney Perry	10/13/1995	1
2.			
3.			
4.			
5.	(Add additional lines as needed)		

FY 2026 Income Limit Area	Median Family Income	FY 2026 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Hickory-Lenoir-Morganton, NC MSA	$85,200	Very Low (50%) Income Limits ($)	$29,850	$34,100	$38,350	$42,600	$46,050	$49,450	$52,850	$56,250
		Extremely Low Income Limits ($)*	$17,900	$21,640	$27,320	$33,000	$38,680	$44,360	$50,040	$55,720
		Low (80%) Income Limits ($)	$47,750	$54,550	$61,350	$68,150	$73,650	$79,100	$84,550	$90,000

****TO QUALIFY FOR THE MICROENTERPRISE GRANT YOUR INCOME AND HOUSEHOLD SIZE MUST MEET THE ABOVE INCOME LIMITS****

PROPOSED FINANCING SOURCES FOR PROJECT:

BANK LOAN	AMOUNT $ –	% OF TOTAL –
GRANT	AMOUNT $ 4,000	% OF TOTAL 64
APPLICANT/EQUITY	AMOUNT $ 2,250	% OF TOTAL 36
OTHER	AMOUNT $ –	% OF TOTAL –
TOTAL	AMOUNT $ 6,250	% OF TOTAL 100.0

PROJECT NARRATIVE:

Provide a brief narrative description of business, proposed project and reason for grant:

Mason Med Scrubs is a medical apparel brand specializing in premium, comfortable scrubs. The proposed project entails rolling out an initial targeted line of custom scrubs as we have already secured a vendor, samples and website. The requested grant funding will provide the critical capital needed to launch operations, ~~specifically~~ specifically, $2500 for inventory procurement and $1500 toward marketing + business promotion to drive digital customer acquisition. This grant is vital to our start up as it allows non-debt capitalization, allowing Mason Med Scrubs to transition from development to active commerce, establish local operational roots + build sustainable business foundation capable of driving economic growth in the community.

PROPOSED USE OF PROJECT FUNDS:

BUSINESS EQUIPMENT	$2,250
INVENTORY	$2,500
MARKETING AND BUSINESS PROMOTION	$1,500
OTHER* (_____)	$_____

*MUST BE APPROVED BY BUSINESS DEVELOPMENT COMMITTEE

REQUIRED ATTACHMENTS

All applications must include the following information:

- Completed application form
- Business Plan (template included)
- Financial Projections (template included)

Exhibit A Page 6 of 14

- Confirmation of completed counseling appointment with one of the following three agencies: the CVCC Small Business Center, LRU Center for Social and Commercial Entrepreneurship, or the Small Business Technology Development Center.
- Letter of Recommendation from one of the above counseling agencies
- Income verification information to include prior year tax returns for all household members. Additional information may be required to meet HUD income verification requirements. The City of Hickory uses the Internal Revenue Service Form 1040 method of calculating income.

Applicant's Certification:

I/We certify that all information in this application and all information furnished in support of this application are true and complete to the best of my/our knowledge and belief. Verification can be obtained from any source named, and I/we agree to submit to personal and business credit checks.

Signature — Date: 6/04/2026

Signature — Date

Signature — Date

City of Hickory Microenterprise Grant Program

Business Plan Template

Applicant Name: Britiney Perry **Date:** June 2, 2026

Describe the fundamental elements of your business. Describe what business you are in, why you are in it, and what you hope to accomplish. List and describe the products or services you will offer.

- Maven Med Scrubs, LLC is a woman-owned, veteran-owned healthcare apparel company specializing in high-quality, professional medical scrubs designed for durability, comfort, and a polished clinical appearance. I founded this business after years of working in healthcare settings where reliable, functional scrubs were essential for long shifts, constant movement, and maintaining a professional image. Through those experiences, I recognized a clear need for scrubs that are both affordable and built to withstand the demands of real clinical work. I am in this business because I understand firsthand how the right uniform impacts confidence, performance, and professionalism. Many healthcare workers struggle to find scrubs that fit well, last long, and meet workplace requirements without being overpriced. Maven Med Scrubs exists to fill that gap by offering dependable apparel that supports the people who care for our communities. My goal is to build a sustainable, community-rooted brand that provides accessible, high-quality scrubs while contributing to the economic growth of Hickory. Over time, I aim to expand my product line, increase local distribution, and establish partnerships with healthcare

Describe the qualifications and experience of your management team and any other key employees. Also describe any outside professional services (accountants, attorneys, etc.) you have or plan to engage.

- I currently manage all aspects of Maven Med Scrubs myself. My background includes several years working in healthcare roles that required daily use of medical scrubs, which gives me practical insight into what workers need in terms of durability, comfort, and functionality. This experience guides my decisions around product selection, quality standards, and customer needs. As the sole operator, I handle inventory planning, vendor communication, order fulfillment, marketing, and customer service. At this time, I do not have additional employees or formal professional services. I also plan to utilize a third-party fulfillment (3PL) warehouse for inventory storage and shipping as order volume increases. This will allow me to streamline operations, reduce storage limitations, and ensure consistent delivery times for customers.

Describe the customers you will serve and the geographic territory to be targeted with your marketing efforts. Describe the advertising, marketing techniques, pricing strategies, and tools you will use to promote your business.

- My primary customers are healthcare workers who need reliable, professional scrubs for daily use. Geographically, my marketing focuses first on Catawba County area, where there is a strong concentration of hospitals, clinics, long-term care facilities, and training programs. As the business grows, I will expand my reach and eventually market nationwide through online sales and social media. To reach customers, I will use digital and community-based marketing strategies. My online marketing will include social media content, targeted ads, and engagement on platforms like Instagram, Facebook, and TikTok, where healthcare workers often look for uniform recommendations. I will also use Shopify's built-in marketing tools, email campaigns, and SEO features to drive traffic to my website. Locally, I plan to connect with healthcare programs, small clinics, and community events to build brand awareness and create direct relationships with potential customers. My pricing strategy is designed to stay competitive while offering high value. I will monitor market pricing from major scrub brands and set my prices at an accessible level that reflects the quality of the product without being cost-prohibitive. I will also use occasional promotions and bundle deals to encourage repeat customers.

List those firms you have identified as primary competitors in your market(s). Identify their strengths and weaknesses. What advantages does your company have as compared with this primary competitors?

- The medical apparel industry includes several established and emerging brands that serve as primary competitors for Maven Med Scrubs. The most relevant competitors in my market include FIGS, Code NXT, Mary Maud, and Mandala. Each company offers distinct strengths, but they also present gaps that create opportunities for differentiation.
- **FIGS** Strengths: FIGS is one of the most widely recognized scrub brands, supported by strong branding, extensive marketing, and a large social media presence. Their products are known for modern styling and premium aesthetic. Weaknesses: Their pricing is significantly higher than many competitors, which can limit accessibility for a large portion of healthcare workers. Customers also report inconsistent sizing and limited options for individuals who prefer traditional, understated styles.
- **Code NXT** Strengths: offers fashion-forward scrubs with bold designs and a strong digital presence. Their branding appeals to customers seeking trend-driven apparel. Weaknesses: Their pricing is on the higher end. Their product range is also narrower than larger brands.
- **Mary Maud** Strengths: high-quality materials, clean designs, and a strong brand identity. They have cultivated a loyal customer base through consistent product quality. Weaknesses: inventory can be limited, and their pricing falls in the mid-to-high range.

- **Mandala** Strengths: offers affordable scrubs with reliable quality, appealing to customers who prioritize value. Weaknesses: style selection is limited, and they offer fewer cuts and color options compared to larger brands.

Describe your plans for growth or expansion. Include the impact on working capital needs, equipment, and/or your current facility or building.

- I plan to first do a targeted, limited release to validate our online supply chain infrastructure, and establish initial consumer traction. Next, the formal rollout of our flagship engineered scrub line, combining premium visual marketing materials and focused digital campaigns to scale direct-to-consumer acquisition. Finally, I will focus on B2B multi-channel expansion, allowing us to secure bulk contract ordering by partnering directly with local healthcare clinics, private practices, and regional medical training programs. To successfully scale this direct-to-consumer and B2B model, efficient working capital management is critical. Funding is continuously required up front to satisfy production minimum order quantities and secure inventory before realizing retail sales revenue. Additionally, driving consistent digital traffic requires substantial marketing capital for professional product photography, digital mockups, and strategic localized campaigns. The funding will be deployed entirely as immediate working capital toward these eligible expenses. As order volumes and transactional velocity increase, our operational equipment and facility needs must scale concurrently to support fulfillment without compromising precision. To optimize supply chain logistics, we will invest in automated high-speed thermal label printers, digital inventory scanning systems, and precision industrial weighing scales. Furthermore, to maintain a lean operational budget, Maven Med intends to acquire updated, in-house digital capture hardware, enabling us to generate premium visual marketing assets without incurring heavy outsourced production costs. Due to me being in the pre-launch phase, the business is currently maintained within my residence in Hickory. As inventory volume scales alongside customer demand, our immediate expansion plan involves transitioning physical stock to a localized storage facility. Once transaction volumes warrant advanced scaling, we will graduate our logistics entirely to a specialized commercial fulfillment center.

Describe in detail your plan for financing your business. Please specify how much money you can put towards the project, and how much money you can borrow.

- The total projected capital required for this immediate scaling and launch phase is $6,250. As the founder, I am personally injecting $2,250 in cash equity, currently held in our established Chase Business Checking account, to cover initial foundational setup fees. The remaining $4,000 is requested through the City of Hickory CDBG Microenterprise Grant Program, representing the maximum allowable award ceiling to fully fund our critical inventory expansion and launch-promotions budget. To date,

while Maven Med has proactively explored external capitalization by applying to multiple highly competitive business grants, we have not been awarded prior grant funding, making this local microenterprise project our primary vehicle for rapid market entry.

To maintain capital flexibility and avoid rigid debt-servicing schedules during our startup window, the business has deliberately bypassed traditional commercial term loans. Instead, our secondary funding security and operational padding rely on existing, active revolving credit structures. I currently maintain a dedicated Chase business credit card with an established revolving line that is fully eligible for immediate use to absorb ongoing operational or technical fees as they arise. Furthermore, our banking relationship with Chase positions Maven Med to remain eligible for flexible business lines of credit should future volume spikes require rapid working capital adjustments. By leveraging this blend of cash equity, strategic grant capital, and accessible revolving credit reserves, the business satisfies the program's prioritization of securing secondary funding pathways while maintaining a highly resilient financial structure.

The allocation of our capital is strictly divided between direct growth-focused assets and specific startup infrastructure fees to ensure maximum utility of the grant. The requested $4,000 in grant funding will be deployed entirely toward eligible, downstream working capital categories: exactly $2,500 will be allocated to Inventory Procurement to satisfy manufacturing minimum order quantities, and $1,500 will be allocated to marketing and business Promotion to drive targeted digital customer acquisition and professional product placement. Conversely, my personal cash equity and available business credit line will be meticulously deployed to absorb auxiliary and technical startup fees, ensuring zero grant funds are diluted by operational overhead. This includes covering Shopify e-commerce hosting and DotServe Inc. domain management fees; processing and merchant transaction fees; digital analytics and marketing application subscriptions; essential logistics equipment including a high-speed thermal label printer; initial shipping packaging and postage deposits; and all ongoing annual LLC compliance and municipal licensing fees.

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PROFIT AND LOSS PROJECTIONS

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTALS	%	YEAR 2	%	YEAR 3	%
Cash Sales	800	1,000	1,200	1,350	1,450	1,550	1,650	1,750	1,850	1,950	2,050	2,200	18,800	TOTAL	$24,000	TOTAL	$30,000	TOTAL
Sales on Account (billed later)	0	0	0	0	0	0	0	0	0	0	0	0	0		$0		$0	
Total Sales	800	1,000	1,200	1,350	1,450	1,550	1,650	1,750	1,850	1,950	2,050	2,200	18,800		$24,000		$30,000	
Cost of Sales or Manufacturing	203	254	304	342	368	393	418	444	469	494	520	558	4,767	25.36%	$6,086	25.36%	$7,607	25.36%
Gross Profit	597	746	896	1,008	1,082	1,157	1,232	1,306	1,381	1,456	1,530	1,642	14,033	74.64%	$17,914	74.64%	$22,393	74.64%
Expenses																		
Non Production Labor (other than owner's)	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Owner's Draw/Salary	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Auto & Travel	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Workers Comp	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Operating Supplies	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Laundry	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Utilities	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Telephone	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Office Expense	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Repair & Maint	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Internet/Web Site	39	39	39	39	39	39	39	39	39	39	39	39	$468	2.49%	$468	1.95%	$468	1.56%
Advertising	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Marketing	100	75	75	50	50	50	50	50	50	50	50	100	$750	3.99%	$900	3.75%	$1,200	4.00%
Rent	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Business Taxes	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Licenses	15	0	0	0	0	0	0	0	0	0	0	0	$15	0.08%	$15	0.06%	$15	0.05%
Insurance	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Accounting	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Bank Charges	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Other Admin Expenses	0	0	0	0	0	0	0	0	0	0	0	0	$0	0.00%	$0	0.00%	$0	0.00%
Total Expenses	154	114	114	89	89	89	89	89	89	89	89	139	$1,233	6.56%	$1,383	5.76%	$1,683	5.61%
Profit Before Taxes	443	632	782	919	993	1,068	1,143	1,217	1,292	1,367	1,441	1,503	$12,800	68.08%	$16,531	68.88%	$20,710	69.03%

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FORECAST OF PROFIT AND CASH FLOW

INSTRUCTIONS

	Start-Up	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Beginning Cash Position	$ -	$ 335	$ 889	$ 1,752	$ 2,904	$ 4,366	$ 5,827	$ 7,504	$ 9,276	$ 11,395	$ 13,692	$ 16,468	$ 19,766
Income (cash received)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Cash Sales	$ 664	$ 908	$ 1,328	$ 1,680	$ 2,100	$ 2,100	$ 2,384	$ 2,520	$ 2,980	$ 3,224	$ 3,860	$ 4,632	$ 2,200
Collection of Accounts Receivable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Equity Investment (Owners)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Proceeds of Loan	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Other (cash injections)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Total Cash Inflows	$ 664	$ 908	$ 1,328	$ 1,680	$ 2,100	$ 2,100	$ 2,384	$ 2,520	$ 2,980	$ 3,224	$ 3,860	$ 4,632	$ 2,200
Disbursements (cash used)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Loan Repayment (Principal)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Cost of Sales	$ 175	$ 240	$ 350	$ 439	$ 549	$ 549	$ 618	$ 659	$ 772	$ 838	$ 996	$ 1,195	$ 558
Total Expenses (Before Dep.)	$ 154	$ 114	$ 114	$ 89	$ 89	$ 89	$ 89	$ 89	$ 89	$ 89	$ 89	$ 139	$ 139
Capital Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Total Disbursements (cash used)	$ 329	$ 354	$ 464	$ 528	$ 638	$ 638	$ 707	$ 748	$ 861	$ 927	$ 1,085	$ 1,334	$ 697
Cash Flow Monthly	$ 335	$ 554	$ 864	$ 1,152	$ 1,462	$ 1,462	$ 1,677	$ 1,772	$ 2,119	$ 2,297	$ 2,775	$ 3,298	$ 1,503
Ending Cash Position (Cumulative)	$ 335	$ 889	$ 1,752	$ 2,904	$ 4,366	$ 5,827	$ 7,504	$ 9,276	$ 11,395	$ 13,692	$ 16,468	$ 19,766	$ 21,269

Outlook

Re: Britiney Perry. City of Hickory Micro Grant

From Chris Reese <creese147@cvcc.edu>
Date Thu 7/30/2026 10:20 AM
To Dave Leonetti <dleonetti@hickorync.gov>; Anh Le <ale@hickorync.gov>

1 attachment (35 KB)
LORBPerry.docx;

CAUTION: This email originated from outside of the organization.

Good morning, Dave,
Please find attached the Letter of Recommendation for Britiney Perry/Maven Med Scrubs. Please let me know if you have any questions/concerns or other areas that I may be able to assist for Ms. Perry's consideration.

Chris W. Reese, MBA
Director, Small Business Center - CVCC
Office: 828-327-7000 ext. 4635
CVCC Executive Office - Office 121

Schedule Appointment Here - Click

Registration for Counsel - Click

From: Dave Leonetti <dleonetti@hickorync.gov>
Sent: Wednesday, July 22, 2026 2:37 PM
To: Britiney Perry <britineyperry@yahoo.com>; Anh Le <ale@hickorync.gov>
Cc: Chris Reese <creese147@cvcc.edu>
Subject: Re: Britiney Perry. City of Hickory Micro Grant

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SBC
SMALL BUSINESS CENTER
CATAWBA VALLEY COMMUNITY COLLEGE

July 30, 2026

Dave Leonetti
Business and Community Development Manager
Business Development Programs – City of Hickory
76 N Center St
Hickory NC 28601

Re: Letter of Recommendation for Britiney Perry/Maven Med Scrubs

Dear Mr. Leonetti,

Let this letter serve as a recommendation for Britiney Perry for Maven Med Scrubs. The Small Business Center office has worked with Mrs. Perry in several capacities and areas of her new business – from overall business planning, marketing directions/strategies and sourcing/capacities of her product line.

From our initial counsel, Ms. Perry has demonstrated an understanding of the needs and requirements to start a new business and the demands of a startup. Her plans and vision for the business would be an asset for the business community of Hickory NC with the potential of future employment. Our discussions have also included keeping Hickory as a base of operations post-graduation from L-R. Based on our counsels, I support her efforts in participating in the City of Hickory's Business Development Programs.

Please feel free to contact me at creese147@cvcc.edu or 828-327-7000 (x 4635) if you need any further information. Thank you for your consideration and support of our local small businesses

Sincerely,

Chris Reese
Director
Small Business Center – CVCC
2664 US Hwy 70SE
Hickory NC 28602

Exhibit B

Microenterprise Grant Funding Schedule – Britiney Perry, Maven Med Scrubs, LLC

The grant will be disbursed in three installments.

Payment 1: $1750 payable after business equipment expenses incurred and completion of first meeting with counseling center. This must occur within four months of grant approval. Receipts must be provided showing at least $1750 in eligible costs incurred. If progress is not shown during this time period, the grant shall expire and no funds will be paid.

Payment 2: $1750 payable after business equipment expenses incurred and completion of second meeting with counseling center. This must occur within 12 months of grant approval. Receipts must be provided showing at least $1750 in eligible costs incurred.

Payment 3: $500 payable after final check-in session with Business Development Committee. Receipts must be provided showing at least $500 in eligible costs incurred. This must occur within 12 months of grant approval. **Note that the Business Development Committee only meets monthly. Arrangements should be made in time to ensure that a meeting with the committee will take place prior to contract expiration.**

7

COUNCIL AGENDA MEMOS

To: **City Manager's Office**

From: **Dave Leonetti, Business Development Director**

Contact Person: Dave Leonetti, Community Development Manager

Date: **September 2, 2026**

Re: **Consider Lease of City-owned Property to Hickory Downtown Development Association**

REQUEST

Consider a lease agreement with the Hickory Downtown Development Association to lease property owned by City of Hickory, located at 24 1st Avenue NE.

BACKGROUND

The property at 24 1st Avenue NE has been leased to the Hickory Downtown Development Association for several years. Their lease recently expired. Staff have been working over the past few months to update the lease to ensure it is active and enforceable.

ANALYSIS

The terms for the proposed lease will be for 9 years and three months for the nominal amount of $1.00 per year. The lease will run through December 31, 2035. The city will continue to provide all utilities and maintenance to the building. lessee will be responsible for the payment of all utilities furnished to the property. The lease can be terminated by either party with 12 months' notice. Leases greater than one year require public notice prior to approval and the adoption of a resolution of intent to lease property.

RECOMMENDATION

Staff recommend that City Council approve the resolution of intent to lease property and the lease agreement with the Hickory Downtown Development Association.

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE:

This lease will not require the expenditure of city funds.

Reviewed by:

David Leonetti — Initiating Department Head — 9-2-26 — Date

Deputy City Manager Rodney Miller — 9/8/26 — Date

Asst. City Manager, S. Miller — 9-10-26 — Date

Finance Officer, Kari Dunlap — 9/9/26 — Date

Deputy Finance Officer, Cameron McHargue — 9-9-26 — Date

Asst. City Manager Yandee Fox — 9/8/26 — Date

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

City Manager, W. Wood

9.10.26

Date

RESOLUTION NO. 26-___

RESOLUTION AUTHORIZING EXECUTION OF LEASE AGREEMENT BETWEEN CITY OF HICKORY AND HICKORY DOWNTOWN DEVELOPMENT ASSOCIATION INC. FOR THE LEASE OF PROPERTY LOCATED AT 24 1ST AVENUE NE, HICKORY, NC PURSUANT TO THE PROVISIONS OF N.C.G.S. § 160A-272

WHEREAS, City Council of the City of Hickory desires to lease that certain City-owned tract or parcel of real property commonly known as 24 1st Avenue NE, Hickory, Parcel ID #370207694868, REID #2346, to Hickory Downtown Development Association Inc., for 9-years, 3-months term beginning October 1, 2026, and ending December 31, 2035, at a total rental of One Dollar ($1.00) for the purpose of operating a downtown development organization; and

WHEREAS, City staff reports that the City does not have a need for the property for City purposes during the term of the proposed lease and recommends that City Council authorize execution of the lease; and

WHEREAS, N.C.G.S. § 160A-272 authorizes the City to lease or rent property owned by the City for such terms and upon such conditions as City Council may determine, but not for longer than 10 years and only if City Council determines that the property will not be needed by the City for the term of the lease; and

WHEREAS, N.C.G.S. § 160A-272 provides that such property may be leased only pursuant to a resolution of City Council authorizing execution of the lease agreement adopted at a regular City Council meeting upon 30 days' notice describing the property to be leased, stating the annual lease payments, and announcing City Council's intent to authorize the lease at its next regular meeting; and

WHEREAS, notice was published on August 15, 2026, describing the above-described property to be leased, stating the annual lease payments, and announcing City Council's intent to authorize the lease at its regular meeting scheduled for September 15, 2026, in accordance with N.C.G.S. § 160A-272.

NOW, THEREFORE, BE IT RESOLVED that City Council for the City of Hickory hereby determines that the above-described property which is the subject of the proposed lease agreement between City of Hickory and will not be needed by the City for City purposes during the term of the proposed lease.

BE IT FURTHER RESOLVED that the City is hereby authorized to lease the above-described real property to Hickory Downtown Development Association Inc., at the consideration provided herein pursuant to N.C.G.S. § 160A-272.

BE IT FURTHER RESOLVED that the City Manager and the Clerk to City Council are hereby authorized to execute, on behalf of the City of Hickory, a lease agreement of the above-described property with Hickory Downtown Development Association Inc. for 9-years, 3-months term at a total rent of $1, subject to a pre-audit certificate thereon by the City Chief Financial Officer, if applicable, and approval as to form and legality by the City Attorney.

Adopted this the _____ day of _____, 2026

THE CITY OF HICKORY a
North Carolina Municipal Corporation

(SEAL)

ATTEST:

By: _____
Hank Guess, Mayor

_____
Debbie D. Miller, City Clerk

Drawn by: Timothy D. Swanson, City Attorney
P.O. Box 398, Hickory, NC 28603

STATE OF NORTH CAROLINA

LEASE AGREEMENT

COUNTY OF CATAWBA

THIS LEASE AGREEMENT, including any and all exhibits and addenda attached hereto ("Lease"), is made and entered into this __ day of _____, 2026, by, between and among the **CITY OF HICKORY**, a North Carolina municipal corporation whose mailing address is 76 North Center Street, Hickory, North Carolina 28601 ("Lessor"), and **HICKORY DOWNTOWN DEVELOPMENT ASSOCIATION, INC.**, a North Carolina nonprofit corporation whose mailing address is PO Box 9086, Hickory, North Carolina 28603 ("Lessee").

RECITALS

WHEREAS, Lessor is the owner of that certain real property situated in Hickory Township, City of Hickory, North Carolina, commonly known as 24 1st Avenue NE, Hickory, North Carolina 28601, Parcel ID: 370207694868, REID: 2346, which property is more particularly described in Deed Book 1403, Page 0908, Catawba County Registry;

WHEREAS, Lessee is a nonprofit corporation under the laws of the State of North Carolina engaged in providing support to the downtown business community and the development of the district;

WHEREAS, in accordance with North Carolina General Statute Section 160A-272, Lessor seeks to lease to Lessee and Lessee seeks to lease from Lessor the building and four parking spaces located on the Property so that Lessee can continue to serve the citizens of the City of Hickory with charitable activities on the Premises (defined below).

NOW, THEREFORE, for and in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **PREMISES/PROPERTY.** Lessor leases unto Lessee, and Lessee hereby leases and takes upon the terms and conditions which hereinafter appear, the building (the "Premises") located at 24 1st Avenue NE, Hickory, North Carolina 28601 (the "Property"), said Property being more fully described in Exhibit "A" attached hereto.

2. **TERM.** The term of this Lease shall commence on the **1st day of October, 2026** ("Lease Commencement Date"), and shall end at midnight on the **31st day of December, 2035** unless sooner terminated as herein provided, said property being leased for an annual rental in the amount of One Dollar ($1.00) payable in full, up front, upon the execution of this Lease and on January 1 each year thereafter.

3. **USE.** The permitted use of the Premises shall be: **downtown development organization** for the benefit of citizens residing in the Greater Hickory Metropolitan Area,

Catawba County Register of Deeds ("Permitted Use"). The Premises shall be used and wholly occupied by Lessee solely for the purposes of conducting the Permitted Use, and the Premises shall not be used for any other purposes unless Lessee obtains Lessor's prior written approval of any change in use. Lessor makes no representation or warranty regarding the suitability of the Premises for or the legality (under zoning or other applicable ordinances) of the Permitted Use for the Premises. At Lessee's sole expense, Lessee shall procure, maintain and make available for Lessor's inspection from time to time any governmental license(s) or permit(s) required for the proper and lawful conduct of Lessee's business in the Premises. Lessee shall not cause or permit any waste to occur in the Premises and shall not overload the floor, or any mechanical, electrical, plumbing or utility systems serving the Premises. Lessee shall keep the Premises, and every part thereof, in a clean and wholesome condition, free from any objectionable noises, odors or nuisances.

4. **LESSEE AND LESSOR EXPENSES:** Lessor shall be responsible for the payment of all charges for electricity, natural gas, water, sewer, and solid waste collection services furnished to the Premises and shall pay such charges as they become due. Lessee shall be responsible for the payment of all charges for telephone, internet, cable, and any other communication or utility services separately contracted for or used by Lessee at the Premises and shall pay such charges as they become due. To the extent available, any utility or municipal service provided by the City shall be obtained from the City unless Lessor provides prior written consent to obtain such service from an alternative provider. Lessee shall be solely responsible for the payment of any and all ad valorem taxes, real property taxes, special assessments, and other governmental charges of every kind and nature levied or assessed against the Premises during the term of this Lease, regardless of whether such taxes or charges are assessed against Lessor or Lessee. Lessee shall promptly reimburse Lessor for any such taxes or charges paid by Lessor on Lessee's behalf.

5. **MAINTENANCE, REPAIRS AND REPLACEMENTS:** Lessor shall be responsible for routine maintenance and repairs necessary to maintain the Premises in a reasonably safe and functional condition, including repairs and replacements to the roof, walls, foundation, heating and air conditioning systems, electrical system, plumbing system, and fire alarm system, except to the extent such repairs or replacements are necessitated by the negligence, misuse, or intentional acts of Lessee or its officers, employees, agents, invitees, licensees, or guests. Lessee shall be responsible for all repairs and replacements resulting from such negligence, misuse, or intentional acts, regardless of cost. Notwithstanding the foregoing, Lessor shall have no obligation to make any capital repair or replacement that Lessor, in its sole discretion, determines is not financially feasible or is not in the best interests of the City. In the event Lessor elects not to undertake such repair or replacement, Lessor may terminate this Lease upon sixty (60) days' written notice to Lessee, and neither party shall have any further obligation hereunder except those obligations that expressly survive termination. Lessee shall peacefully surrender possession of the Premises upon the effective date of termination. Any maintenance or repair services provided by Lessor beyond those expressly required by this Lease shall be provided solely at Lessor's discretion and subject to the availability of personnel and resources and shall not create a continuing obligation to provide similar services in the future.

6. **INSURANCE:** During the term of this Lease, Lessee shall maintain public liability insurance written on a comprehensive policy form on the Premises with a combined single limit

of liability for bodily injury, property damage, personal injury, products/completed operations and contractual liability coverage with a limit of at least one-million dollars ($1,000,000.00) as the result of any single occurrence and two million dollars aggregate ($2,000,000.00). All policies of insurance provided for herein shall name the City of Hickory as an additional insured. Lessee shall provide evidence of all insurance required under this Lease to Lessor prior to the commencement of this Lease and, thereafter, upon request.

7. **DELINIATION OF RESPONSIBILITIES:** Lessee shall hold Lessor harmless against any and all claims, damages or causes of action for damages arising after the commencement of the term hereof and any orders, decrees or judgments which may be entered therein, brought for damages or alleged damages resulting from any injury to person or property or from loss of life sustained in or about the said Premises and the buildings and improvements thereof, or in or upon the sidewalks or streets in front or appurtenant thereto by any person or persons whatever. Lessor shall not be liable for any personal injuries or damages to Lessee or its officers, agents, employees, invitees and all persons having business with Lessee, or to any other persons or to any occupant of any part of the Premises, or for any injury or damage to any goods, wares, merchandise or property of Lessee or of any occupant of any part of the said Premises, irrespective of how the same may be caused, whether from action of the elements or acts of negligence of the owner or occupants of the adjacent properties, excepting however, the negligence of Lessor.

8. **LIENS AND MORTGAGES:** Lessee shall not permit any lien or mortgage of whatever kind or nature on the Premises without the prior written consent of Lessor, except Lessee may grant security interests in the furniture, fixtures and equipment that may be used on the Premises and which may be recovered without damage to the Premises.

9. **UPKEEP OF PREMISES:** Lessee further covenants and agrees with Lessor that it will keep the Premises in as good order and repair as the same are in at the commencement of the term or may be put in by Lessee, reasonable use and wearing thereof, fire and other unavoidable insured casualty excepted, except as provided herein, that it will save Lessor harmless from all loss or damage occasioned by the use or misuse of water fixtures, plumbing drains and gas fixtures. Lessee will, at the expiration of the Lease, quit and deliver up the Premises to Lessor clean and in good repair, reasonable use and wearing thereof and damage by fire or other insured unavoidable casualties and Lessor's acts excepted.

10. **END OF TERM ARRANGEMENTS:** Lessee further agrees to quit and deliver up the Premises to Lessor or its representatives peaceably and quietly at the end of said term or extensions hereof, free and clear of all Lessee's personal property and equipment; that it will not suffer to be made any major alterations therein without the prior written consent of Lessor and that all improvements made or erected on the Premises by Lessee that are affixed to the Premises and that are permanent in nature shall become the property of Lessor at no cost, that it will not make or suffer any waste, or any unlawful, improper, noisy or offensive uses of the Premises.

11. **TRANSFER OF PREMISES:** Lessee covenants that (1) it will not transfer its interest under this Lease or its right to possession of the whole or any part of the Premises to any other firm, person or persons including, but not limited to, any prior holder of such interest or right to possession without the written permission of Lessor and that such subsequent transferee shall

only be a nonprofit entity; (2) neither any waiver of the foregoing restriction or any such transfer shall constitute a waiver or consent in any other instance; (3) each subsequent holder of such interest or right shall be bound by the foregoing restriction, notwithstanding such prior consent or waiver and notwithstanding the fact that such holder may have acquired such interest or right from or through a prior holder by voluntary transfer from it, by operation of law or otherwise; and (4) provided any such transferee shall assume and agree to perform Lessee's obligations there under by written instrument in form acceptable to Lessor, and without releasing the liability of Lessee hereunder. As used in this paragraph, "transfer" shall apply to absolute transfers as well as transfers by way of security, and shall include, but not be limited to, an assignment of the whole or any part of Lessee's interest hereunder and any sublease, license, use, benefit or enjoyment of or in the Premises or any part of same.

12. **DESTRUCTION:** In the event of destruction by fire or any other damage or event making the Premises unusable, in whole or in part, to Lessee, Lessor shall have no duty to restore or repair any part of the Premises. In such event, either party may terminate this Lease upon ten (10) days' written notice to the other party.

13. **TERMINATION.** Notwithstanding anything herein to the contrary, this Agreement may be terminated by either party upon twelve (12) months' advance written notice to the other party at any time during the term or by the mutual written consent of the parties.

14. **NOTICES:** All notices required to be given hereunder shall be mailed by certified mail, return receipt requested to Lessor at Hickory City Hall, P.O. Box 398, Hickory, North Carolina 28603, and to Lessee at 506 3rd Ave NW, Hickory, North Carolina 28601, or such other place as either party may designate in writing to the other.

15. **CONSEQUENCES OF MISUSE:** The Premises shall be used for non-profit activities. In the event the Premises is used for any purpose other than the Permitted Use, the Lease shall terminate immediately and Lessee shall have waived their right to notice of this termination. Lessee shall vacate the Premises within sixty (60) days thereof.

16. **DEFAULT IN PERFORMANCE:** Unless otherwise provided, in the event that Lessee shall default in the performance of any covenant, promise or agreement herein set forth and such default shall continue for thirty (30) days after Lessor shall have notified Lessee in writing of the existence of such default, or if Lessee is adjudicated a bankrupt, or if whether voluntarily or involuntarily, or if Lessee takes advantage of any debtor relief proceeding under any present or future laws whereby the rent or any part thereof is or is supposed to be reduced or payment thereof deferred, or if Lessee makes an assignment for the benefit of its creditors, or if the Premises or Lessor's fixtures shall be levied upon or attached under process due to a creditor of Lessee, and the same is not satisfied or dissolved within thirty (30) days after written notice from Lessor to Lessee to obtain satisfaction or dissolution thereof, or if Lessee shall cease doing business or abandon the Premises for any ten (10) consecutive day period, then and in any of such events, (said events hereinafter referred to as "events of default") Lessor shall have the right to:

(a) Enter upon and take possession of the Premises, as Lessee's agent and without terminating this Lease, but terminating the term, and re-rent the Premises at any terms Lessor deems proper.

(b) Forthwith cancel and terminate the term of this Lease by notice in writing to Lessee; and if such notice shall be given, all rights of Lessee of the use and occupancy of the said Premises shall terminate as of the date set forth in such notice and Lessee will at once surrender possession of the Premises to Lessor and remove all of Lessee's effects there from and Lessor may forthwith re-enter the Premises and repossess itself thereof.

The rights herein provided for are cumulative to and not restrictive to any other and further rights provided by law; and no delay or failure of Lessor to exercise any rights herein or by law provided, or to insist upon strict compliance by Lessee with the terms and provisions hereof, shall constitute a waiver of Lessor's right thereafter to exercise and avail itself of said right or thereafter to demand strict compliance by Lessee with the terms and provisions hereof.

17. **EXPANSION BY LESSEE:** Lessee may erect or expand the building or structure on the Premises only after obtaining prior written permission of Lessor and obtaining all necessary licenses and building permits from the City of Hickory. Any permanent structure or remodeling so constructed will be the property of Lessor with Lessee having no legal interest in said structures. Lessor shall not be responsible for any of the cost of construction, maintenance or repairs of structures on the property, and all such construction must be submitted to and approved by the Hickory City Council prior to beginning construction.

18. **IMPROVEMENTS UPON TERMINATION OF LEASE:** Upon the termination of this Lease, Lessee shall remove all of its and its agents' and employees' personal property, including without limitation, furniture, files, appliances, office equipment, supplies, and works of art, and may remove any and all sculptures, statuary and other decorative items, marquees and other signs and improvements of a non-permanent nature. Upon termination, all other buildings, structures, appurtenances and improvements erected or placed upon the Premises shall become the property of Lessor without any cost to Lessor, and the Premises shall revert to the possession and ownership of Lessor including, but not limited to, any parking facilities constructed.

19. **EASEMENTS:** Lessor shall grant any easements which may be reasonably necessary in order to provide utility services to the Premises including, without limitation, gas, electricity, telephone, water, sewer and cable service, and Lessee shall, at its expense, cause said utilities to be extended to the Premises. Lessee will be responsible for meeting all parking and other zoning or code regulation of the City of Hickory, failure to do so will be grounds for termination.

20. **LANDSCAPING AND CURTILAGE MAINTENANCE:** Landscaping of the Premises, including trees, shrubs and other plants, shall be coordinated and negotiated by Lessor and Lessee so that the landscaping shall be consistent with the nature of the use of the Premises and the nature of the area surrounding the Premises. Maintenance of grass and other foliage occupying said Premises shall be at the expense of Lessor.

21. **SIDEWALKS AND PREMISES:** Lessee covenants to keep the Premises free from rubbish and the sidewalks in front of the Premises free of ice and snow.

22. **U.S., STATE, AND CITY LAWS:** Lessee further agrees to comply with all the laws of the United States, State of North Carolina, all ordinances of the City of Hickory and all lawful orders of any commission, board or other authority respecting the use of the Premises, and all regulations of the Fire Underwriters.

23. **EMINENT DOMAIN:**

(a) If after the execution and before the expiration of the term of this Lease, the entire Premises shall be taken by right of eminent domain for any street or other public use, or damaged or destroyed by the action of any public or quasi-public authority having jurisdiction, then this Lease shall terminate.

(b) In case a part of the Premises demised shall be so taken by such right of eminent domain or such other action as aforesaid, and Lessor elects to rebuild same, then this Lease and the said term shall continue in full force and effect. Notwithstanding the foregoing, if by such taking the area of Lessee's Premises shall be reduced in any amount, Lessor may terminate this Lease by giving Lessee thirty (30) days' written notice to this effect.

(c) Lessor reserves to itself, and Lessee assigns to Lessor, all rights to damages accruing on account of any taking under the power of eminent domain or by reason of any act of any public or quasi-public authority for what damages are payable. Lessee agrees to execute such instruments of assignment as may be reasonably required by Lessor and to join in any petition for recovery of damages (without cost to Lessee) if requested by Lessor, and to turn over to Lessor any damages that may be recovered in any such proceeding. It is agreed and understood, however, that Lessor does not reserve to itself, and Lessee does not assign to Lessor, any portion of the award allocable to trade fixtures, equipment, personal property, and signs installed by Lessee.

24. **LESSOR GUARANTEES:** Lessor hereby certifies and represents that it has full right and authority to make and execute this Lease, and further certifies and represents that the Premises are at the time of the entering into this Lease free and clear of any liens and other encumbrances (except any mortgage to an accredited lending institution or real estate taxes) which, if proceeded upon, could or might divest this Lease.

25. **RECORDING:** Lessor and Lessee agree to execute a Notice of Lease suitable for recording at the time of execution of the within Lease although the same will not be recorded unless Lessor shall desire to do so.

26. **SIGNS:** Lessee shall have the privilege subject to the prior approval of Lessor, of placing on the Premises such signs as it deems necessary and proper in the conduct of its business, provided Lessee pays all permit and license fees which may be required to be paid for the erection and maintenance of any and all such signs, provided such signs are legally permitted to be installed.

27. **LESSOR'S RIGHT OF ENTRY:** Lessor and its representatives shall have the legal and physical right (but not the obligation) to enter into and upon the Premises or any part thereof at all reasonable hours for any reason or for the purpose of examining the same or making

such repairs or alterations therein as may be necessary for the safety and preservation thereof, which right to make repairs or alterations shall, however, be subject and subordinate to each and every provision contained in this Lease applicable to repairs or alterations. Lessee affirmatively covenants to make all repairs and replacements to the Premises during the term of this Lease as set forth in Paragraph 3 herein. In the event that Lessee fails to make such repairs and replacements, and Lessor elects to do so (which it is under no obligation to do), then the cost of same shall be paid by Lessee to Lessor, upon demand, as additional rental hereunder. Lessee shall also be responsible for maintaining the building during the term of this Lease in accordance with Lessor's standards for similar facilities at Lessee's expense.

28. **INAVLID TERMS:** If any term or provision of this Lease, or the application thereof, to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

29. **BINDING COVENANTS AND AGREEMENTS:** The covenants and agreements herein contained shall, subject to the provisions of this Lease, bind and inure to the benefit of Lessor and Lessee, their successors and assigns, except as otherwise provided herein.

30. **WORD NEUTRALITY:** Word of any gender used in this Lease shall be held to include any other gender, and words in the singular number shall be held to include the plural, when the sense requires.

31. **DEFINITION OF LESSOR:** The term, "Lessor", as used herein, shall mean not only the City of Hickory, but shall be construed to include any officers, employees, agents or administrators of the City of Hickory.

32. **GENERAL TERMS:** The parties further expressly agree as follows:

(a) The acts or omissions of the servants and agents of Lessee, and of all persons who are upon the Premises during the term, or any extensions hereof, shall be construed to be the acts or omissions of Lessee.

(b) It shall not be necessary that Lessor demand the performance of this Lease by Lessee.

(c) Time shall be construed to be of the essence hereof, wherever any act hereunder is required to be done at a certain time or within a prescribed period of time.

(d) This Lease and any amendments which the parties may execute hereto, sets forth all of the premises, agreements, conditions and understandings between Lessor and Lessee relative to the Premises, and there are no other promises, agreements, conditions and understandings, either oral or written, between them.

(e) No subsequent alteration, amendment, change, or addition to this Lease shall be binding upon Lessor or Lessee, unless same has been reduced to writing and executed by Lessor and Lessee.

(f) Should the Lessor be required to resort to legal remedy to reclaim the property or enforce any of the other rights, covenants or conditions contained herein, Lessee shall be responsible for Lessor's attorney fees and other expenses.

(g) No failure of Lessee to exercise any power given Lessee hereunder or to insist upon strict compliance by Lessee of its obligations hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Lessee's right to demand exact compliance with the terms hereof. All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

(h) Each signatory to this Lease represents and warrants that he or she has full authority to sign this Lease and such instruments as may be necessary to effectuate any transaction contemplated by this Lease on behalf of the party for whom he or she signs and that his or her signature binds such party.

(i) This Lease shall be governed by and construed in accordance with the laws of the State of North Carolina, without reference to its choice of law provisions. This Lease is entirely the product of the collective joint drafting efforts of the parties hereto and their counsel. In the event of a dispute concerning the meaning, construction, or interpretation of this Lease, should any party assert any claim of ambiguity, this Lease shall not be construed against any party as a result of the parties' particular contribution to this effort.

(j) This Lease may be executed in counterparts, each of which is deemed an original, but all of which constitutes one and the same Lease. Delivery of an executed counterpart of this Lease electronically shall be effective as delivery of an original executed counterpart of this Lease. The parties expressly consent and agree that this Lease including all associated documentation may be electronically signed, and that such signatures shall be governed by the laws, policies and regulations of individual countries, regions and industries. In the event of a dispute where the law is unclear as to the treatment of electronic signatures, the parties agree the United States Electronic Signatures in Global and National Commerce Act ("ESIGN") shall control.

33. **IRAN DIVESTMENT ACT COMPLIANCE.** Lessee 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.

34. **COMPANIES BOYCOTTING ISRAEL DIVESTMENT ACT CERTIFICATION.** Lessee certifies 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. 14786.81 16.

35. **NONDISCRIMINATION.** To the extent permitted by North Carolina law, Lessee for itself, its agents, officials, directors, officers, members, representatives, employees, and contractors agrees not to discriminate in any manner or in any form based on actual or perceived age, mental or physical disability, sex, religion, creed, race, color, sexual orientation, gender identity or expression, familial or marital status, economic status, veteran status or national origin.

36. **GOVERNMENTAL IMMUNITY.** Notwithstanding any other term or provision in this Lease, nothing herein is intended nor 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 Lessee under applicable law.

37. **E-VERIFY.** Employers and their subcontractors with 25 or more employees as defined in Article 2 of Chapter 64 of the North Carolina General Statutes must comply with North Carolina Session Law 2013-418's E- Verify requirements to contract with local governments. E-Verify is a federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law. A completed E-Verify affidavit is required to enter into any contract with Lessee and shall be included as a condition to Lessee's execution of this Lease, if required.

SIGNATURES APPEAR ON THE FOLLOWING PAGES.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Lease to be duly executed.

LESSOR:

CITY OF HICKORY,
a North Carolina Municipal Corporation

(SEAL)

ATTEST:

By: _____
Hank Guess, Mayor

_____
Debbie Miller, City Clerk

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

_____
City of Hickory
Finance Officer

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Lease to be duly executed.

LESSEE:

HICKORY DOWNTOWN DEVELOPMENT ASSOCIATION, INC.,
a North Carolina nonprofit corporation

By: Sabrina Parris

Sabrina Parris, President

EXHIBIT A

LEASED PREMISES

BEGINNING at a stake, the intersection of the southern margin of First Avenue, N.E., and the western margin of First Street, N.E., and running thence from said BEGINNING point with the western margin of First Street, N.E., South 3° 32' West 125.0 feet to an iron stake in the northern property line of the City of Hickory; thence with the City of Hickory line North 87° 10' West 100.0 feet, passing an iron stake at 50.0 feet and another at 79.0 feet, in alt a total of 100.0 feet to an iron stake in the eastern line of Thomas, James and John Wilson; thence with Wilson's eastern line North 3° 32' East 125.0 feet to an iron stake in the southern margin of the right of way of First Avenue, N.E.; thence with said margin of said Avenue, South 87° 10' East 100.0 feet, passing an iron stake at 21.0 feet and at 50.0 feet, in all a total of 100.0 feet to the point of BEGINNING.

This being the property shown on Catawba County Tax Map 2H, Block 5, Lots 2, 3 and 4; for reference to title see Book 1278, Page 843; Book 815, Page 180; Book 314, Page 265; Book 287, Page 546; Book 227, Page 73; Book 320, Page 17; Book 317, Page 179; Book 226, Page 168; Book 242, Page 377; Book 227, Page 85; Book 80, Page 230; and Will of Robert S. Cilley, Catawba County Registry.

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COUNCIL AGENDA MEMOS

To: **City Manager's Office**

From: **Police Department**

Contact Person: Chief Bryan Adams

Date: **September 3, 2026**

Re: **Request to Award Service Weapon & Badge to Sergeant Cam Anderson**

REQUEST
The Hickory Police Department requests that the City Council award Sergeant Cam Anderson his service weapon (Glock Model 45, Serial # CDAM805) and badge upon his retirement on October 1, 2026.

BACKGROUND
Sergeant Cam Anderson will retire from the City of Hickory Police Department after completing over 24 years of qualifying service to the citizens of Hickory.

ANALYSIS
By authority of the NC General Statutes, the City Council may award the service weapon and police badge to Sergeant Cam Anderson upon his retirement from the 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 recommends approval to award the service weapon and police badge to Sergeant Cam Anderson upon his retirement from the City of Hickory Police Department.

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE:

Reviewed by:

Chief Bryan Adams — Date: 9/3/2026

Asst. City Manager Yaidee Fox — Date: 9/8/26

Asst. City Manager Rodney Miller — Date: 9/8/26

Asst. City Manager Steve Miller — Date: 9-10-26

Finance Officer, Kari Dunlap — Date: 9/9/26

Deputy Finance Officer, Cameron McHargue — Date: 9-9-26

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

City Manager, W. Wood

Date: 9.10.26

Revised: 3-13-2026

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COUNCIL AGENDA MEMOS

To: **City Manager's Office**

From: **Erin Kay, Community Development Coordinator**

Contact Person: **David Leonetti, Business Development Director**

Date: **September 3, 2026**

Re: **Citizens Advisory Committee Recommendations**

REQUEST
Recommendations for assistance through the City of Hickory's Housing Programs.

BACKGROUND
The mission of the City of Hickory's Community Development Division is to preserve the existing housing base, enhance ownership opportunities for all its citizens to obtain decent housing, and provide a quality environment conducive to the safe and healthy growth of its citizenry. The seven-member Citizens' Advisory Committee was formed to provide for citizen input in the facilitation of the City's CDBG program, as well as any other similar community enhancement funding the City may receive.

ANALYSIS
The following requests were considered by the Citizens' Advisory Committee at their regular meeting on September 3, 2026:

- Marjorie Linebarger, located at 725 7th Ave Ct SE, Hickory was recommended for approval of up to $15,000.00 under the City of Hickory's 2026 Urgent Repair Program.
- Patricia Sullivan, located at 1014 16th St SE, Hickory was recommended for approval of up to $15,000.00 under the City of Hickory's 2026 Urgent Repair Program.
- Isabel Figueroa, located at 408 18th St PL SW, Hickory was recommended for approval of up to $15,000.00 under the City of Hickory's 2026 Urgent Repair Program.
- Isabel Figueroa, located at 408 18th St PL SW, Hickory was also recommended for approval of up to $25,000.00 under the City of Hickory's Housing Rehabilitation Deferred Loan Program.

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

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE:
056-1622-553202
059-1539-553801

Reviewed by:

Dave Leonetti Initiating Department Head	**9/3/26** Date	City Attorney	Date
Deputy City Manager Rodney Miller	9/8/26 Date	Asst. City Manager, Steve Miller	9-10-26 Date
Finance Director, Kari Dunlap	9/9/26 Date	Deputy Finance Officer, Cameron McHargue	9-9-26 Date
Asst City Manager Yaidee Fox	9/8/26 Date		

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

City Manager, W. Wood

9.10.26
Date

10

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Will Hamblin, Public Utilities Director

Contact Person: Will Hamblin, Public Utilities Director

Date: September 15, 2026

Re: On Call Professional Engineering Services – Water and Sewer Infrastructure

REQUEST

Staff requests Council approval to solicit a Request for Qualifications for On-Call Professional Engineering Services related to Water and Sewer Infrastructure.

BACKGROUND

The City owns and operates public water and wastewater infrastructure serving Hickory and surrounding service areas. The wastewater system includes more than 60 sanitary sewer pump stations of varying sizes, ages, and configurations, together with gravity sewers, force mains, treatment facilities, and related appurtenances. The water system includes treatment, pumping, storage, transmission, distribution, metering, and related facilities.

The City anticipates a continuing need for professional services relating to rehabilitation, replacement, expansion, regulatory compliance, asset management, and capital improvement delivery.

The purpose of this RFQ is to identify firms with the technical breadth, personnel, capacity, municipal experience, and responsiveness to support water and sewer assignments that may arise during the three-year qualification period.

ANALYSIS

The City of Hickory Purchasing Policy and NC General Statute requires professional services greater than $50,000 to be procured by a Qualified Based Selection process.

The City intends to establish a pool of one or more qualified firms that may be engaged during a three-year qualification period. Selection under this RFQ would not award a specific project, guarantee any minimum amount of work, or obligate the City to issue a contract or task order. Each assignment will be authorized only by a separately negotiated and executed contract, task order, or amendment, subject to applicable law, appropriation, and required City approvals.

This solicitation is intended to implement qualifications-based selection under Article 3D of Chapter 143 of the North Carolina General Statutes. Firms will be evaluated on demonstrated competence and qualifications without regard to fee. After ranking, the City may negotiate scope and a fair and reasonable fee with the best-qualified firm for an agreement or assignment.

RECOMMENDATION

Staff recommends Council approval to solicit a Request for Qualifications for On-Call Professional Engineering Services related to Water and Sewer Infrastructure.

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE:

Reviewed by:

Will Hamblin Initiating Department Head	09/3/2026 Date	Asst. City Manager, Yaldee Fox	9/8/26 Date
Asst. City Manager, Rodney Miller	9/8/26 Date	Asst. City Manager, Steve Miller	9-10-26 Date
Finance Officer, Kari Dunlap	9/9/26 Date	Deputy Finance Officer, Cameron McHargue	9-9-26 Date

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

City Manager, W. Wood

9.10.26
Date

CITY OF HICKORY

REQUEST FOR QUALIFICATIONS

ON-CALL PROFESSIONAL ENGINEERING SERVICES
WATER AND SEWER INFRASTRUCTURE

RFQ Number	TBD
Issue Date	9-17-26
Questions Due	10-8-26
SOQs Due	10-30-26
Point of Contact	William Hamblin, Public Utilities Director

Solicitation Summary

Item	Requirement
Owner	City of Hickory, North Carolina
Department	Public Utilities Department
Solicitation	On-Call Professional Engineering Services for Water and Sewer Infrastructure
Anticipated selections	One or more qualified firms, at the City's discretion
Qualification period	Three years beginning on the effective date of the applicable agreement
Submission method	Sealed hard-copy SOQ and electronic PDF, as specified in Section 5
Fee information	Do not submit fees, hourly rates, multipliers, reimbursable schedules, or other cost information

Notice of Request for Qualifications

The City of Hickory (the "City"), through its Public Utilities Department, invites qualified professional engineering firms and consultant teams to submit Statements of Qualifications ("SOQs") for on-call planning, evaluation, design, permitting, bidding, construction-phase, and related professional services for the City's water and wastewater systems.

The City intends to establish a pool of one or more qualified firms that may be engaged during a three-year qualification period. Selection under this RFQ does not award a specific project, guarantee any minimum amount of work, or obligate the City to issue a contract or task order. Each assignment will be authorized only by a separately negotiated and executed contract, task order, or amendment, subject to applicable law, appropriation, and required City approvals.

This solicitation is intended to implement qualifications-based selection under Article 3D of Chapter 143 of the North Carolina General Statutes. Firms will be evaluated on demonstrated competence and qualifications without regard to fee. After ranking, the City may negotiate scope and a fair and reasonable fee with the best-qualified firm for an agreement or assignment. If negotiations are unsuccessful, the City may terminate negotiations and proceed with the next best-qualified firm.

Procurement Schedule

Milestone	Date / Time
RFQ issued	9-17-26
Deadline for written questions	10-8-26 at 12:00 p.m. Eastern Time
Anticipated addendum / responses	10-15-26
SOQ submission deadline	10-30-26 at 12:00 p.m. Eastern Time
Shortlist / interviews, if any	"To be determined"
Anticipated selection	"To be determined"

The City may revise this schedule by written addendum.

Point of Contact and Questions

All communications concerning this RFQ must be directed in writing to:

William Hamblin, Public Utilities Director
City of Hickory Public Utilities
Email: whamblin@hickorync.gov
Telephone: 828-323-7427

Written questions must be received by the deadline above. Email subject line: "Water and Sewer Engineering Services RFQ Question." Responses that materially affect the RFQ will be issued by written addendum. Oral explanations or instructions do not modify this RFQ. Firms are responsible for confirming receipt of all addenda.

Submission Addresses

By Mail	By Hand Delivery / Courier
City of Hickory – Public Utilities P.O. Box 398 Hickory, NC 28603 Attn: William Hamblin, Public Utilities Director	City of Hickory – Public Works 1441 9th Avenue NE Hickory, NC 28601 Attn: William Hamblin, Public Utilities Director

SOQs must be received—not merely postmarked—by the submission deadline. Late submissions will not be considered. Fax or email submissions are not accepted unless the City authorizes them by written addendum.

1. Definitions

a. **Addendum** means a written modification to this RFQ issued by the City before the submission deadline.

b. **City** means the City of Hickory, North Carolina, including its authorized officers, employees, and representatives.

c. **Consultant** means a firm selected under this RFQ and, as applicable, its approved subconsultants.

d. **Firm** means a person, firm, corporation, partnership, joint venture, or consultant team submitting an SOQ.

e. **On-call agreement** means an agreement establishing terms under which the City may request and authorize specific services during the qualification period.

f. **Project assignment** means a specific scope of services authorized through a contract, task order, amendment, or other written instrument approved by the City.

g. **RFQ** means this Request for Qualifications and all addenda issued by the City.

h. **SOQ** means a Statement of Qualifications submitted in response to this RFQ.

2. Background and Purpose

The City owns and operates public water and wastewater infrastructure serving Hickory and surrounding service areas. The wastewater system includes more than 60 sanitary sewer pump stations of varying sizes, ages, and configurations, together with gravity sewers, force mains, treatment facilities, and related appurtenances. The water system includes treatment, pumping, storage, transmission, distribution, metering, and related facilities.

The City anticipates a continuing need for professional services relating to rehabilitation, replacement, expansion, regulatory compliance, asset management, and capital improvement delivery.

The purpose of this RFQ is to identify firms with the technical breadth, personnel, capacity, municipal experience, and responsiveness to support water and sewer assignments that may arise during the three-year qualification period. The City may select firms for all services or for particular disciplines or service categories.

3. Anticipated Scope of Services

Assignments may include any combination of the services below. The precise scope, schedule, deliverables, and compensation for each assignment will be negotiated before authorization. The list is illustrative and does not guarantee that any service will be requested. The consultant must include a completed Appendix A with categories they wish to be considered for. Appendix A does not count towards page limit.

Categories of Work

1. **Water and wastewater master planning**: capital improvement planning, asset management, condition assessment, risk and life-cycle analysis, and alternatives evaluation.
2. **Hydraulic and hydrologic modeling:** water demand, sewer flow, inflow and infiltration, capacity, pump selection, surge, transient, and system performance analyses.
3. **Wastewater pump stations and water booster pump stations:** evaluation, rehabilitation, replacement, consolidation, and design of pump stations, including mechanical, electrical, instrumentation, controls, SCADA, standby power, odor control, site, structural, and architectural components.
4. **Design of gravity sewer, force main, water transmission and distribution mains:** including valves, hydrants, meters, manholes, stream crossings, trenchless installations, and related appurtenances. Field investigations, records review, utility locating coordination, subsurface utility engineering, surveying, easement mapping, property acquisition support, and environmental services.
5. **Water and wastewater treatment process evaluation**: rehabilitation, optimization, and improvements.
6. **Geotechnical engineering, materials testing, and special inspections.**

Within these categories the requested services may include:

a. Development of feasibility reports, technical memoranda, preliminary engineering reports, opinions of probable construction cost, design drawings, specifications, contract documents, and bid packages.

b. Regulatory and funding-agency coordination and permitting, including coordination with the North Carolina Department of Environmental Quality, Division of Water Resources, Division of Water Infrastructure, Duke Energy Lake Services, U.S. Army Corps of Engineers, NCDOT, railroads, utilities, and other agencies having jurisdiction.

c. Public engagement, stakeholder coordination, easement and right-of-way support, funding and grant assistance, and presentation of technical information to City staff, City Council, regulatory agencies, and the public.

d. Bidding and procurement assistance, bid evaluation, contract award support, construction administration, resident project representation, construction observation, shop-drawing and submittal review, pay-application review, change-order evaluation, startup, commissioning, record drawings, and project closeout.

4. Contracting and Assignment Structure

4.1 Qualification Period

The qualification period will begin on the effective date stated in the applicable agreement and will continue for three years, unless earlier terminated. An assignment authorized before expiration may continue through completion under its governing contract or task order.

4.2 Multiple Selections and Nonexclusivity

The City may select one or more firms, divide selections by discipline or service category, make no selection, or conduct additional solicitations during the qualification period. Any agreement will be nonexclusive. The City may perform work with its own forces or obtain services from other consultants when the City determines that doing so is in its best interests or is required by law, funding conditions, schedule, specialized expertise, workload, or other circumstances.

4.3 No Guarantee of Work or Funding

Selection does not guarantee an agreement, task order, minimum fee, minimum number of assignments, or minimum volume of work. All work is contingent upon need, available funding, appropriation, negotiation, written authorization, and required approvals. A consultant proceeds at its own risk if it performs services before receiving written authorization.

4.4 Project Assignment Process

For a contemplated assignment, the City may request a scope, schedule, staffing plan, and fee proposal from the selected firm whose qualifications and availability best fit the assignment. The City and firm will negotiate a detailed scope and fair and reasonable fee. Nothing in this RFQ authorizes the City to bypass a qualifications-based selection process when a new or separate process is required by law, a funding agency, or City policy.

5. Submission Instructions

a. Submit three bound paper copies and one searchable PDF on a USB flash drive. The PDF must contain the complete SOQ as a single file.

b. Use 8.5-by-11-inch pages, with no smaller than 10-point type. Up to two 11-by-17-inch sheets may be used and each sheet counts as one page whether single- or double-sided.

c. Limit the SOQ body to 20 single-sided pages or 10 double-sided sheets. The cover letter (maximum two pages), front cover, table of contents, divider tabs, and required forms do not count toward the limit, but may not contain substantive information intended for evaluation. If submitting on multiple categories, and additional 5 single sided pages may be include for each additional category.

d. Organize the SOQ in the order listed in Section 6 and clearly label each section.

e. Place the firm's name and "Water and Sewer Engineering Services RFQ" on the sealed package.

The City may reject a submission that is late, materially incomplete, improperly delivered, or not responsive to this RFQ.

5.1 Prohibited Fee and Design Submissions

Do not submit fees, hourly billing rates, labor multipliers, overhead rates, reimbursable schedules, total or estimated design fees, or other cost information. Do not create or submit project-specific designs, renderings, plans, technical work product, or uncompensated design solutions. Firms may describe prior completed work and discuss their general concepts, methods, and approaches, including potential schedule impacts. Prohibited material may be disregarded and may render an SOQ nonresponsive.

5.2 Communications and Lobbying

From issuance through final selection, firms and their representatives must not communicate about this RFQ with members of City Council, evaluation committee members, or other City personnel except through the designated point of contact or at a City-authorized interview. This restriction does not prohibit ordinary-course communications unrelated to this procurement. A violation may result in disqualification.

6. SOQ Content Requirements

6.1 Cover Letter

a. Identify the legal name of the prime firm and the office that will perform the work.

b. Identify a primary and secondary contact with mailing address, email address, and telephone number. At least one contact must have authority to negotiate and bind the firm, subject to the firm's internal approvals.

c. Briefly state the firm's interest and the principal reasons the firm is well qualified for the City's anticipated work.

d. Acknowledge all addenda by number and date.

e. Be signed by an authorized representative.

6.2 Firm and Team Profile

a. Firm history, ownership, years in business, office locations, staffing levels, and principal service areas.

b. Office location from which work will be managed and performed; local availability and response capability.

c. Prime consultant and each proposed subconsultant, including roles, relevant disciplines, and prior working relationships.

d. Confirmation that the firm and assigned professionals are or will be properly licensed and authorized to provide the required services in North Carolina.

e. Disclosure of any actual or potential organizational conflict of interest known at the time of submission.

6.3 Key Personnel and Organization

a. Organization chart identifying the principal-in-charge, program or contract manager, project managers, discipline leads, key staff, and subconsultants.

b. Concise resumes for key personnel, including education, professional registrations, relevant experience, office location, proposed role, and current availability.

c. Description of the proposed team's experience working together and the firm's process for maintaining continuity of key personnel.

d. Current workload and capacity to initiate and support multiple or time-sensitive assignments during the qualification period.

6.4 Relevant Experience and References

Provide at least three and no more than six relevant projects substantially completed within the last seven years. Favor projects for North Carolina local governments and projects representative of the service categories in Section 3. For each project provide:

a. Client, project name, location, completion date, and brief scope.

b. Firm's role, services performed, key personnel involved, and whether any work was performed while personnel were employed by another firm.

c. Original and final construction cost, engineer's opinion of probable construction cost, and a concise explanation of material variances, if applicable.

d. Schedule performance, change-order experience, permitting or funding complexity, and notable outcomes.

e. Client reference name, title, telephone number, and email address.

A firm may include up to three additional municipal references if needed to demonstrate breadth. Projects performed by an individual while employed by another firm must be clearly attributed. Misleading attribution may result in disqualification.

6.5 Understanding and Approach

Describe the firm's general approach to delivering on-call municipal water and sewer engineering services. The response should address:

a. Rapid scoping, prioritization, and initiation of assignments of varying size and urgency.

b. Evaluation of operating infrastructure while maintaining reliable service and planning cutovers, bypass pumping, redundancy, and risk controls.

c. Project management, internal and subconsultant coordination, communication, decision tracking, and issue escalation.

d. Schedule and budget management; development and validation of opinions of probable construction cost.

e. Quality assurance and quality control for studies, calculations, plans, specifications, permits, and construction-phase services.

f. Regulatory, utility, property-owner, funding-agency, and stakeholder coordination.

g. The information, access, reviews, decisions, and other support the firm would reasonably request from the City.

The City seeks an approach—not project-specific design work product.

6.6 Required Statements

a. Statement that the SOQ remains valid for at least 120 days after the submission deadline.

b. Statement of ability to satisfy the insurance requirements before commencing work.

c. List of material claims, litigation, arbitration, professional disciplinary actions, or contract terminations involving the firm within the past five years that relate to professional services of the type contemplated, together with a concise explanation; or state "none."

d. Statement identifying any exceptions to the RFQ or anticipated contract terms. Silence will not waive the firm's right to negotiate a final contract, but material exceptions may be considered in evaluating the firm's suitability.

7. Evaluation and Selection

7.1 Evaluation Criteria

Criterion	Points
Relevant firm and team experience with municipal water and sewer systems	25
Qualifications, roles, availability, and continuity of key personnel	25
Understanding and approach to on-call assignments	20
Past performance, references, cost-estimating accuracy, and schedule control	15
Regulatory, permitting, funding, and interagency experience	10
Responsiveness, organization, and clarity of SOQ	5
Total	100

The City may consider other lawful, relevant information bearing on demonstrated competence and qualifications. Fee will not be considered during ranking. Any reciprocal resident-firm preference required by N.C.G.S. § 143-64.31(a1) will be applied as provided by law.

7.2 Review Process

a. City staff or an evaluation committee will review SOQs for responsiveness and evaluate qualifications.

b. The City may request written clarifications, verify references, consider documented past performance, and establish a shortlist.

c. The City may conduct interviews. Interview topics may include the firm's qualifications, relevant experience, staffing, availability, and general concepts or approaches. The City will not require or consider project-specific design work product or fee information during ranking.

d. The City will rank the most qualified firm or firms and document the selection consistent with applicable law and City procedures.

e. After ranking, the City may negotiate an on-call agreement or a project-specific scope and fair and reasonable fee with the best-qualified firm. If negotiations are unsuccessful, the City may terminate them and proceed with the next best-qualified firm.

The City may make multiple selections only to the extent consistent with qualifications-based selection requirements and the City's intended contracting and assignment process.

8. Solicitation Terms and Conditions

8.1 City Rights

To the extent permitted by law, the City reserves the right to reject any or all SOQs; waive immaterial informalities; request clarification; verify information; cancel, postpone, or amend the RFQ; modify the anticipated scope or schedule; select one, multiple, or no firms; conduct interviews; negotiate with ranked firms; and obtain services through another lawful method when in the City's best interests. The City is not obligated to explain or defend its exercise of these rights except as required by law.

8.2 Costs and Ownership

Each firm bears all costs of preparing, submitting, clarifying, and presenting its SOQ. Submitted materials become the City's property and will not be returned, subject to applicable public-records law.

8.3 Public Records and Confidential Information

Records received by the City are subject to the North Carolina Public Records Act. A firm should not mark its entire SOQ confidential. Information claimed to be confidential or proprietary must be clearly identified and limited to material the firm in good faith believes is protected from disclosure by law. The City will determine disclosure obligations and does not guarantee confidentiality. By submitting, the firm agrees to defend and indemnify the City from claims arising solely from the City's reasonable reliance on the firm's designation, to the extent permitted by law and included in the final agreement.

8.4 Addenda and Conflicts

Only written addenda issued by the City modify this RFQ. If an addendum conflicts with the original RFQ, the addendum controls. Firms must acknowledge all addenda.

8.5 Equal Opportunity and Minority-Firm Outreach

The City encourages participation by minority-owned, women-owned, historically underutilized, and small businesses. The City will use good-faith efforts to notify minority firms of this opportunity as required by N.C.G.S. § 143-64.31. The selected consultant must comply with applicable federal, state, and local nondiscrimination requirements and any funding-agency requirements identified for an assignment.

8.6 No Collusion; Accuracy

By submitting an SOQ, the firm represents that the submission was prepared independently and without collusion and that the information provided is true and complete to the best of its knowledge. The City may reject an SOQ or terminate negotiations or an agreement for a material misrepresentation.

8.7 Conflicts of Interest

Firms must disclose actual or potential conflicts of interest and promptly supplement that disclosure if circumstances change. The City may require mitigation, decline an assignment, or disqualify a firm when a conflict cannot be adequately addressed.

8.8 Governing Law

This RFQ and any resulting agreement will be governed by North Carolina law. Venue for any action will lie in a court of competent jurisdiction serving Catawba County, North Carolina, subject to the terms of the final agreement and applicable law.

9. Anticipated Contract Requirements

The items below summarize anticipated requirements and remain subject to negotiation and City approval. If this section conflicts with an executed agreement, the executed agreement controls.

9.1 Standard of Care and Professional Responsibility

The consultant will perform services with the professional skill and care ordinarily provided by competent professionals practicing under similar circumstances at the same time and locality. The consultant remains responsible for its services and for coordinating its subconsultants. City review, comment, approval, or provision of data does not relieve the consultant of professional responsibility.

9.2 Key Personnel

The consultant will assign the key personnel identified in its SOQ or approved substitutes of substantially equivalent qualifications. The consultant must give prompt written notice of anticipated changes and obtain the City's written approval before replacing key personnel, except when immediate replacement is reasonably necessary due to circumstances beyond the consultant's control.

9.3 City-Furnished Information and Software Compatibility

The City may furnish information in its possession and provide reasonable staff assistance. Unless expressly stated otherwise, City-furnished information is provided without warranty as to completeness, accuracy, or compatibility with the consultant's systems. The consultant must timely identify apparent discrepancies and is responsible for ordinary conversion and software costs necessary to perform its services.

9.4 Cooperation with Others

The consultant will coordinate and cooperate with City staff, other consultants, contractors, utilities, agencies, and stakeholders. The consultant must not knowingly interfere with work performed by others and must promptly identify coordination conflicts.

9.5 Compensation and Invoicing

Compensation will be established only after qualifications ranking and successful negotiation. The agreement or task order will state the basis of compensation, not-to-exceed amount if applicable, reimbursable expenses, deliverables, and invoice requirements. Payment is subject to satisfactory performance, receipt of a proper itemized invoice, appropriation, pre-audit requirements, and applicable law.

9.6 Insurance

Before commencing work, the selected consultant must provide certificates of insurance and endorsements acceptable to the City. Final limits and terms will be stated in the agreement. The City currently anticipates at least the following minimum limits, subject to confirmation by the City's risk manager:

Coverage	Anticipated Minimum
Workers' compensation	Statutory limits
Employer's liability	$100,000 each accident / disease limits, or City-required limits
Commercial general liability	$1,000,000 per occurrence; $2,000,000 aggregate

Automobile liability	$1,000,000 combined single limit, including owned, hired, and non-owned vehicles
Professional liability / errors and omissions	$3,000,000 per claim and aggregate

The City may require additional insured status, waiver of subrogation, primary and noncontributory coverage, completed-operations coverage, notice of cancellation, extended reporting, or other customary protections, as appropriate to an assignment.

9.7 Termination; No Waiver of Governmental Immunity

The final agreement is expected to permit termination for cause and for the City's convenience upon written notice, with payment for authorized services properly performed through the effective termination date. Nothing in this RFQ or any agreement will be construed as a waiver of the City's governmental immunity or other defenses except to the extent expressly authorized by law.

9.8 Compliance Requirements

The selected consultant must comply with all applicable laws and assignment-specific requirements, which may include professional licensure, E-Verify, nondiscrimination, records retention, audit access, federal funding clauses, debarment and suspension certifications, Iran divestment restrictions, and other state or federal requirements. Applicable clauses will be incorporated into the final agreement or task order.

Appendix A – Proposed Categories of Work

City of Hickory Public Utilities

On-Call Engineering Services

Company Name: _____

Name of Authorized Representative: _____

Telephone Number: _____

Email: _____

Select the Categories of Work in which the Firm wishes to be considered in the SOQ:

1. _____ **Water and wastewater master planning**
2. _____**Hydraulic and hydrologic modeling**
3. _____**Wastewater pump stations and water booster pump stations**
4. _____**Design of gravity sewer, force main, water transmission and distribution mains**
5. _____**Water and wastewater treatment process evaluation**
6. _____**Geotechnical engineering, materials testing, and special inspections**

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: ***Karen Dickerson, Infrastructure Grants Manager***

Contact Person: ***Karen Dickerson, Infrastructure Grants Manager***

Date: September 3, 2026

Re: Grant Agreement with NCDOT Integrated Mobility Division Multimodal Program Grant to update the City of Hickory's 2020 Bicycle and Pedestrian Master Plan

REQUEST
Staff requests that Council approve the grant agreement for the NCDOT Integrated Mobility Division Multimodal Program Grant using HDR as consultant to update the City of Hickory's 2020 Bicycle and Pedestrian Master Plan.

BACKGROUND
In 2019, the City committed to completing a Bicycle and Pedestrian Plan, as the last plan had been updated and adopted in 2005. By 2019, the previous version was outdated, and numerous changes had occurred. The City developed and adopted a new Bike and Pedestrian Master Plan on December 15, 2020. At that time, several multi-use trails were either under construction or in the design phase. Since the development and adoption of the 2020 Bike and Pedestrian Plan, significant changes have transpired in Hickory. To date, approximately 10 miles of multi-use trails have been completed, with an additional two miles still under construction. Other developments include new housing projects and infrastructure improvements to support economic development.

ANALYSIS
In 2003, the NCDOT IMD and Transportation Planning Division (TPD) established a matching grant program to finance comprehensive bike and pedestrian plans through a special allocation of funds from the North Carolina General Assembly. Such plans help communities set objectives for their bike and pedestrian networks and identify priority projects to enhance infrastructure.

Since the City's Bike and Pedestrian Master Plan is now almost six years old and significant changes have occurred, the City applied for and was awarded the NCDOT Integrated Mobility Division's (IMD) Multimodal Grant Program (MMPG) to update the City's 2020 Bike and Pedestrian Master Plan earlier this year. NCDOT IMD has assigned HDR as the consultant to help the City with these revisions and necessary modifications, taking into consideration the progress achieved thus far.

RECOMMENDATION
City Staff recommend that Council approve the grant agreement with NCDOT IMD, with HDR serving as the City's consultant. The grant amount is $72,500, with NCDOT providing $56,750 and a local match of $15,750.

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE:

Reviewed by:

Karen Dickerson Initiating Department Head	9/3/2026 Date		Date
Asst. City Manager Rodney Miller	9/8/26 Date	Asst. City Manager, Steve Miller	9-10-26 Date
Finance Officer, Kari Dunlap	9/9/26 Date	Deputy Finance Officer, Cameron McHargue	9-9-26 Date
Asst City Manager Yaidee Fox	9/8/26 Date		

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

City Manager, W. Wood

9.10.26
Date

ACCOUNTS RECEIVABLE AGREEMENTS

REMITTANCE GUIDANCE

_____: I acknowledge that upon execution of this Agreement, we will be required to submit a down payment, if required. I also acknowledge that we may pre-pay any portion of the estimated cost noted in this Agreement, prior to final billing by the Department.

Please refer to your Agreement's PAYMENT TERMS to correctly remit any payment due to the Department.

PAYMENT TERMS	PAYMENT TIMING
PAYMENT UPON AGREEMENT EXECUTION	Please submit the amount of agreed upon payment via one of the below methods, once you have received notice of execution of the Agreement.
PAYMENT PRIOR TO LETTING (OR START OF PHASE)	You will be notified by the Project Manager when payment will be due. Please remit payment within 60 days of notification.
PAYMENT UPON BILLING	The Department will bill at the completion of the Project (or when defined in the Agreement). All payments are due within 60 days of invoicing.

NOTE: You may pre-pay any portion of an estimated cost, prior to Departmental Billing. The Department will adjust final billing to account for any pre-payments made.

LATE PAYMENTS AND INTEREST RATES:

For payments not received within 60 days, the Department must charge a statutory interest rate of prime plus one percent (1%) on all Utility Relocation Agreements. For any other Receivable Agreement, the Department may charge a late fee and/or interest.

PAYMENT METHODS

1. SEND PAYMENT BY CHECK

MAIL TO:
NCDOT – Accounts Receivable
1514 Mail Service Center
Raleigh, NC 27699-1514

INCLUDE:
- Agreement ID (10000xxxxx)
- WBS Element

OR

2. SEND PAYMENT VIA ACH
(Automated Clearinghouse)

Initiate ACH through your bank* and send an e-mail to:
- ✓ Sherrissa Becton – snbecton@ncdot.gov
- ✓ Melinda Neighbors – mneighbors@ncdot.gov

INCLUDE:
- Agreement ID (10000xxxxx)
- WBS Element
- Amount of Payment

*If you need NCDOT's Account Information, contact Terri Jones at tdjones5@ncdot.gov

Failure to follow the above steps and remit payment per the terms in the Agreement may result in delays to project delivery. Please contact your Division Project Manager for questions regarding payment terms.

4/17/2026

ACCOUNTS RECEIVABLE
NCDOT ADMINISTERED – BICYCLE/PEDESTRIAN PLAN
(FEDERAL/STATE FUNDS RECEIVABLE)
1000029901

AGREEMENT OVERVIEW

NORTH CAROLINA
CATAWBA COUNTY

DATE: 9/4/2026

PARTIES TO THE AGREEMENT:

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

AND

CITY OF HICKORY

PROJECT NUMBERS:

TIP #: BO-2616

WBS ELEMENTS: 52311.1.2

FEDERAL-AID NUMBER: N/A
CFDA: N/A

The purpose of this Agreement is to identify the participation in project costs, project delivery and/or maintenance, by the other party to this Agreement, as further defined in this Agreement.

SCOPE OF PROJECT ("Project"): The Project consists of the planning and production of a Bicycle and Pedestrian Plan Update (Plan) in accordance with the Department's policies and procedures. The Department's funding participation in the Project shall be restricted to development of this Plan, as further set forth in this Agreement.

COSTS TO THE OTHER PARTY: $15,750
ESTIMATED COST OF THE PROJECT: $72,500

PAYMENT TERMS: City of Hickory will submit payment upon execution of agreement.

EFFECTIVE DATES OF AGREEMENT:
START: Upon Full Execution of this Agreement
END: Agreement remains in effect for two years, and thereafter, unless terminated

This **Agreement** is made and entered into on the last date executed below, by and between the North Carolina Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the **Department** and the City of Hickory, hereinafter referred to as the **Municipality**; and collectively referred to as the **Parties**.

The **Parties** to this Agreement, listed above, intend that this Agreement, together with all attachments, schedules, exhibits, and other documents that both are referenced in this Agreement and refer to this Agreement, represents the entire understanding between the **Parties** with respect to its subject matter and supersedes any previous communication or agreements that may exist.

ACCOUNTS RECEIVABLE
NCDOT ADMINISTERED – BICYCLE/PEDESTRIAN PLAN
(FEDERAL/STATE FUNDS RECEIVABLE)
1000029901

I. WHEREAS STATEMENTS

WHEREAS, 23 USC 505 allows Carbon Reduction Program (CRP) federal funds to funds to be available for certain specified transportation activities; and

WHEREAS, in accordance with G.S. 136-66.2, the NC General Assembly requires each **Municipality** to develop a comprehensive transportation plan that will serve present and anticipated travel demand; and,

WHEREAS, the **Department's** Integrated Mobility Division (IMD) and the Transportation Planning Division have created a matching grant program to encourage the development of comprehensive municipal bicycle plans and pedestrian plans, which may serve as a component of the comprehensive transportation plan; and,

WHEREAS, the **Department** has allocated state matching funds to augment the federal funds available for these activities; and,

WHEREAS, the **Municipality** has requested funding for the development of a Bicycle and/or Pedestrian Plan, as more fully described in this Agreement and hereinafter referred to as the Project; and,

WHEREAS, the **Municipality** has requested that the **Department** administer the Project in coordination with the **Municipality**; and,

WHEREAS, the **Municipality** has agreed to participate in the cost of the Project as hereinafter set out; and,

WHEREAS, this Agreement is made under the authority granted to the **Department** by the North Carolina General Assembly including, but not limited to, the following applicable legislation: General Statutes of North Carolina (NCGS) Section 136-66.2 and Section 136-71.6, to participate in the planning, construction, and/or implementation of the Project approved by the Board of Transportation.

NOW THEREFORE, this Agreement states the promises and undertakings of each party as herein provided, and the **Parties** do herby covenant and agree, each with the other, as follows:

II. DEVELOPMENT OF PLAN

i. The **Department**, and or its agent, shall prepare the Project of preparing a Bicycle and Pedestrian Plan Update for the **Municipality**, following the IMD's Content Standards for NCDOT Bicycle and Pedestrian Plans.

ii. The **Municipality** shall participate in providing data and logistical support for public meetings and other required public notices.

iii. The **Department** will provide a preliminary draft of the Plan to the **Municipality** for review and comment. The **Municipality** shall provide comments to the **Department** within three (3) months. Upon receipt of comments from the **Municipality**, the **Department** will provide a final draft.

III. COMPLETION AND ADOPTION OF PLAN

i. The governing body of the **Municipality** shall consider the adoption of the Plan as provided in the Final Draft by the **Department**. If the Council requests significant changes prior to adoption, the Plan will be modified and resubmitted to the **Municipality** for final approval within three (3) months.

ii. The **Municipality** shall receive digital files and hard copies of the approved Plan. The **Municipality** shall be responsible for the distribution of the final documents to the appropriate local agencies and interested parties.

IV. TIME FRAMES

The **Department** has a required time frame of two years to complete the Project. It is important that the **Municipality** provide necessary support and responses to the **Department** in a timely manner. Any delays on the part of the **Municipality** may affect the ability of the **Department** to provide financial support for the Project.

V. FUNDING

i. The total estimated cost of the Project is $72,500. The **Department** shall provide a maximum amount of $56,750. The **Municipality** shall provide $15,750 and all costs that exceed the estimated cost of $72,500.

ii. Upon full execution of the Agreement, the **Municipality** shall submit payment for $15,750 to the **Department**, in accordance with the cover memo attached to this Agreement.

iii. Upon completion of the Project, if actual costs exceed the total estimated cost of $72,500, the **Municipality** shall reimburse the **Department** the underpayment within sixty (60) days of invoicing by the **Department**. The **Department** shall charge a late payment penalty and interest on any unpaid balance due in accordance with G.S. 147-86.23.

iv. Upon completion of the Project, if actual costs are less than the total available funding of $72,500, the **Department** shall reimburse the **Municipality** any overpayment at the above matching share.

ACCOUNTS RECEIVABLE
NCDOT ADMINISTERED – BICYCLE/PEDESTRIAN PLAN
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VI. REPORTING REQUIREMENTS

The **Department** is subject to NC Article 2, Chapter 36 (136-41.5), which mandates an annual report on use of bicycle and pedestrian planning grant funds. By entering into this agreement with the **Department**, the **Municipality** acknowledges their participation in annual reviews of the status of implementation of projects identified in the completed plan.

VII. STANDARD PROVISIONS

A. AGREEMENT MODIFICATIONS

Any modification to scope, funding, responsibilities, or time frame will be agreed upon by all **Parties** by means of a written Supplemental Agreement.

B. ASSIGNMENT OF RESPONSIBILITIES

The **Department** must approve any assignment or transfer of the responsibilities of the Local Public Agency set forth in this Agreement to other parties or entities.

C. AGREEMENT FOR IDENTIFIED PARTIES ONLY

This Agreement is solely for the benefit of the identified **Parties** to the Agreement and is not intended to give any rights, claims, or benefits to third parties or to the public at large.

D. OTHER AGREEMENTS

The **Municipality** is solely responsible for all agreements, contracts, and work orders entered into or issued by the **Municipality** to meet the terms of this Agreement. The **Department** is not responsible for any expenses or obligations incurred for the terms of this Agreement except those specifically eligible for the funds and obligations as approved by the **Department** under the terms of this Agreement.

E. TITLE VI

The other party to this Agreement shall comply with Title VI of the Civil Rights Act of 1964 (Title 49 CFR, Subtitle A, Part 21) and related nondiscrimination authorities. Title VI and related authorities prohibit discrimination on the basis of race, color, national origin, disability, gender, and age in all programs or activities of any recipient of Federal assistance.

F. AUTHORIZATION TO EXECUTE

The **Parties** hereby acknowledge that the individual executing this Agreement has read this Agreement, conferred with legal counsel, fully understands its contents, and is authorized to execute this Agreement and to bind the respective **Parties** to the terms contained herein.

G. DEBARMENT POLICY

It is the policy of the **Department** not to enter into any agreement with parties that have been debarred by any government agency (Federal or State). By execution of this agreement, the **Municipality** certifies that neither it nor its agents or contractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal or State Agency or Department and that it will not enter into agreements with any entity that is debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction.

H. INDEMNIFICATION

The **Municipality** will indemnify and hold harmless the FHWA (if applicable), the **Department** and the State of North Carolina, their respective officers, directors, principals, employees, agents, successors, and assigns from and against any and all claims for damage and/or liability, including those that may be initiated by third parties, in connection with the Project activities performed pursuant to this Agreement including construction of the Project, except for those claims arising out of the errors, omissions, or negligence of the **Department**, its respective officers, directors, principals, employees, agents, successors, and assigns.

I. AVAILABILITY OF FUNDS

All terms and conditions of this Agreement are dependent upon, and, subject to the allocation of funds for the purpose set forth in the Agreement and the Agreement shall automatically terminate if funds cease to be available.

J. COUNTERPARTS AND ELECTRONIC SIGNATURES

i. This Agreement, and other documents to be delivered pursuant to this Agreement, may be executed in one or more counterparts, each of which will be deemed to be an original copy and all of which, when taken together, will be deemed to constitute one and the same agreement or document and will be effective when counterparts have been signed by each of the **Parties**. An image of a manual signature on this Agreement, or other documents to be delivered pursuant to this Agreement, will constitute an original signature for all purposes. The delivery of copies of this Agreement or other documents to be delivered pursuant to this Agreement, including executed signature pages where required, by electronic transmission will constitute effective delivery of this Agreement or such other document for all purposes.

ii. The **Parties** hereto further acknowledge and agree that this Agreement may be signed and/or transmitted by email or a PDF document or using electronic signature technology (e.g. DocuSign, Adobe Sign, or other electronic signature technology), and that such signed record shall be valid and as effective to bind the **Party(ies)** so signing as a paper copy bearing a handwritten signature. By selecting "I Agree", "I Accept", or other similar item, button, or icon via use of a keypad, mouse, or other device, as part of the electronic

signature technology, the **Parties** consent to be legally bound by the terms and conditions of Agreement and that such act constitutes a signature as if actually signed in writing. The **Parties** also agree that no certification authority or other third-party verification is necessary to validate its electronic signature and that the lack of such certification or third-party verification will not in any way affect the enforceability of its electronic signature. The **Parties** acknowledge and agree that delivery of a copy of this Agreement or any other document contemplated hereby through the electronic signature technology, will have the same effect as physical delivery of the paper document bearing an original written signature.

K. GIFT BAN

By Executive Order 24, issued by Governor Perdue, and NCGS 133-32, it is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e. Administration, Adult Corrections, Commerce, Environmental Quality, Health and Human Services, Information Technology, Military and Veterans Affairs, Natural and Cultural Resources, Public Safety, Revenue, Transportation, and the Office of the Governor).

ACCOUNTS RECEIVABLE
NCDOT ADMINISTERED – BICYCLE/PEDESTRIAN PLAN
(FEDERAL/STATE FUNDS RECEIVABLE)
1000029901

SIGNATURE PAGE

IN WITNESS WHEREOF, this Agreement has been executed the day and year heretofore set out, on the part of the **Department** and the **Municipality** by authority duly given.

(DOCUSIGN ONLY)

CITY OF HICKORY

Authorized Signer: _____

Print Name: _____

Title: _____

Date Signed: _____

If applicable, this Agreement has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act:

Fed Tax ID No: 56-6001244

Remittance Address:

76 N. Center St.
Hickory, NC 28601

Finance Signer: Kari Dunlap

Print Name: Kari Dunlap

Title: Finance Director

Date Signed: 9-9-26

DEPARTMENT OF TRANSPORTATION

By: _____

Print Name: _____

Title: _____

Date: _____

APPROVED BY BOARD OF TRANSPORTATION ITEM O: _____ (DATE)

ACCOUNTS RECEIVABLE
NCDOT ADMINISTERED – BICYCLE/PEDESTRIAN PLAN
(FEDERAL/STATE FUNDS RECEIVABLE)
1000029901

SIGNATURE PAGE

IN WITNESS WHEREOF, this Agreement has been executed the day and year heretofore set out, on the part of the **Department** and the **Municipality** by authority duly given.

(INK SIGNATURES)

CITY OF HICKORY

Attest:

By: _____

Title: _____

Authorized Signer: _____

Print Name: _____

Title: _____

Date Signed: _____

If applicable, this Agreement has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act:

Fed Tax ID No: 56-6001244

Remittance Address:

76 N. Center St.
Hickory, NC 28601

Finance Signer: Kari Dunlap

Print Name: Kari Dunlap

Title: Finance Director

Date Signed: 9-9-26

(DOCUSIGN)

DEPARTMENT OF TRANSPORTATION

By: _____

Print Name: _____

Title: _____

Date: _____

APPROVED BY BOARD OF TRANSPORTATION ITEM O: _____ (DATE)

Integrated Mobility Division

AGREEMENTS TRANSMITTAL FORM

Date: 07/30/2026

From: John Vine-Hodge (Name) | Deputy Director, Planning & Programming (Title) | _____ (Signature) | _____ (Date)

through Brennon Fuqua, Director of IMD | _____ (Signature) | _____ (Date)

Project: **TIP #** BO-2616 **WBS#** 52311.1.2 **County:** Catawba

For Signature From:

- ◯ Transportation Secretary
- ◯ Chief Deputy Secretary
- ◉ Deputy Secretary of Multi-Modal Transportation
- ◯ Other _____

Attorney General Review:

- ◯ Approved as to Form _____ (Signature) _____ (Date)

Parties to the Agreement: City of Hickory

Description of Work: Preparation of a Bicycle and Pedestrian Plan Update

Estimated Cost to NCDOT: $56,750(Federal + State)

Amount to be reimbursed to NCDOT:

BOT approval date: Item I: 05/07/2026

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COUNCIL AGENDA MEMOS

To: **City Manager's Office**

From: **Matthew S. Hutchinson, Fire Chief**

Contact Person: **Jason A. Lowrance, Deputy Fire Chief**

Date: **September 3, 2026**

Re: **Sale of Fire Department Rescue Equipment**

REQUEST

The City of Hickory Fire Department staff requests approval to declare as surplus a twenty-six (26) piece Rescue 42 Strut Kit. These items have been in storage at Station 5 since the department placed new Rescue Struts in service in December of 2025.

BACKGROUND

In 2025, following a replacement schedule, the fire department completed a comprehensive replacement of its rescue strut kits. This transition was necessary to eliminate the operational risks and training complexities associated with maintaining a mixed fleet of equipment.

ANALYSIS

The intent of the Fire Department is to sell the rescue strut kit to the Bandys Crossroads Volunteer Fire Department, a 501(c)(3) non-profit organization located in Catawba County. The agreement was negotiated by the City of Hickory Fire Department Administration for $2,500 for the twenty-six (26) piece kit. The strut kit will be sold as is. The revenue from the sale of this rescue strut kit will be used towards the associated costs for new technical rescue equipment for the fire department. These funds will be placed in the Fire Department Non-Asset Account: 0105300-527901. The sale of this equipment will be in accordance with General Statute 160A-267.

RECOMMENDATION

Hickory Fire Department staff recommends declaring the twenty-six (26) piece Rescue 42 Strut Kit as surplus and selling said equipment to Bandys Crossroads Volunteer Fire Department. This rescue equipment will be sold as is, and it will be the responsibility of Bandys Crossroads Volunteer Fire Department to pick the equipment up from Fire Station 5.

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE:

Reviewed by:

Matthew S. Hutchinson Initiating Department Head	9/3/26 Date	Asst City Manager Yaidee Fox	9/8/26 Date
Asst. City Manager Rodney Miller	9/8/26 Date	Asst. City Manager Steve Miller	9-10-26 Date
Finance Officer Kari Dunlap	9/9/26 Date	Deputy Finance Officer Cameron McHargue	9-9-26 Date

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

City Manager, W. Wood

9-26 - 9.10.26

Bandys Crossroads Volunteer Fire Department
1611 Buffalo Shoals Road
Catawba, NC 28609
Telephone 828-241-2111

Please let us know the date of the Council meeting where the authorizing resolution will be considered so we may be available for any questions.

Sincerely,

Daneil Melton
Fire Chief
Bandys Crossroads Volunteer Fire Department

Bandys Crossroads Volunteer Fire Department
1611 Buffalo Shoals Road
Catawba, NC 28609
Telephone 828-241-2111

September 2, 2026

To: Matthew S. Hutchinson, City of Hickory Fire Chief

From: Daniel Melton, Fire Chief Bandys Crossroads Volunteer Fire Department

Subject: Offer to Purchase Surplus Rescue Equipment

Dear Chief Hutchinson,

Please accept this formal letter as an offer of intent from the Bandys Crossroads Volunteer Fire Department to purchase a surplus Rescue 42 Strut Kit from the City of Hickory Fire Department.

As we have discussed, we are interested in acquiring the following equipment at a negotiated price:

- **Rescue 42 Strut Kit:**
  - (3) Rescue 42 Long Struts
  - (3) Rescue 42 Jacks
  - (4) Rachet Straps
  - (2) J-Hook Clusters
  - (1) Tripod Head
  - (1) Hobble Chain for Tripod
  - (1) Bi-Pod Head
  - (1) Spike Foot
  - (1) Screw Jack Head
  - (7) Attachment Pins
  - (2) Large Accessory Bag

- **Condition:**
  - Used / As-Is (removed from service in December 2025)
- **Negotiated Price:**
  - $2,500 for the kit

It is our understanding that this sale will be conducted in accordance with **NCGS § 160A-267 (Private Sale).** We understand that this offer is subject to approval by the City of Hickory City Council and that a 10-day public notice period must pass before the sale can be finalized.

The equipment will be used to enhance our emergency response capabilities for our district.

Hickory Fire Department

Information for Resolution for Private Sale, per NC General Statute 160A-267

Buyer: Bandys Crossroads Volunteer Fire Department

The following items are all parts of a Rescue 42 Strut Kit, Asset # **8546.**

- (3) Rescue **42** Long Struts
- (3) Rescue 42 Jacks
- (**4**) Rachet Straps
- (2) J-Hook Clusters
- (1) Tripod Head
- (1) Hobble Chain for Tripod
- (1) Bi-Pod Head
- (1) Spike Foot
- (1) Screw Jack Head
- (7) Attachment Pins
- (2) Large Accessory Bag

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COUNCIL AGENDA MEMOS

To: **City Manager's Office**

From: **Matthew S. Hutchinson, Fire Chief**

Contact Person: **Jason A. Lowrance, Deputy Fire Chief**

Date: **September 3, 2026**

Re: **Sale of Fire Department Extrication Equipment**

REQUEST

The City of Hickory Fire Department staff requests approval to declare as surplus the following Hurst Hydraulic Extrication Equipment: one (1) Hydraulic Power Unit, one (1) Combination Spreader/Cutter, one (1) Telescopic Ram, and two (2) Hydraulic Hoses. These items have been in storage at Station 5 since the department placed new extrication tools in service.

BACKGROUND

In 2025, following a replacement schedule, the fire department completed a comprehensive replacement of its hydraulic extrication equipment to standardize the entire fleet to the same model and style. This transition was necessary to eliminate the operational risks and training complexities associated with maintaining a mixed fleet of equipment.

ANALYSIS

The intent of the Fire Department is to sell these hydraulic extrication tools to the Sugar Loaf Fire Department, a 501(c)(3) non-profit organization located in Alexander Co. The agreement was negotiated by the City of Hickory Fire Department Administration for $1,500 for the complete set. The revenue from the sale of this extrication equipment will be used towards the associated costs for new technical rescue equipment for the fire department. These funds will be placed in the Fire Department Non-Asset Account: 0105300-527901. The sale of this equipment will be in accordance with General Statute 160A-267.

RECOMMENDATION

Hickory Fire Department staff recommends declaring the one (1) Hurst Hydraulic Power Unit, one (1) Combination Spreader/Cutter, one (1) Telescopic Ram, and two (2) Hydraulic Hoses as surplus and selling said extrication equipment to the Sugar Loaf Fire Department. This extrication equipment will be sold as is, and it will be the responsibility of the Sugar Loaf Fire Department to pick the equipment up from Fire Station 5.

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE:

Reviewed by:

Matthew S. Hutchinson	9/3/26		9/8/26
Initiating Department Head	Date	Asst City Manager Yaidee Fox	Date
	9/8/26		9-10-26
Asst. City Manager Rodney Miller	Date	Asst. City Manager Steve Miller	Date
	9/9/26		9-9-26
Finance Officer Kari Dunlap	Date	Deputy Finance Officer Cameron McHargue	Date

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

City Manager, W. Wood

9.10.26

Sugar Loaf Fire Department

4272 NC Hwy 16 N.

Taylorsville NC 28681

(828) 632-5690

September 3, 2026

To: Matthew S. Hutchinson, City of Hickory Fire Chief

From: Joshua G. Chapman, Fire Chief Sugar Loaf Fire Department

Subject: Offer to Purchase Surplus Hurst Extrication Equipment

Dear Chief Hutchinson,

Please accept this formal letter as an offer of intent from the Sugar Loaf Fire Department to purchase surplus Hurst Extrication Equipment from the City of Hickory Fire Department.

As we have discussed, we are interested in acquiring the following equipment at a negotiated price:

Quantity & and; Description:

o (1) Hurst ML-630 SI Hydraulic Power Unit

o (1) Hurst MOC Combi Tool

o (1) Hurst T-41 RAM

o (2) Streamline Hydraulic Hoses

Condition: Used / As-Is

Negotiated Price:

o $1,500 per Complete Set

It is our understanding that this sale will be conducted in accordance with NCGS § 160A-267 (Private Sale). We understand that this offer is subject to approval by the City of Hickory City Council and that a 10-day public notice period must pass before the sale can be finalized.

The equipment will be used to enhance our emergency response capabilities and fire protection services for our district. Please let us know the date of the Council meeting where the authorizing resolution will be considered so we may be available for any questions.

Sincerely,

Joshua G. Chapman

Fire Chief

Sugar Loaf Fire Department

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COUNCIL AGENDA MEMOS

To: **City Manager's Office**

From: **Matthew S. Hutchinson, Fire Chief**

Contact Person: **Jason A. Lowrance, Deputy Fire Chief**

Date: **September 3, 2026**

Re: **Sale of Fire Department Rescue Equipment**

REQUEST

The City of Hickory Fire Department staff requests approval to declare as surplus a forty-four (44) piece Rescue 42 Strut Kit. These items have been in storage at Station 5 since the department placed new Rescue Struts in service in December of 2025.

BACKGROUND

In 2025, following a replacement schedule, the fire department completed a comprehensive replacement of its rescue strut kits. This transition was necessary to eliminate the operational risks and training complexities associated with maintaining a mixed fleet of equipment.

ANALYSIS

The intent of the Fire Department is to sell the rescue strut kit to the Mountain View Volunteer Fire Department of Catawba County Inc., a 501(c)(3) non-profit organization. The agreement was negotiated by the City of Hickory Fire Department Administration for $3,000 for the forty-four (44) piece kit. The strut kit will be sold as is. The revenue from the sale of this rescue strut kit will be used towards the associated costs for new technical rescue equipment for the fire department. These funds will be placed in the Fire Department Non-Asset Account: 0105300-527901. The sale of this equipment will be in accordance with General Statute 160A-267.

RECOMMENDATION

Hickory Fire Department staff recommends declaring the forty-four (44) piece Rescue 42 Strut Kit as surplus and selling said equipment to Mountain View Volunteer Fire Department of Catawba County Inc. This rescue equipment will be sold as is, and it will be the responsibility of Mountain View Volunteer Fire Department to pick the equipment up from Fire Station 5.

BUDGET ANALYSIS:

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

LIST THE EXPENDITURE CODE:

Reviewed by:

Matthew S. Hutchinson	9/3/26		9/8/26
Initiating Department Head	Date	Asst City Manager Yaidee Fox	Date
	9/8/26		9-10-26
Asst. City Manager Rodney Miller	Date	Asst. City Manager Steve Miller	Date
	9/9/26		9-9-26
Finance Officer Kari Dunlap	Date	Deputy Finance Officer Cameron McHargue	Date

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

City Manager, W. Wood

9-10-26

FIRE DEPARTMENT

3571 South NC 127 Hwy
Hickory, NC 28602
Phone: (828) 330-0600
chief@mtnviewfiredept.com

September 3, 2026

To: Matthew S. Hutchinson, City of Hickory Fire Chief

From: Scott Jandrew, Fire Chief Mountain View Volunteer Fire Department of Catawba County Inc.

Subject: Offer to Purchase Surplus Rescue Equipment

Dear Chief Hutchinson,

Please accept this formal letter as an offer of intent from the Mountain View Volunteer Fire Department of Catawba County Inc. to purchase a surplus Rescue 42 Strut Kit (Lot #1) from the City of Hickory Fire Department.

As we have discussed, we are interested in acquiring the following equipment at a negotiated price:

- **Rescue 42 Strut Kit:**
  - (2) Rescue 42 Long Struts
  - (4) Rescue 42 Short Struts
  - (1) Rescue 42 Jacks
  - (6) Rachet Straps
  - (12) Composite Strut Pins (yellow)
  - (1) Tripod Head
  - (1) Bi-Pod Head
  - (1) Screw Jack Head
  - (1) Spike Foot
  - (2) Steel Cinch Rings
  - (1) J-Hook Clusters
  - (2) Strut Base Metal Pins
  - (7) Attachment Pins
  - (1) Hobble Chain for Tripod
  - (2) Large Accessory Bag

- **Condition:**
  - Used / As-Is (removed from service in December 2025)

- **Negotiated Price:**
  - $3,000 for the kit

It is our understanding that this sale will be conducted in accordance with **NCGS § 160A-267 (Private Sale)**. We understand that this offer is subject to approval by the City of Hickory City Council and that a 10-day public notice period must pass before the sale can be finalized.

The equipment will be used to enhance our emergency response capabilities for our district.

Please let us know the date of the Council meeting where the authorizing resolution will be considered so we may be available for any questions.

Sincerely,

Scott Jandrew
Fire Chief
Mountain View Fire Volunteer Fire Department

Hickory Fire Department

Information for Resolution for Private Sale, per NC General Statute 160A-267

Buyer: Mountain View Volunteer Fire Department of Catawba County Inc.

The following items are all parts of a Rescue 42 Strut Kit, Asset # **8890**.

- (2) Rescue 42 Long Struts
- (4) Rescue 42 Short Struts
- (1) Rescue 42 Jacks
- (6) Rachet Straps
- (12) Composite Strut Pins (yellow)
- (1) Tripod Head
- (1) Bi-Pod Head
- (1) Screw Jack Head
- (1) Spike Foot
- (2) Steel Cinch Rings
- (1) J-Hook Clusters
- (2) Strut Base Metal Pins
- (7) Attachment Pins
- (1) Hobble Chain for Tripod
- (2) Large Accessory Bag

RESOLUTION NO. 26-

A Resolution of the Hickory City Council Declaring Surplus Fire Equipment and Authorizing the Sale to Bandys Crossroads Volunteer Fire Department, Sugar Loaf Fire Department, and Mountain View Volunteer Fire Department

WHEREAS, the Hickory Fire Department declares surplus a 26 piece Rescue 42 Strut Kit.

WHEREAS, the Hickory Fire Department wishes to sell said equipment to Bandys Crossroads Volunteer Fire Department at a negotiated price.

WHEREAS, the Hickory Fire Department declares surplus one Hurst Hydraulic Power Unit, one Combination Spreader/Cutter, one Telescopic Ram, and two Hydraulic Hoses.

WHEREAS, the Hickory Fire Department wishes to sell said equipment to Sugar Loaf Fire Department at a negotiated price.

WHEREAS, the Hickory Fire Department declares surplus a 44 piece Rescue 42 Strut Kit.

WHEREAS, the Hickory Fire Department wishes to sell said equipment to Mountain View Volunteer Fire Department at a negotiated price.

WHEREAS, G.S. 160A-267 allows the City to dispose of property by private sale at a negotiated price after Council's approval and advertisement.

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

SECTION 1. That authorization is given to the Hickory Fire Department to dispose of the declared surplus in a manner serving the best interest of the City.

SECTION 2. This Resolution shall become effective upon adoption.

Adopted this on the 15th day of September 2026.

City of Hickory

By: _____
Hank Guess, Mayor

ATTEST:

_____
Debbie D. Miller, City Clerk

15

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Natalie Jackson, Special Projects Manager

Contact Person: Natalie Jackson, Special Projects Manager

Date: September 15, 2026

Re: ORLP Grant Application for CREEC

REQUEST

Staff requests Council approval of a resolution authorizing the City to apply for the ORLP Grant for the Catawba River Environmental Education Center: Outdoor Science, Heritage and Recreation Gateway Project.

BACKGROUND

The National Park Service administers the Outdoor Recreation Legacy Partnership (ORLP) program under the Land and Water Conservation Fund Act. This program specifically targets eligible urban communities with populations over 25,000 to create or significantly improve outdoor recreation spaces in areas that lack adequate park access. The City of Hickory owns three parcels along the Catawba River (Parcel IDs: 2783788894, 2783785060, and 2783886713) designated for the project site. The project's eligible grant expenses will focus on the construction of passive and active recreation amenities, including a paved walking path, boat dock, kayak launch, trails, an outdoor classroom, amphitheater, educational signage, drop-off pavilion, site furnishings, a scenic overlook and natural restoration areas.

ANALYSIS

The ORLP grant program requires a minimum 50% non-federal match. A grant application covering eligible opportunities could be submitted in an amount of up to $2,000,000 with a city match of up to $1,000,000. The N.C. Division of Parks and Recreation requires all approved North Carolina municipal applications to be submitted by October 1, 2026 as pre-applications for the federal process. Passing this resolution at this time ensures compliance with the state deadline, allowing the application to advance to the federal review pool by November 1, 2026. The City will be notified if it is invited to submit a full application by May 1, 2027 and the anticipated grant project cycle begins in October 2028.

RECOMMENDATION

Staff recommends Council approval of a resolution authorizing the City to apply for the ORLP Grant in an amount of up to $2,000,000, with up to $1,000,000 from the ORLP grant and up to $1,000,000 from the City of Hickory as a local match, for the Catawba River Environmental Education Center: Outdoor Science, Heritage and Recreation Gateway Project.

BUDGET ANALYSIS:

Budgetary Action
Is a Budget Amendment required?

Yes	No
☐	☐

LIST THE EXPENDITURE CODE:

Reviewed by:

Initiating Department Head	Date	Asst. City Manager Yaidee Fox	Date 9/8/26
Asst. City Manager Rodney Miller	Date 9/8/26	Asst. City Manager Steve Miller	Date
Finance Officer, Kari Dunlap	Date 9/9/26	Deputy Finance Officer, Cameron McHargue	Date 9-9-26

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

City Manager, W. Wood

9.10.26
Date

RESOLUTION NO. ____

RESOLUTION AUTHORIZING THE CITY OF HICKORY TO SUBMIT AN APPLICATION TO THE NATIONAL PARK SERVICE IN AN AMOUNT UP TO $2,000,000 AND PROVIDE A MATCH OF UP TO $1,000,000 FOR ORLP GRANT FUNDS FOR CATAWBA RIVER ENVIRONMENTAL EDUCATION CENTER: OUTDOOR SCIENCE, HERITAGE AND RECREATION GATEWAY PROJECT.

WHEREAS, the National Park Service administers the Outdoor Recreation Legacy Partnership (ORLP) Grant Program under the Land and Water Conservation Fund Act to provide matching reimbursable grants to eligible urban communities for park development and land acquisition; and

WHEREAS, the City of Hickory qualifies as an eligible urban area with a population exceeding 25,000 residents according to the U.S. Census Bureau; and

WHEREAS, the Catawba River Environmental Education Center: Outdoor Science, Heritage and Recreation Gateway Project, known as the "CREEC" project, will significantly enhance outdoor recreation opportunities in our community, including the following amenities:

> A paved walking path, boat dock, kayak launch, natural and gravel trails, outdoor classroom, amphitheater, wetland boardwalk, overlook, educational signage, drop-off pavilion, site furnishings, restoration areas and overlook located at City-owned Parcel IDs 2783788894, 2783785060, and 2783886713. The City will pursue additional master planned amenities in future phases as appropriate; and

WHEREAS, the ORLP program requires a minimum 50 percent non-federal match, and the City of Hickory has identified the matching funds in the amount of up to $1,000,000 to meet this requirement; and

WHEREAS, a core condition of receiving ORLP funding is that the assisted park site must be maintained and accessible exclusively for public outdoor recreation use in perpetuity;

NOW, THEREFORE BE IT RESOLVED, that the City of Hickory is hereby authorized to submit a grant application in an amount up to $2,000,000 and will commit up to $1,000,000 as a match for the project.

Adopted this the _____ day of _____, 2026

THE CITY OF HICKORY a
North Carolina Municipal Corporation

(SEAL)

ATTEST:

By: _____
Hank Guess, Mayor

_____
Debbie D. Miller, City Clerk

BUDGET REVISION # 5

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, 2027 and for the duration of the Project Ordinances noted herein.

SECTION 1. To amend the General Fund within the FY 2026-27 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Government	10,000	
Public Safety	35,578	
Contingency		41,050
Transportation	72,500	
Other Financing Uses	25,300	
TOTAL	143,378	41,050

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

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	10,000	
Other Financing Sources	35,578	
Restricted Intergovernmental	56,750	
TOTAL	102,328	-

SECTION 2 To amend the Solid Waste Fund within the FY 2026-27 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Environmental Protection	5,884	
TOTAL	5,884	-

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

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	5,884	
TOTAL	5,884	-

SECTION 3 To amend the CREEC Project (#83317) Grant Project Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Water & Sewer Capital Projects	25,300	
TOTAL	25,300	-

To provide funding for the above, the CREEC Project (#83317) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	25,300	
TOTAL	25,300	-

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.

Adopted this _____ day of _____, 2026

_____
Mayor

_____
Clerk

4

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Planning and Development

Contact Person: Cal Overby, Planning Manager

Date: September 2, 2026

Re: Voluntary non-contiguous annexation of property owned by The City of Hickory.

REQUEST

Consideration of the voluntary non-contiguous annexation of property totaling 24.39 acres, located at 964 and 970 Airport Rhodhiss Road and including an unaddressed parcel to the east. The properties are identified as Burke County PINs 2783785060, 2783788894, 2783886713.

BACKGROUND

The applicant has petitioned for the voluntary non-contiguous annexation of 24.39 acres of property located at 964 and 970 Airport Rhodhiss Road and including an unaddressed vacant parcel to the east.

ANALYSIS

The properties are currently zoned R-3 Residential by Burke County. Burke County's zoning ordinance describes this district as: *A less restrictive residential district allowing a broader range of residential uses including Class A and Class B manufactured homes. A variety of compatible non-residential uses are allowed in areas that may be less suburban in nature.*

If annexed, the City would request the properties be rezoned Planned Development (PD). The City's intention is to use the properties for the future location of the Catawba River Environmental Education Center (CREEC). This facility will be open to the public for educational and recreational purposes. The plan involves the renovation and construction of buildings, trails and parking areas to support the Center's mission.

The properties are currently publicly owned and will continue to be publicly owned, as such no property taxes are collected.

Upon analysis, staff has determined the petition meets the statutory requirements for voluntary non-contiguous 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 M. Frazier Initiating Department Head	9/03/2026 Date	_____ City Attorney, T. Swanson	_____ Date
Deputy City Manager, R. Miller	9/8/26 Date	Asst. City Manager S. Miller	9-10-26 Date
Finance Officer, Kari Dunlap	9/9/26 Date	Deputy Finance Officer, Cameron McHargue	9-9-26 Date
Asst City Manager, Yaidee Fox	9/8/26 Date		

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

City Manager, W. Wood

9-10-26

Date

VOLUNTARY ANNEXATION ANALYSIS

APPLICANT: City of Hickory

AGENT: City of Hickory

PROPERTY LOCATION: 964 and 970 Airport Rhodhiss Road and including an unaddressed parcel to the east.

PIN NUMBERS: (Burke County) 2783785060, 2783788894, 2783886713

WARD: If annexed, the subject properties will be in Ward 5 (Councilwoman Dula).

REQUESTED ACTION: Voluntary non-contiguous annexation.

ACREAGE: 24.39 acres

DEVELOPMENT POTENTIAL: The properties are currently zoned R-3 Residential by Burke County. Burke County's zoning ordinance describes this district as: *A less restrictive residential district allowing a broader range of residential uses including Class A and Class B manufactured homes. A variety of compatible non-residential uses are allowed in areas that may be less suburban in nature.*

If annexed, the City would request the properties be rezoned Planned Development (PD). The City's intention is to use the properties for the future location of the Catawba River Environmental Education Center (CREEC). This facility will be open to the public for educational and recreational purposes. The plan involves the renovation and construction of buildings, trails and parking areas to support the Center's mission.

TAX VALUE: The properties are currently publicly owned and will continue to be publicly owned, as such no property taxes are collected.

POPULATION INCREASES: The properties will not be used for residential properties, so no direct population increase is expected.

SCHOOL DISTRICTS: The properties will not be used for residential properties, so no direct school population increases are expected.

SURROUNDING ZONING AND LAND USE:

- **North:** Lake Hickory (Catawba River) abuts the properties to the north.
- **South:** The properties are zoned R-3 Residential by Burke County and occupied by residences.
- **East:** The properties are zoned R-3 Residential by Burke County and occupied by residences.
- **West:** The properties are zoned R-2 Residential by Burke County and occupied by residences.

UTILITY SERVICE: Water will be provided by the Town of Long View, and a septic tank(s) will provide sanitary sewer.

ACCESS: Access to the subject properties is from Airport Rhodhiss Road, which is a NCDOT maintained street (SR 1653).

DISTANCE FROM CITY LIMITS (See Map 1): The proposed annexation area is +/- 3,100 feet northwest of the proper city boundary.

STAFF COMMENTS:

- Fire Department: Annexation of this property may require mutual aid agreements with Drowning Creek Vol. Fire Department. Dispatch protocols with Burke County for 911 calls will be needed if Hickory Fire is to respond with Burke EMS to this location. The property is currently inside the Drowning Creek Vol. Fire Department District.

- Police Department: Annexation would not adversely affect the police department. The property, upon annexation, would be in Edward PACT.

- Transportation / Engineering: No objections

- Planning: No objections.

- Public Services: No objections.

- Public Utilities: Water will be provided by the Town of Long View and a septic tank(s) will provide sanitary sewer.

- City Manager's Office: No objections.

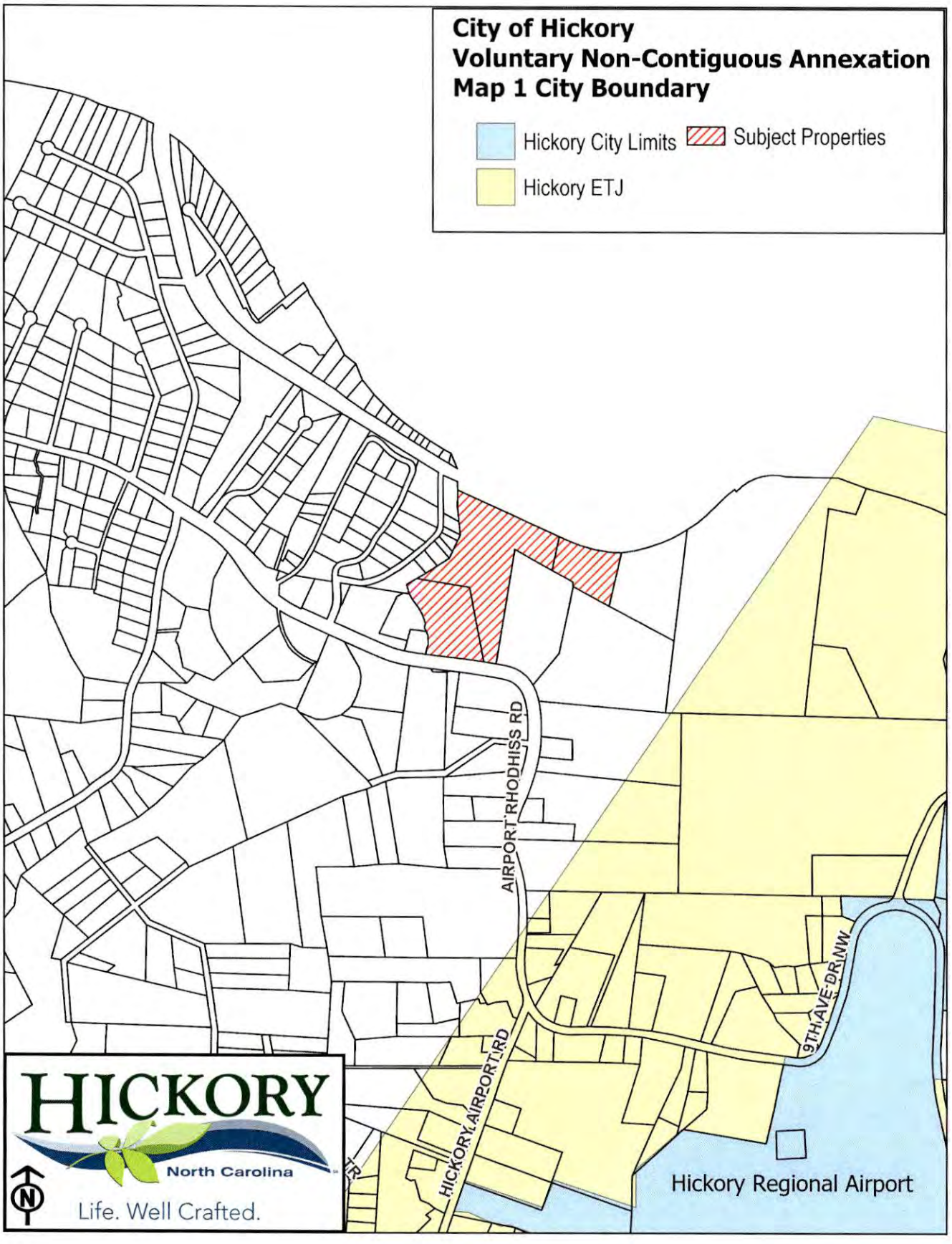
STAFF RECOMMENDATION: Upon evaluation staff has found the following:

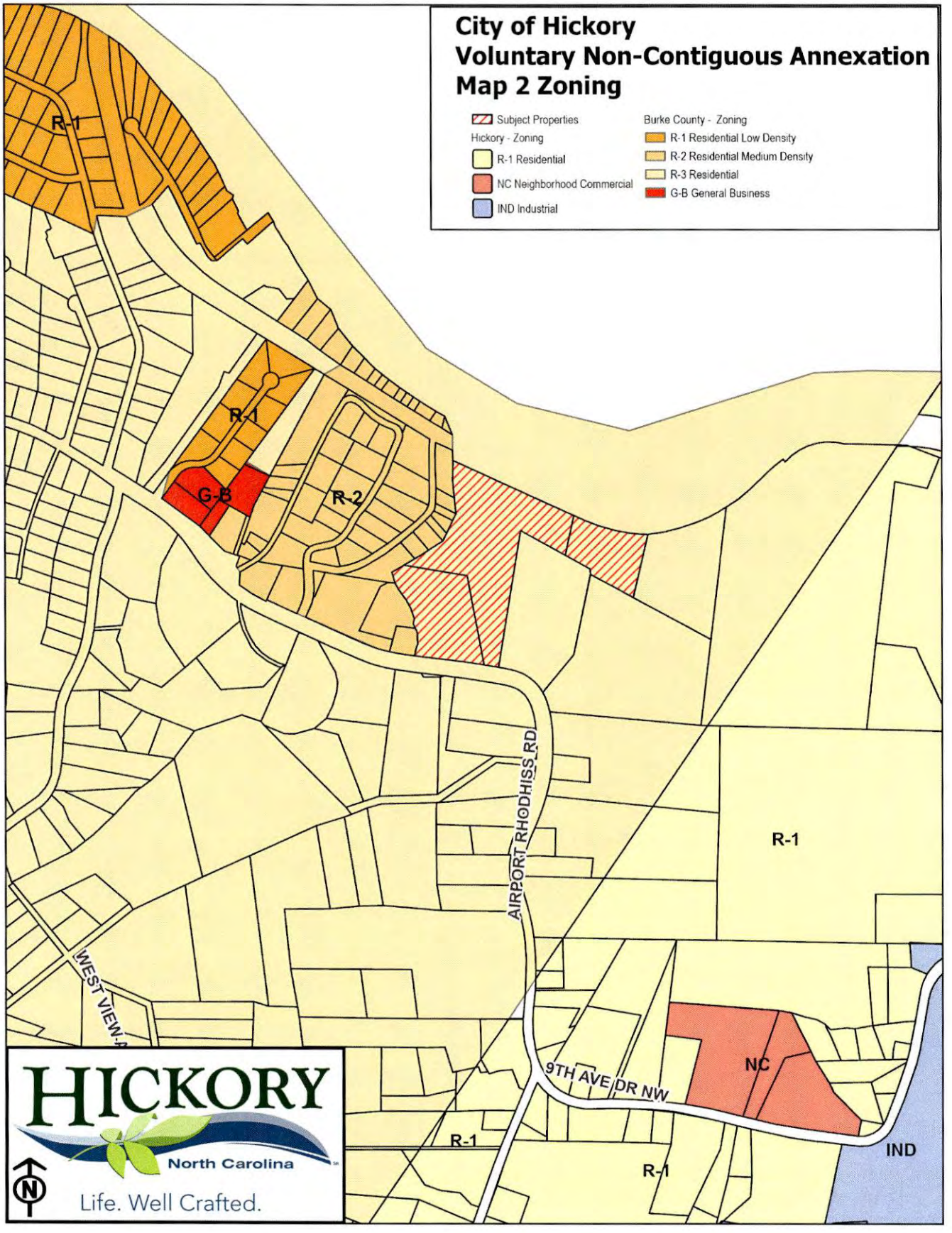
1. The annexation petition complies with applicable statutes regarding the voluntary annexation of non-contiguous properties.

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 City Council approval of the voluntary non-contiguous annexation petition.


City of Hickory
Voluntary Non-Contiguous Annexation
Map 1 City Boundary
Hickory City Limits
Subject Properties
Hickory ETJ
AIRPORT RHODHISS RD
9TH AVE DR NW
HICKORY AIRPORT RD
Hickory Regional Airport
HICKORY
North Carolina
Life. Well Crafted.


City of Hickory
Voluntary Non-Contiguous Annexation
Map 2 Zoning
Subject Properties
Hickory - Zoning
R-1 Residential
NC Neighborhood Commercial
IND Industrial
Burke County - Zoning
R-1 Residential Low Density
R-2 Residential Medium Density
R-3 Residential
G-B General Business
R-1
R-1
G-B
R-2
AIRPORT RHODHISS RD
R-1
WEST VIEW
9TH AVE DR NW
NC
R-1
R-1
IND
HICKORY
North Carolina
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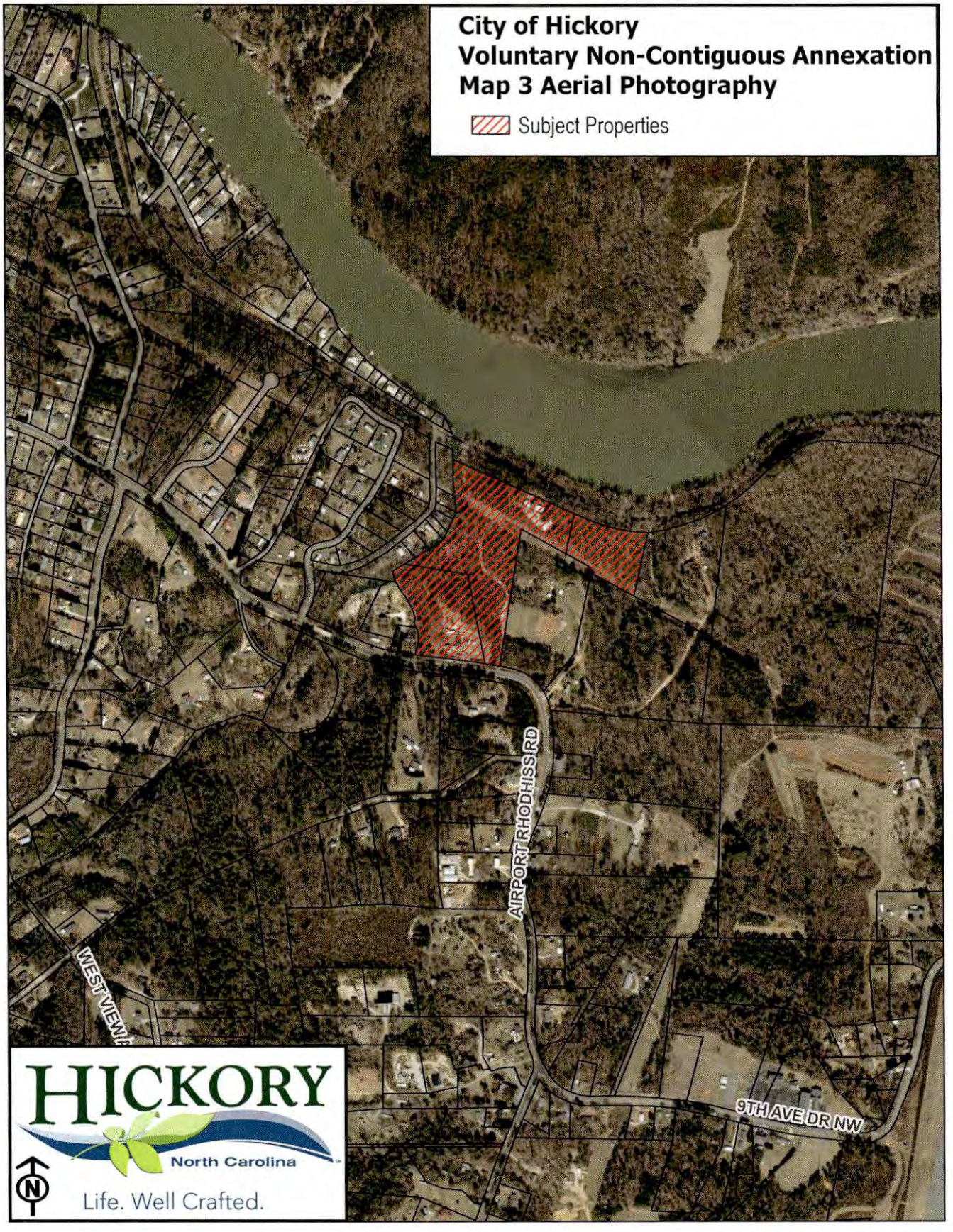
City of Hickory
Voluntary Non-Contiguous Annexation
Map 3 Aerial Photography
Subject Properties
AIRPORT RHODHISS RD
WEST VIEW
9TH AVE DR NW
HICKORY
North Carolina
Life. Well Crafted.

CITY OF HICKORY
APPLICATION FOR VOLUNTARY ANNEXATION

DATE SUBMITTED: 8-17-2026

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 Airport Rhodhiss Road between Drowning Creek and the Catawba County line and is shown in more detail on the attached survey.

2. PIN NO. (S) : (Burke County) 2783785060, 2783788894, 2783886713

3. Physical (Street) Address: 964 and 970 Airport Rhodhiss Road and vacant parcel to the east

4. The property is owned by: (please print) City of Hickory, North Carolina
(Attach a copy of the most recent deed.)

   Owner Information:

   Name: City of Hickory

   Address: P.O. Box 398, Hickory, NC 28603

   Phone Number: 828-323-7412

5. The petition is submitted by: City of Hickory

   Agent Information:

   Name: City of Hickory

   Address: P.O. Box 398 Hickory, NC 28603

   Phone Number: 828.323.7412

6. 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 Planned Development (PD) zoning district.

7. 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.

8. 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.

Warren Wood – City Manager
Printed Name of Property Owner(s)

Signature of Property Owner(s)

P.O. Box 398 Hickory, NC 28603
Address of Property Owner(s)

828.323.7413
Telephone Number of Property Owner(s)

State of North Carolina – County of Catawba

I, the undersigned Notary Public of the County and State aforesaid, certify that Warren Wood 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 17th day of August, 2026.

My Commission Expires: 11.02.2027

Notary Public

CRYSTAL B. MUNDY NOTARY PUBLIC CATAWBA COUNTY, NC

BK 2718 PG 667 - 672 (6) DOC# 2023011123
This Document eRecorded: 12/01/2023 11:55:38 AM
Fee: $26.00 Tax: $2,300.00
Burke County, North Carolina
Stephanie A. Norman, Register of Deeds

This instrument prepared by, Young, Morphis, Bach & Taylor, Llp, a licensed North Carolina attorney. Delinquent taxes, if any, to be paid by the closing attorney to the Burke County, NC Tax Collector upon disbursement of closing proceedings.

NORTH CAROLINA GENERAL WARRANTY DEED

Excise Tax: $ 2,300.00

Parcel Identifier No. 278378894 and 2783886713 Verified by Burke County on the ____ day of_____, 2023
By:_____

Mail/Box to: Grantee Submitted by: John W. Crone, III, Attorney, Young, Morphis, Bach & Taylor, LLP
Post Office Drawer 2428, Hickory, NC 26803-2428

This instrument was prepared by: Lynne R. Holton, Esq., a licensed North Carolina Attorney. Delinquent taxes, if any, shall be paid by the closing Attorney to the County Tax Collector upon disbursement of closing proceeds. NO TITLE SEARCH REQUESTED OR PERFORMED

Brief description for the Index: 2 Tracts Airport Rhodliss Road

THIS DEED made this 27 day of November, 2023, by and between

GRANTOR	GRANTEE
Richard E. Andrus and wife, Susan P. Andrus; Randall Scott Tuttle and wife, Claire Thompson Tuttle	**The City of Hickory** **Property Address: 964 Airport Rhodhiss Road Hickory, NC 28601** **Mailing Address:** Post Office Box 398 Hickory, NC 28603-0398

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 the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all Grantor's interest in and to that certain lot or parcel of land situated in Burke County, North Carolina and more particularly described as follows:

See Exhibit A attached hereto and incorporated herein by reference.

This property ___ is _x__ is not the primary residence of one or more of the Grantors.

For back title, see Book 2053, Page 532, Burke County Registry.

Submitted electronically by "Young, Morphis, Bach & Taylor, Llp"
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the Burke County Register of Deeds.

NC Bar Association Form No. 3 © 1976, Revised © 1977, 2002
Printed by Agreement with the NC Bar Association – 1981 - Chicago Title Insurance Company

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, other than the following exceptions:

Easements, rights-of-way and restrictions of record, if any, and real property taxes for the current year which shall be prorated through the closing date.

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

_____ (SEAL)
Richard E. Andrus

Susan P. Andrus (SEAL)
Susan P. Andrus

_____ (SEAL)
Randall Scott Tuttle

_____ (SEAL)
Claire Thompson Tuttle

State of North Carolina - County of Forsyth

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: Richard E. Andrus and Susan P. Andrus.

Date: November 27, 2023

_____
Notary Public

Cheryl Andrews McDonald
Print Name

My commission expires: 03-01-2027

CHERYL ANDREWS MCDONALD NOTARY PUBLIC FORSYTH COUNTY, NC

NC Bar Association Form No. 3 © 1976, Revised © 1977, 2002
Printed by Agreement with the NC Bar Association – 1981 – Chicago Title Insurance Company

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, other than the following exceptions:

Easements, rights-of-way and restrictions of record, if any, and real property taxes for the current year which shall be prorated through the closing date.

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

_____ (SEAL)
Richard E. Andrus

_____ (SEAL)
Susan P. Andrus

_____ (SEAL)
Randall Scott Tuttle

_____ (SEAL)
Claire Thompson Tuttle

State of North Carolina - County of _____

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: Richard E. Andrus and Susan P. Andrus.

Date:

_____
Notary Public

_____
Print Name

My commission expires: _____

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Printed by Agreement with the NC Bar Association – 1981 – Chicago Title Insurance Company

State of North Carolina - County of Forsyth

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: Randall Scott Tuttle.

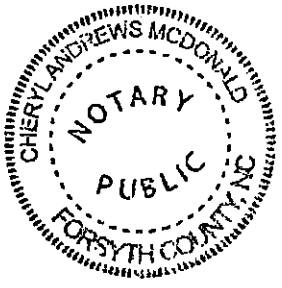
Date: November 28, 2023

Notary Public

Cheryl Andrews McDonald

Print Name

My commission expires: 03-01-2027



NC Bar Association Form No. 3 © 1976, Revised © 1977, 2002
Printed by Agreement with the NC Bar Association – 1981 – Chicago Title Insurance Company

State of ~~North Carolina~~ Florida - County of Monroe

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: Claire Thompson Tuttle.

Date: 11·30·2023

Notary Public State of Florida
Gregory S. Oropeza
My Commission
HH 276838
Exp. 7/1/2026

Notary Public

Print Name

My commission expires: _____

NC Bar Association Form No. 3 © 1976, Revised © 1977, 2002
Printed by Agreement with the NC Bar Association – 1981 – Chicago Title Insurance Company

Exhibit "A"

TRACT ONE:

BEING all of Lot No. 3, containing 13.37 acres, as shown on that plat entitled "Minor Subdivision & Recombination Survey for Bonzetta Winkler" by Donald G. Bolick, PLS, dated April 12, 2005, which map is recorded in Plat Book 27 at Pages 285-287 in the Office of the Register of Deeds for Burke County, North Carolina, to which said plat reference is hereby made for a more complete description. Together with and subject to all easements and rights of way referenced in Deed Book 1749 at Page 335 in the Office of the Register of Deeds for Burke County, North Carolina.

TRACT TWO:

BEING all of Lot No. 2, containing 5.19 acres, as shown on that plat by Donald G. Bolick, PLS, dated 10/26/06, which map is recorded in Plat Book 32 at Page 132 in the Office of the Register of Deeds for Burke County, North Carolina, to which said plat reference is hereby made for a more complete description. Together with and subject to all easements and rights of way referenced in Deed Book 1749 at Page 339 in the Office of the Register of Deeds for Burke County, North Carolina.

BK 2737 PG 689 - 692 (4) DOC# 2024002874
This Document eRecorded: 04/05/2024 03:47:42 PM
Fee: $26.00 Tax: $900.00
Burke County, North Carolina
Stephanie A. Norman, Register of Deeds

This instrument prepared by, Young, Morphis, Bach & Taylor, Llp, a licensed North Carolina attorney. Delinquent taxes, if any, to be paid by the closing attorney to the Burke County, NC Tax Collector upon disbursement of closing proceedings.

NORTH CAROLINA GENERAL WARRANTY DEED

Excise Tax: **$900.00**

Parcel ID Nos.: **2783-78-5060/2783-78-5050/ REIDS: 28702/58718** Verified by_____ County on the ____ day of_____, 20____ By:_____

Mail/Box to: **John W. Crone, III, Young, Morphis, Bach & Taylor, LLP, PO Drawer 2428, Hickory, NC**

This instrument was prepared by: **John W. Crone, III, Young, Morphis, Bach & Taylor, LLP, Hickory, NC**

Brief description for the Index: **5.81 acres – 970 Airport Rhodhiss Road, Hickory**

THIS DEED, made this the 5th day of **April, 2024**, by and between

GRANTOR: Jaki Lynn Ramsey and wife, Robin K. Ramsey
Whose mailing address is **1861 Hidden Pointe Drive, Hickory, North Carolina 28601**
(herein referred to as **Grantors**)

and

GRANTEE: City of Hickory, a North Carolina municipal corporation
Whose mailing address is **Post Office Box 398, Hickory, North Carolina 28603-0398**
(herein referred to as **Grantee**).

WITNESSETH:

That the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in City of, **Icard** Township, **Burke** County, North Carolina and being more particularly described as follows:

See attached Exhibit "A" for legal description.

Submitted electronically by "Young, Morphis, Bach & Taylor, Llp"
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the Burke County Register of Deeds.

All or a portion of the property herein conveyed ___does _X_ does not include the primary residence of a Grantor.

Said property having been previously conveyed to Grantor by instrument(s) recorded in Book **2311,** Page **363,** Burke County Registry.

A map of the property is recorded in Plat Book **27,** Pages **285-287,** Burke County Registry.

TO HAVE AND TO HOLD unto Grantee, together with all privileges and appurtenances thereunto belonging, in fee simple, subject to the Exceptions and Reservations hereinafter and hereinabove provided, if any.

And Grantor hereby warrants that Grantor is seized of the premises in fee and has the right to convey same in fee simple, that title is marketable and is free and clear of encumbrances other than as set forth herein, and that Grantor will forever warrant and defend the title against the lawful claims of all persons or entities whomsoever.

This conveyance is made subject to the following Exceptions and Reservations:

1. **This conveyance is made subject to restrictive covenants of record, and to any and all easements and rights-of-way on location on the above-described property heretofore granted or existing in favor of any individuals, corporations, public or private associations of individuals, public utilities, and governmental agents, commissions or departments for the purpose of constructing, erecting, laying, building or maintaining any streets, roads, highways, signs, service alleys, power lines or poles, gas lines, water lines, lines for pipes or sewer lines and any and all other similar or related public or private utility service facilities or otherwise.**

2. **Ad valorem taxes for the current year and subsequent years assessed against the subject property;**

3. **Easements, restrictions and rights of way of record affecting the property;**

All references to Grantor and Grantee as used herein shall include the parties as well as their heirs, successors and assigns, and shall include the singular, plural, masculine, feminine or neuter as required by context.

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

BY: Jakie Lynn Ramsey **(SEAL)**
Jakie Lynn Ramsey

BY: Robin K. Ramsey **(SEAL)**
Robin K. Ramsey

State of **North Carolina**

County of **Catawba**

I certify that the following person(s) personally appeared before me this day, and acknowledged to me that they signed the foregoing document in the capacity indicated:

Jakie Lynn Ramsey

Date: 04/05/2024 Dorothy P. Blystone
Signature of Notary Public

Dorothy P. Blystone
Typed/Printed Name of Notary

My Commission Expires: April 27, 2024

(Official/Notarial Seal)

Dorothy P. Blystone
Notary Public
Caldwell County
North Carolina
My Commission Expires 04/27/24

State of **North Carolina**

County of **Catawba**

I certify that the following person(s) personally appeared before me this day, and acknowledged to me that they signed the foregoing document in the capacity indicated:

Robin K. Ramsey

Date: 04/05/2024 Dorothy P. Blystone
Signature of Notary Public

Dorothy P. Blystone
Typed/Printed Name of Notary

My Commission Expires: April 27, 2024

(Official/Notarial Seal)

Dorothy P. Blystone
Notary Public
Caldwell County
North Carolina
My Commission Expires 04/27/24

Exhibit "A" Legal Description
For
Ramsey to City of Hickory

BEING all of the lot containing 5.81 acres, as shown on that plat entitled "Minor Subdivision & Recombination Survey for Bonzetta Winkler" by Donald G. Bolick, PLS, dated April 12, 2005 and being recorded in Plat Book 27 at Pages 285-287 in the Office of the Register of Deeds for Burke County, North Carolina.

For partial chain of title, see those deeds as recorded in Book 2311 at Page 363; Book 1462 at Page 727 and Book 213 at Page 494 in the Office of the Register of Deeds for Burke County, North Carolina.

This property is known as 970 Airport Rhodhiss Road, Hickory, North Carolina 28601 and consists of the Parcel Identification Numbers (PINS): 2783 - 78 - 5060 and 2783 - 78 - 5050 and REIDS: 28702 and 58718 in the Office of the Burke County Tax Assessor.

BK 2718 PG 667 - 672 (6) DOC# 2023011123
This Document eRecorded: 12/01/2023 11:55:38 AM
Fee: $26.00 Tax: $2,300.00
Burke County, North Carolina
Stephanie A. Norman, Register of Deeds

This instrument prepared by, Young, Morphis, Bach & Taylor, Llp, a licensed North Carolina attorney. Delinquent taxes, if any, to be paid by the closing attorney to the Burke County, NC Tax Collector upon disbursement of closing proceedings.

NORTH CAROLINA GENERAL WARRANTY DEED

Excise Tax: $2,300.00

Parcel Identifier No. 278378894 and 2783886713 Verified by Burke County on the ____ day of_____, 2023
By:_____

Mail/Box to: Grantee Submitted by: John W. Crone, III, Attorney, Young, Morphis, Bach & Taylor, LLP
Post Office Drawer 2428, Hickory, NC 26803-2428

This instrument was prepared by: Lynne R. Holton, Esq., a licensed North Carolina Attorney. Delinquent taxes, if any, shall be paid by the closing Attorney to the County Tax Collector upon disbursement of closing proceeds. NO TITLE SEARCH REQUESTED OR PERFORMED

Brief description for the Index: 2 Tracts Airport Rhodhiss Road

THIS DEED made this 27 day of November, 2023, by and between

GRANTOR	GRANTEE
Richard E. Andrus and wife, Susan P. Andrus; Randall Scott Tuttle and wife, Claire Thompson Tuttle	**The City of Hickory**
	Property Address: 964 Airport Rhodhiss Road Hickory, NC 28601
	Mailing Address: Post Office Box 398 Hickory, NC 28603-0398

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 the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all Grantor's interest in and to that certain lot or parcel of land situated in Burke County, North Carolina and more particularly described as follows:

See Exhibit A attached hereto and incorporated herein by reference.

This property ___ is _x__ is not the primary residence of one or more of the Grantors.

For back title, see Book 2053, Page 532, Burke County Registry.

Submitted electronically by "Young, Morphis, Bach & Taylor, Llp"
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the Burke County Register of Deeds.

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TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, other than the following exceptions:

Easements, rights-of-way and restrictions of record, if any, and real property taxes for the current year which shall be prorated through the closing date.

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

_____ (SEAL)
Richard E. Andrus

Susan P Andrus (SEAL)
Susan P. Andrus

_____ (SEAL)
Randall Scott Tuttle

_____ (SEAL)
Claire Thompson Tuttle

State of North Carolina - County of Forsyth

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: Richard E. Andrus and Susan P. Andrus.

Date: November 27, 2023

_____
Notary Public

Cheryl Andrews McDonald
Print Name

My commission expires: 03-01-2027

CHERYL ANDREWS MCDONALD NOTARY PUBLIC FORSYTH COUNTY, NC

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TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, other than the following exceptions:

Easements, rights-of-way and restrictions of record, if any, and real property taxes for the current year which shall be prorated through the closing date.

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

_____ (SEAL)
Richard E. Andrus

_____ (SEAL)
Susan P. Andrus

_____ (SEAL)
Randall Scott Tuttle

_____ (SEAL)
Claire Thompson Tuttle

State of North Carolina - County of _____

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: Richard E. Andrus and Susan P. Andrus.

Date:

_____
Notary Public

_____
Print Name

My commission expires: _____

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State of North Carolina - County of Forsyth

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: Randall Scott Tuttle.

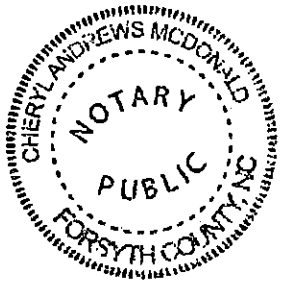
Date: November 28, 2023

Notary Public

Cheryl Andrews McDonald

Print Name

My commission expires: 03-01-2027



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State of ~~North Carolina~~ Florida - County of Monroe

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: Claire Thompson Tuttle.

Date: 11·30·2023

Notary Public State of Florida
Gregory S. Oropeza
My Commission
HH 278835
Exp. 7/1/2026

Notary Public

Print Name

My commission expires: _____

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Exhibit "A"

TRACT ONE:

BEING all of Lot No. 3, containing 13.37 acres, as shown on that plat entitled "Minor Subdivision & Recombination Survey for Bonzetta Winkler" by Donald G. Bolick, PLS, dated April 12, 2005, which map is recorded in Plat Book 27 at Pages 285-287 in the Office of the Register of Deeds for Burke County, North Carolina, to which said plat reference is hereby made for a more complete description. Together with and subject to all easements and rights of way referenced in Deed Book 1749 at Page 335 in the Office of the Register of Deeds for Burke County, North Carolina.

TRACT TWO:

BEING all of Lot No. 2, containing 5.19 acres, as shown on that plat by Donald G. Bolick, PLS, dated 10/26/06, which map is recorded in Plat Book 32 at Page 132 in the Office of the Register of Deeds for Burke County, North Carolina, to which said plat reference is hereby made for a more complete description. Together with and subject to all easements and rights of way referenced in Deed Book 1749 at Page 339 in the Office of the Register of Deeds for Burke County, North Carolina.

Prepared by: City Attorney, Timothy Swanson
City of Hickory, P.O. Box 398, Hickory, NC 28603-0398

ANNEXATION ORDINANCE NO. 524

VOLUNTARY ANNEXATION ORDINANCE (NON-CONTIGUOUS)

City of Hickory

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

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

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

WHEREAS, the City Clerk has certified to the sufficiency of said request, and a public hearing on the question of this annexation was held in the Council Chamber of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina, at 6:00 p.m. on the 15th day of September 2026; and

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

a. The nearest point on the proposed satellite corporate limits is not more than three miles from the corporate limits of the City of Hickory.

b. No point on the proposed satellite corporate limits is closer to another city than to the City of Hickory.

c. The areas described are so situated that the City will be able to provide services on the same basis within the proposed satellite corporate limits that it provides within the primary corporate limits.

d. No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation.

e. The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, will not exceed ten percent (10%) of the area within the primary corporate limits of the City of Hickory.

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

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

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

Section 1. By virtue of the authority granted by G.S. 160A-58.2, as amended, the following-described non-contiguous territory is hereby annexed and made a part of the City of Hickory as of the 30th day of September 2026:

Satellite Annexation
of the City of Hickory property located at
970 Airport Rhodiss Rd. Hickory, N.C. 28601
964 Airport Rhodiss Rd. Hickory, N.C. 28601
and Lot 2 Plat Book 32 at Page 132

Those certain parcels or tracts of land lying and being about 3.70 miles northwest of the center of the City of Hickory. Bounded on the north by Lake Hickory; on the east the lands of Cathy Darlene Winkler as described in Deed Book 1462 at Page 132, Stacy Winkler Morgan as described in Deed Book 1462 at Page 711 and Sia T. Yang and wife Ye X. Yang as described in Deed Book 1666 at Page 869; on the south by the lands of Henry Oliver Landry as described in Deed Book 2745 at Page 159, Michael L. Hart as described in Deed Book 2225 at Page 934 and Deed Book

810 at Page 487; on the east by the lands of Derrick C. Paparone and wife Alice H. Paparone as described in Deed Book 1563 at Page 198 and Deed Book 1698 at Page 467, Gwyn Wesley Wilson as described in Deed Book 2403 at Page 343, C. Rice and Associates, LLC as described in Deed Book 2841 at Page 773, Ronald B. Herman as described in Deed Book 2028 at Page 855, Monroe Levi Keller as described in Deed Book 723 at Page 174, Monroe Levi Keller and James Russell Keller as described in Deed Book 730 at Page 402 and Harvey Phil Houser as described in Deed Book 2116 at Page 967 and more particularly described as follow, to wit.

Beginning at a point in Airport Rhodiss Rd. and in the north line of the Henry Oliver Landry lands as described in Deed Book 2745 at Page 159, said point being located South 09 degrees 39 minutes 29 seconds West 22.50 feet from a ½" rebar, said rebar having N.C. grid coordinates (NAD 83/2011) of N 738,020.50, E 1,287,966.38 and running thence, with Airport Rhodiss Rd. and the north line of Landry, North 80 degrees 06 minutes 03 seconds West 65.02 feet to a point; thence, North 80 degrees 08 minutes 51 seconds West 17.73 feet to a point; thence, North 81 degrees 57 minutes 22 seconds West 99.00 feet to a point; thence, leaving Airport Rhodiss Rd., South 87 degrees 02 minutes 26 seconds West, passing a ½" rebar, the northwest corner of Landry and the northeast corner of the Michael L. Hart lands as described in Deed Book 2225 at Page 934, at 90.43 feet, for a total distance of 92.83 feet to a 1" pipe; thence, with the north line of Hart, South 67 degrees 53 minutes 22 seconds West 99.10 feet to a 1" x 1 ¼" flat iron, the northeast corner of the Michael L. Hart lands as described in Deed Book 810 at Page 487; thence, with the north line of Hart, South 66 degrees 42 minutes 31 seconds West 89.97 feet to ½" rebar; thence, North 29 degrees 50 minutes 55 seconds East, passing a ½" rebar at 73.06 feet, said rebar being located North 83 degrees 33 minutes 38 seconds West 30.87 feet from a right-of-way monument, a total distance of 116.05 feet to a 5/8" rebar, the southeast corner of the Derrick C. Paparone and wife Alice H. Paparone lands as described in Deed Book 1563 at Page 198; thence, with east line of Paparone the following calls: North 00 degrees 02 minutes 08 seconds East 19.38 feet to a point in Airport Rhodiss Rd.; thence North 05 degrees 45 minutes 44 seconds East 38.04 feet to a 1" pipe, said pipe being located South 89 degrees 20 minutes 53 seconds West 60.32 feet from a right-of-way monument; thence N 14 degrees 07 minutes 12 seconds East 57.49 feet to a point; thence North 22 degrees 22 minutes 53 seconds East 26.49 feet to a point; thence North 00 degrees 12 minutes 07 seconds East 72.13 feet to a point; thence North 23 degrees 06 minutes 16 seconds West, passing a 5/8" rebar at 29.29 feet, a total distance of 60.12 feet to a point; thence North 15 degrees 15 minutes 08 seconds East 31.44 feet to a point; thence North 17 degrees 32 minutes 58 seconds West 70.95 feet to a point; thence North 27 degrees 12 minutes 54 seconds West 51.45 feet to a point; thence North 34 degrees 21 minutes 58 seconds West 80.92 feet to a nail at the base of a 1" pipe; thence North 27 degrees 01' 14" West 45.96 feet to a 1" pipe, the southernmost corner of the Gwyn Wesley Wilson lands as described in Deed Book 2403 at Page 343; thence, with the south line of Wilson, North 18 degrees 18 minutes 52 seconds East 80.08 feet to a point in Drowning Creek; thence with the

run of Drowning Creek the following calls: with the southeast line of Wilson, North 56 degrees 49 minutes 42 seconds East 50.00 feet to a point; thence North 56 degrees 44 minutes 37 seconds East 256.19 feet to a point in the southeast line of the C. Rice and Associates, LLC lands as described in Deed Book 2841 at Page 773; thence, with the east line of C. Rice and Associates, LLC and the Ronald B. Herman lands as described in Deed Book 2028 at Page 855 and the Monroe Levi Keller lands as described in Deed Book 723 at Page 174, North 18 degrees 59 minutes 04 seconds East 226.00 feet to a point in the east line of Keller; thence with the east line of the Monroe Levi Keller and James Russell Keller lands as described in Deed Book 730 at Page 402 and the Harvey Phil Houser lands as described in Deed Book 2116 at Page 967, North 01 degrees 07 minutes 41 seconds West 357.00 feet to a point; thence North 19 degrees 42 minutes 19 seconds East 87.26 feet to a point at the mouth of Drowning Creek, the northwest corner of Tract 1 of the City of Hickory lands as described in Deed Book 2718 at Page 667; thence, along the bank of Lake Hickory, South 66 degrees 23 minutes 17 seconds East 805.28 feet to a ¾" pipe; thence South 75 degrees 21 minutes 37 seconds East 377.29 feet to a point in Lake Hickory; thence North 78 degrees 32 minutes 23 seconds East 90.98 feet to a point in Lake Hickory, the northeast corner of Tract 2 of the City of Hickory lands and the northwest corner of the Cathy Darlene Winkler as described in Deed Book 1462 at Page 132; thence, with the west line of Winkler, South 12 degrees 00 minutes 51 seconds West 600.41 feet to a point in the Duke Energy right-of-way, in the north line of the Stacy Winkler Morgan lands as described in Deed Book 1462 at Page 711; thence, with the Duke Energy right-of-way and the north line of Morgan, North 61 degrees 09 minutes 26 seconds West 294.73 feet to a ¾" pipe in the Duke Energy right-of-way and the easternmost corner of the Sia T. Yang and wife Ye X. Yang lands as described in Deed Book 1666 at Page 869; thence, with the northeast line of Yang, North 07 degrees 43 minutes 54 seconds West 41.61 feet to a 1/2" rebar, the northeast corner of Yang in the north line of the Duke Energy right-of-way; thence, with the north line of Yang and Duke Energy, North 61 degrees 17 minutes 29 seconds West 171.43 feet to a nail at a ½" rebar, the southeast corner of Tract 2 of the City of Hickory lands as described in Deed Book 2718 at Page 667; thence, continuing with the north line of Yang and Duke Energy, North 61 degrees 11 minutes 43 seconds West 313.67 feet to a nail at a ½" rebar, the northwest corner of Yang in the north line of the Duke Energy right-of-way; thence, with the west line of Yang, South 09 degrees 39 minutes 29 seconds West 884.63 feet to a ½" rebar; thence, continuing with the west line of Yang, South 09 degrees 39 minutes 29 seconds West 22.50 feet to the point of beginning. Containing 24.39 acres more or less.

This description was drawn from a map by James E. Carswell, P.L.S. L-4494, titled "Satellite Annexation of the City of Hickory property located at 970 Airport Rhodiss Rd. Hickory, N.C. 28601, 964 Airport Rhodiss Rd. Hickory, N.C. 28601 and Lot 2 Plat Book 32 at Page 132" dated August 14, 2026.

Section 2. Upon and after the 30th day of September 2026, the above-described territory and its citizens and property shall be subject to all debts, laws, ordinances,

and regulations in force in the City of Hickory and shall be entitled to the same privileges and benefits as other parts of the City of Hickory. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10, as amended.

Section 3. The newly-annexed territory described herein shall become part of Ward No. 5 of the City of Hickory.

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

ADOPTED THIS 15TH DAY OF SEPTEMBER 2026.

_____
Hank Guess, Mayor

_____
Warren Wood, City Manager

CERTIFICATION OF ANNEXATION ORDINANCE

NORTH CAROLINA
CATAWBA COUNTY
CITY OF HICKORY

I, Debbie D. Miller, City Clerk of the City of Hickory, North Carolina, do hereby certify that the Annexation Ordinance of the City of Hickory as adopted at a regular meeting of the Hickory City Council held on September 15, 2026, and that said Ordinance is in full force and effective on September 30, 2026.

_____
City Clerk

NORTH CAROLINA
CATAWBA COUNTY

I, _____, a Notary Public in and for said County and State, do hereby certify that Debbie D. Miller, City Clerk for the City of Hickory, personally appeared before me this date and acknowledged the due execution of the foregoing certificate for the purposes therein expressed.

Witness my hand and notarial seal, this _____ day of _____, 2026.

_____
Notary Public

My Commission Expires: _____