

A G E N D A
HICKORY CITY COUNCIL

June 18, 2024



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

June 18, 2024
6:00 p.m.

- I. Call to Order
- II. Invocation by Retired Minister Cliff Moone
- III. Pledge of Allegiance
- IV. Special Presentations
 - A. Recognition of Retiring Deputy City Attorney Arnita Dula
- V. Persons Requesting to Be Heard
- VI. Approval of Minutes
 - A. Regular Meeting of June 4, 2024. **(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 22. **(First Reading Vote: Unanimous)**
 - B. Consideration of Rezoning Petition 24-09 for Property Located at 2301 21st Avenue NE, Owned by the City of Hickory. **(First Reading Vote: Unanimous)**
 - C. Consideration of the City Manager's FY2024-2025 Recommended Budget. **(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 the 2024 Urgent Repair Program Assistance Policy and Procurement and Disbursement Policy. **(Exhibit VIII.A.)**

In January of 2024, the City of Hickory Community Development Division applied for funding through the North Carolina Housing Finance Agency's Urgent Repair Program. The City of Hickory has been awarded \$120,000 through this program in order to assist approximately 8 very low-income homeowners with urgently needed repairs in an amount not to exceed \$12,000 per housing unit. The City of Hickory will provide an additional \$5,000 in matching funds, which are available from Rental Rehabilitation program income. The total program budget will be \$125,000. NC Housing Finance Agency requires the City of Hickory to prepare Assistance and Procurement Policies. These policies must be made

available to the public and explain the guidelines of the URP24 program. These policies incorporate program requirements, applicant eligibility standards, and program capabilities. Upon approval, these policies will be submitted to the NC Housing Finance Agency (NCHFA) in order to finalize the City's grant agreement. Upon receipt and final acceptance by NCHFA, funds will be dispersed to the City of Hickory in order to begin repairs to eligible homes. Staff recommends approval of the post approval documentation and the URP Assistance Policy and Procurement and Disbursement Policy.

- B. Approval of a Resolution to Cancel the Regularly Scheduled City Council Meeting on July 2, 2024. **(Exhibit VIII.B.)**
- C. Approval of a Resolution to Declare Surplus 2,640 Discarded Library Items to be Given to the Friends of the Library to be Sold at the Friends "Corner Book Store" at Patrick Beaver Memorial Library and/or Special Book Sales. **(Exhibit VIII.C.)**

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

Public Notice was posted June 4, 2024.

- D. Approval to Accept the Governor's Highway Safety Program Grant in the Amount of \$26,000. **(Exhibit VIII.D.)**

The Hickory Police Department requests approval to accept the Governor's Highway Safety Program Grant in the amount of \$26,000 for officer overtime traffic enforcement. The Hickory Police Department is committed to reducing motor vehicle crashes, especially those involving injury and death. The overtime grant will fund extra duty efforts by the Hickory Police Department to conduct operations that will involve highly visible traffic enforcement for speeding, occupant protection devices, and other traffic violations. Conducting these traffic enforcement operations will allow Hickory Police Department to address the rising trend in motor vehicle crashes involving injury or death. The Hickory Police Department will use these funds to pay officers to work on these highly visible traffic enforcement operations and focus on speeding, occupant protection devices, and intersection traffic violations. The Hickory Police Department recommends acceptance of the Governor's Highway Safety Program Grant for officer overtime traffic enforcement in the amount of \$26,000. There are no matching funds required.

- E. Approval of the Agreement for Professional Services with Thomas-Gordan-Shook (TGS) Consulting Engineers in the Amount of \$198,825.25, Contingent on North Carolina Department of Transportation (NCDOT) Approval. **(Exhibit VIII.E.)**

Staff requests Council's approval of an Agreement for Professional Services with Thomas-Gordon-Shook (TGS), Consulting Engineers for preliminary engineering and design services related to the Aviation Museum Connector Multi-Use Trail Project – BL-0115 in the amount of \$198,825.25, contingent on North Carolina Department of Transportation (NCDOT) approval. The City applied for and received State Transportation Block Grant - Directly Attributable (STBG-DA) funding approval for \$2,400,000 with a 20% match of \$600,000, from the Greater Hickory MPO and North Carolina Department of Transportation (NCDOT) for the Aviation Museum Connector Multi-Use Trail. The multi-use trail will connect the Aviation Museum to the Aviation Walk Connector and the rest of the Hickory

Trail System. The location of the proposed Aviation Museum is currently not served by sidewalk or other bicycle or pedestrian facilities. Aviation Museum Connector would link the new Aviation Museum to the rest of the Hickory Trail System and give visitors and citizens of Hickory a bike/ped option to enjoy the facility. The new museum building will also house the Catawba Valley Community College (CVCC) Workforce Innovation Center. The proposed trail will connect the Appalachian State University (ASU) Campus with the CVCC Workforce Innovation Center and will support shared educational opportunities. Preliminary engineering is needed to design the Aviation Museum Connector. Staff requests Council's approval of an Agreement for Professional Services with Thomas-Gordon-Shook (TGS), Consulting Engineers in the amount of \$198,825.25, contingent on NCDOT approval.

- F. Approval to Write-off Uncollectible Accounts for Fiscal Year 2023-2024 in the Amount of \$171,767.69 in Accordance with North Carolina General Statutes. **(Exhibit VIII.F.)**

Staff requests the City Council's approval to write off uncollectible accounts totaling \$171,767.69. In accordance with the North Carolina General Statutes, a list of accounts to be written off is submitted for Council's approval each year, in conjunction with the annual audit. North Carolina General Statutes establish that all street assessments, demolitions, nuisance violations, and property taxes that are over ten years old are no longer collectible and should be written off in conjunction with the annual audit. For the current fiscal year 2023-2024, there was \$14,116.36 in unpaid property taxes which exceed the ten-year limitation. The City of Hickory's Accounting Division requires all other accounts that are over eighteen months in arrears be written off to comply with "Generally Accepted Accounting Principles" in order to more fairly represent financial assets of the City on the balance sheet. For the current fiscal year, this amount is \$157,651.33. Current fiscal year write-offs total \$171,767.69, compared to \$138,207.07 for FY 2022-2023. Even though these accounts will be written off, the Finance Department will continue to pursue collection of the debts. All eligible accounts over \$50 are submitted to the North Carolina Debt Setoff Program for collection. As of May 21, 2024, the City of Hickory has collected \$21,230.18 from the garnishment of North Carolina State income tax refunds and North Carolina State lottery winnings during this current fiscal year. Staff recommends approval to write-off uncollectible accounts for Fiscal Year 2023-2024.

- G. Approval of the Citizens Advisory Committee Recommendations 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 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. The following requests were considered by the Citizens' Advisory Committee at a regular meeting on June 6, 2024.

- Maudie Hewitt, 232 10th Avenue SE, Hickory, was recommended for approval of a Housing Rehabilitation Loan. The Citizens' Advisory Committee recommends approval for assistance not to exceed \$25,000 for repairs to her house. Assistance would be in the form of a 0% interest deferred loan.
- Tammy Conley, 433 3rd Street SW, Hickory, was recommended for approval of up to \$12,000 under the City of Hickory's 2023 Urgent Repair Program.
- Maudie Hewitt, 232 10th Avenue SE, Hickory was recommended for approval of up to \$12,000 under the City of Hickory's 2023 Urgent Repair Program.

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

- H. Approval of the Issuance of Pyrotechnic Display Permit to PyroStar Entertainment for a Fireworks Display at the Hickory Motor Speedway. **(Exhibit VIII.H.)**

Staff requests approval of the issuance of a pyrotechnic display permit to PyroStar Entertainment for fireworks display at Hickory Motor Speedway. Kevin Piercy, General Manager of Hickory Motor Speedway, has submitted requests to obtain permission to conduct public fireworks display on the following date July 13, 2024 (rain date October 5, 2024). 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, 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 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.

- I. Approval of Change Order 1 with Neill Grading and Construction Co., Inc. for Trivium East Road Widening and Traffic Signal Design Project in the Amount of \$37,218.50. **(Exhibit VIII.I.)**

Staff requests the Council's approval of change order number one with Neill Grading and Construction Co., Inc. for Trivium East Road Widening and Traffic Signal Design project in the amount of \$37,218.50. This project was designed in 2023 to meet the 2018 North Carolina Department of Transportation (NCDOT) Standard Specifications. After the project was bid the traffic signal plans were required to be updated to the 2024 NCDOT Standard Specifications. The change to 2024 NCDOT Standard Specifications changed the mast arm pole and signalization design, resulting in an increase in price. The costs will be split 50/50 with Catawba County and the City of Hickory. Staff recommends Council's approval of change order number one with Neill Grading and Construction Co., Inc. for Trivium East Road Widening and Traffic Signal Design project in the amount of \$37,218.50.

- J. Approval of a Grant Agreement with the North Carolina Department of Public Safety for Supplemental Grant Funds Under the NCEM Disaster Relief and Mitigation Grant in the Amount of up to \$736,523. **(Exhibit VIII.J.)**

Staff requests the Council's approval of a Grant Agreement between North Carolina Department of Public Safety (NCDPS) and the City of Hickory for supplemental grant funds under the NCEM Disaster Relief and Mitigation grant in the amount of up to \$736,523. On January 21, 2024, Public Utilities applied for supplemental grant funding for an Emergency Management Disaster Relief and Mitigation grant through the NC Department of Public Safety. NCDPS approved this application and awarded the City of Hickory a grant in the amount of up to \$736,523 on May 3, 2024, for flood hardening and streambank restoration along Snow Creek at the Snow Creek Pump Station. Staff recommends Council's approval of a Grant Agreement between NCDPS and City of Hickory for supplemental grant funds under the NCEM Disaster Relief and Mitigation grant in the amount of up to \$736,523.

- K. Approval of a Grant Agreement with the North Carolina Department of Public Safety for Supplemental Grant Funds Under the NCEM Disaster Relief and Mitigation Grant in the Amount of up to \$901,609. **(Exhibit VIII.K.)**

Staff requests the Council's approval of a Grant Agreement between the North Carolina Department of Public Safety (NCDPS) and the City of Hickory for supplemental grant funds under the NCEM Disaster Relief and Mitigation grant in the amount of up to \$901,609. On January 21, 2024, Public Utilities applied for supplemental grant funding for an Emergency Management Disaster Relief and Mitigation grant through the NC Department of Public Safety. NCDPS approved this application and awarded the City of Hickory a grant in the amount of up to \$901,669 on May 3, 2024, for flood hardening and streambank restoration

along Falling Creek at the Northeast Wastewater Treatment Facility. Staff recommends Council's approval of a Grant Agreement between NCDPS and City of Hickory for supplemental grant funds under the NCEM Disaster Relief and Mitigation grant in the amount of up to \$901,609.

L. Budget Revision Number 23. **(Exhibit VIII.L.)**

1. To appropriate \$171,744 in opioid revenues received during Fiscal Year 2024.
2. To reimburse \$531,000 to General Fund Balance from the CVCC Workforce Innovation Center for the CVCC matching grant as a result of additional state funding.
3. To reverse the funding of \$200,000 for the future Fairgrove Church Road Industrial Park Project until construction bids are received.
4. To appropriate \$40,000 in additional Fire Department revenues and transfer \$9,100 from the Rural Fire District budget to install a diesel exhaust system in Fire Station #4.
5. To appropriate \$736,523 in supplemental FEMA grant revenues for the Snow Creek Pumpstation Project.
6. To appropriate \$901,609 in supplemental FEMA grant revenues for the Northeast Wastewater Treatment Facility Project.
7. To appropriate \$37,219 towards the Trivium East Project to cover increased construction costs. \$18,609 will come from General Fund Balance. The other \$18,610 will come from Catawba County.

M. Approval of the Sale of City-Owned Property Located On Amity Street To SPA Properties, LLC. **(Exhibit VIII.M.)**

The City owns approximately 39.78-acres of property located on Amity Street in Fairgrove Business Park. The property is further identified on the Catawba County Tax Maps as PINs 372116821582 and 372120718859. The City has owned this property since 2002. The property has been marketed for sale on the Catawba County Economic Development Corporation website for the past several years at an asking price of \$25,000 per acre. SPA Properties, LLC has offered \$25,000 per acre to purchase the property for future development. A sale to the private sector will place the property back on the property tax roll and allow for future development. The property is zoned Industrial (IND) and could be developed for a variety of distribution and manufacturing uses. North Carolina General Statutes require that surplus property be sold competitively. The property would need to be sold subject to the upset bid statute and allow other interested parties to bid on the property after the City Clerk places a public notice in the newspaper. Staff recommends that City Council adopt a Resolution accepting the offer from SPA, LLC and authorize staff to advertise for upset bids.

IX. Items Removed from Consent Agenda

X. Informational Item

XI. New Business

A. Public Hearings

1. Consideration of the Community Development Block Grant FY 2024-2025 Annual Action Plan – Presented by Community Development Specialist, Anna Beth Walker. **(Exhibit XI.A.1.)**

In program year 2024, the City of Hickory will receive \$340,621 through the U.S. Department of Housing and Urban Development, and approximately \$25,000 in program income from repayments of loans made with Community Development Block Grant (CDBG) funds for a total of \$365,621. Funds will be used to develop stronger communities by providing decent housing, creating suitable living

environments, and expanding economic opportunities, principally for people of low and moderate incomes. The City of Hickory's 2020-2024 Consolidated Plan is updated on an annual basis through the development of an Annual Action Plan. This plan sets priorities among these needs and sets out an action plan for use of available funds on a yearly basis. This provides for flexibility in determining priorities as the needs of the community change from year to year. The 2024 Annual Action Plan will be submitted to the U.S. Department of Housing and Urban Development upon approval by the Hickory Council. The plan will serve as the City's strategy for administering 2024 federal funds for community development and housing. The proposed budget line items are as follows: Housing Rehab/Purchase Rehab Program - \$125,000; Public Infrastructure and Facility Improvements - \$115,000; Small Business Assistance Program - \$4,000; Public Service Activities - \$60,000; Contingency - \$7,921; Program Administration and Fair Housing - \$53,700; Total CDBG - \$365,621. The Citizen's Advisory Committee reviewed the draft action plan at their meeting on June 6, 2024 and recommended approval of the proposed budget.

The public hearing was advertised in a newspaper having a general circulation in the Hickory area on May 16, June 6, and June 18, 2024.

B. Departmental Reports

1. Appointments to Boards and Commissions

BUSINESS DEVELOPMENT COMMITTEE

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

At-Large (Council Appoints)	VACANT
At-Large (Council Appoints)	VACANT

CITIZENS ADVISORY

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

At-Large (Council Appoints)	VACANT
At-Large (Council Appoints)	Vickie Wiley Eligible for Reappointment

COMMUNITY APPEARANCE COMMISSION

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

Ward 1 (Wood Appoints)	Lynn Sampson Eligible for Reappointment
At-Large (Outside City but within HRP) (Council Appoints)	VACANT

COMMUNITY RELATIONS COUNCIL

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

African American (Council Appoints)	Lakeisha Ross-Johnson Eligible for Reappt.
Caucasian (Council Appoints)	VACANT
Caucasian (Council Appoints)	VACANT
Caucasian (Council Appoints)	VACANT
Other Minority (Council Appoints)	VACANT
Other Minority (Council Appoints)	VACANT
Differently-abled (Council Appoints)	George Rhinehardt Eligible for Reappt.

EDC BOARD OF DIRECTORS FOR HICKORY

(Terms Expiring 6-30; 3-Year Terms with Unlimited Appointments)

(Appointed by City Council)

Hickory Representative	Frank Young Eligible for Reappointment
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HICKORY REGIONAL PLANNING COMMISSION

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

Ward 1 (Wood Appoints)	Bill McBrayer Eligible for Reappointment
Ward 4 (Freeman Appoints)	Sam E. Hunt Eligible for Reappointment

Burke County Representative (Mayor Appoints with Recommendation from Burke County) VACANT
Catawba County Representative (Mayor Appoints with Recommendation from Catawba County) Catawba County Commissioners Approved the Reappointment of William Pekman.

HISTORIC PRESERVATION COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Historic Properties Owner (Council Appoints) VACANT
Building Trades Profession (Council Appoints) VACANT
Recommendation of Adam Oakley as Building Trades Profession
Licensed Architect (Council Appoints) Ernest K. Sills Eligible for Reappointment
At-Large (2) (Council Appoints) VACANT
At-Large (3) (Council Appoints) Samuel E. Hunt Eligible for Reappointment

Alderman Zagaroli to Nominate Brett Shoemaker as At-Large (2) Representative on the Historic Preservation Commission.

LIBRARY ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 2 (Williams Appoints) VACANT
Ward 3 (Seaver Appoints) Pamela Kiefer Eligible for Reappointment
Ward 6 (Patton Appoints) Charlie Hayes Eligible for Reappointment
At Large (3) (Mayor Appoints) Jennie Nichols Dulin Eligible for Reappointment

Aldерwoman Williams to Nominate Suzanne Williams as Ward 2 Representative on the Library Advisory Board.

PARKS RECREATION AND SPORTS TOURISM

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 1 (Wood Appoints) Susan Bisulca Eligible for Reappointment
Ward 5 (Zagaroli Appoints) Robert Grimes Eligible for Reappointment
Ward 6 (Patton Appoints) Charlie Hayes Eligible for Reappointment
At-Large Minority (1) (Council Appoints) Phyllis Michaux Eligible for Reappt.

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 1 (Wood Appoints) VACANT
At-Large (Mayor Appoints) VACANT
At-Large (Mayor Appoints) Dana Andreasson Eligible for Reappointment

PUBLIC HOUSING AUTHORITY BOARD

(Terms Expiring 6-30; 5-Year Terms) (Appointed by Mayor)
Position 5 Sherry Griffin Eligible for Reappointment

RECYCLING ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 4 (Freeman Appoints) VACANT
Ward 5 (Zagaroli Appoints) VACANT
Ward 6 (Patton Appoints) VACANT
At-Large (Council Appoints) VACANT
At-Large (Council Appoints) VACANT

SALT BLOCK FOUNDATION

(Terms Expiring 6-30; 2-Year Terms) (Appointed by City Council)
Hickory Representative (Council Appoints) Alderman Zagaroli Eligible for Reappt.

UNIVERSITY CITY COMMISSION

(Terms Expiring 6-30; 2-Year Terms) (Appointed by City Council)
At-Large Not Including ETJ (Council Appoints) Taylor Newton Eligible for Reappt.

Alderwoman Williams to Nominate Taylor Newton for Reappointment to the University City Commission as an At-Large Representative.

WESTERN PIEDMONT REGIONAL TRANSIT AUTHORITY POLICY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appoint by City Council)
Karen Dickerson – Delegate
John Marshall – Alternate

YOUTH COUNCIL

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

Youth Council Applicant Review Committee Recommends the Following Appointments:

At-Large	Aastha Patel
At-Large	Anthem Avangeline
At-Large	Britney Zulueta
At-Large	Ella Sprinkle
At-Large	Melinda Cassell
At-Large	Nolan Tester
At-Large	Terry Liu
At-Large	Yareli Garcia
At-Large	Emma Sparks
At-Large	Addison Duke
Fred T. Foard	Kathryn Cinson
Hickory High School	Cole Caudle
Hickory High School	Abbi Smith
Hickory High School	Elizabeth Cruz
Hickory High School	Harper White
Hickory High School	Miriam Wood
Hickory High School	VACANT
Hickory High School	VACANT
St. Stephens High School	Amelia Gscheidmeier
St. Stephens High School	Tucker Bland
St. Stephens High School	Addison Cox
St. Stephens High School	Sarah Starr
St. Stephens High School	Brenna Laney
St. Stephens High School	Connor Dowdle
St. Stephens High School	Krish Shah
Challenger High School	Harley Buff
Hickory Career & Arts Magnet	Micaela Pope
Private School	Aliza Kaplan
Private School	Caroline Sprinkle
Homeschool	VACANT

C. Presentation of Petitions and Requests

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

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

XIV. Adjournment

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

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

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

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, June 4, 2024 at 6:00 p.m., with the following members present:

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

A quorum was present.

Also present were City Manager Warren Wood, Deputy City Manager Rodney Miller, Assistant City Manager Rick Beasley, Assistant City Manager Yaidee Fox, Deputy City Attorney Arnita Dula, 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 with the arrival of Alderman Seaver at 6:02 p.m.
- II. Invocation by Reverend Steve Caldwell, Mt. Zion Baptist Church
- III. Pledge of Allegiance
- IV. Special Presentations

Frye Regional Medical Center CEO, Dr. Philip Greene - Presentation of the 2023 Community Benefit Report

Mayor Guess asked Frye Regional Medical Center CEO, Dr. Philip Greene to the podium for the presentation of the 2023 Community Benefit Report.

Frye Regional Medical Center CEO, Dr. Philip Greene presented a PowerPoint presentation. He thanked Council for allowing him the time to present. He referred to the mural on the Council Chambers wall and thanked the Council for having a photo of the hospital on the wall. It helped them with presentation as having a photo of the hospital up on the wall. He discussed what they do for the community to give them a better picture of the impact that Frye has on the community. He advised Frye was a part of the Duke LifePoint family of hospitals, which encompassed hospitals from North Carolina all the way up to the upper peninsula of Michigan. Frye had been a hospital in this community since 1911, over 100 years old.

Mayor Guess commented that many people in this building were probably born there.

Dr. Greene commented that was right. He had a great conversation with a doctor in the community who said, "when I started to deliver the grandchildren of babies I had delivered, I knew it was time to retire". He thought that Dr. Frye could probably say the same thing. They were a 355 acute care hospital with services encompassing neurosurgery, cardiovascular surgery, cardiology, general surgery, orthopedics, level three NICU, and women's center. They also have a 32-bed emergency department, a 29-bed inpatient rehab unit, a 15-bed surgical suite, and an 81-bed psychiatric hospital. In their community of providers, they have 80 employed physicians and a little over 455 physicians that were on staff at Frye. He referred to the PowerPoint and displayed a photo of their leadership team, which included Dr. Greene; Lindy White, their Chief Operating Officer; John Bostwick, who was their Chief Financial Officer; Bridget Denzik, who was their Chief Nursing Officer; and Rebekah Artman, who was their Assistant Chief Nursing Officer in a training program with the hospital. Their Board of Trustees was chaired by Doctor Peter Bradshaw. Most of them probably knew his name, as he had been in the community a long time. They had representation from their physician community, as well as from their partner at Duke and Doctor Fred Whitt from Lenoir-Rhyne. The hospital had a dedicated, compassionate team, 1,460 employees, 81 of those were physician or advanced practice employees. As he mentioned, 445 affiliated members of their medical staff. He referred to the photo on the PowerPoint and pointed out Mark Ishak, one of their neurosurgeons. Their mission as a hospital was to make their community healthier, both through investing in the community as well as the well-being of the community. He would discuss their core values later in the presentation. Really providing compassionate, accessible care to patients and their families. They looked at the community as beyond the Catawba Valley Region. They really aspire to be a regional referral center. They were talking before the meeting about the helipad that was now up and running on the top of their parking garage that had been able to serve patients from outside the direct area of Hickory for some of the services that they provide.

Dr. Greene referred to the PowerPoint slide which displayed all of their locations to give them an idea of the breadth of where they operate, from Boone all the way down to Rutherford, they had offices and quite a few offices in the Hickory area, including family practice, and their subspecialty care practices including an urgent care located in Conover. He mentioned their mission was to make communities healthier, and that was always the primary focus of what they do. But they do that through their vision, which was to be a place where people want to come for healthcare. Patients choose to come there, where their providers were excited to come practice their craft every day, and where their employees want to come to work. They launched a group of core values about two years ago, which he was a part of crafting these core values at the national level for the company. He always emphasized to their new employees; these core values were not just words on a paper. These core values were felt and believed all the way to the top of the company in Nashville. That was to champion the patient care that they provide. Doing the right thing, that was one of his favorites. Embracing individuality, acting with kindness, and making a difference

together. Great core values for them to guide. These principles guide them in every decision that they make.

Dr. Greene was excited to see some expansion, both in the community, with 297 new lives birthed at their hospital in 2023. And they just added two additional providers into this practice and their first nurse midwife in their Lenoir office. They were likely to see that number grow every year. Additional lives coming into the Hickory community. Their emergency department served 31,875 patients in 2023, and they were also likely to see growth in that volume this year as well as they improve their services in their emergency department.

Dr. Greene discussed the care that they provide and why it was so important. Mayor Guess was at the launch of their helipad, and some of the feedback they got with that was, they know what Frye does here, but really, does the community outside of Frye know what they do? And do they have access to that care? That was why that helipad was so important. They had always been known as the hospital that does that subspecialty care. They had cardiovascular surgery for over 30-years, neurosurgery for nearly the same amount of time. Those were service lines that they were committed to continuing even though in a hospital of this size, that was somewhat rare to have a hospital with only 355 beds that does those service lines. They felt like it was important to their community, important to those patients that show up, because they all had lived in Catawba County long enough to know that even though Charlotte's close, they do not really want to go there too often unless they have to. You take a patient at the worst moment of their life, when they show up in the emergency department with a cardiovascular emergency, and they tell them they were going to send them down to Charlotte and here are the directions on how to get there. Or they replay that story, and say, they could take care of them right here at home. That was why it was so important to him and why he supports this mission and why they aspire to continue to keep these certifications and these high-quality measures up to speed. He referred to the PowerPoint and displayed a list of the hospital's accreditations and certifications for their review.

Dr. Greene commented that they talk about what quality means and how do they achieve quality within the hospital. He thought it was really important to think about how quality evolves in a hospital system. Probably the most important piece of this was everyone has a voice. They make it very clear to their staff that no matter what was going on, that it was so important for them to have a voice and speak up when they see things that they could improve. But they also really listen to their patients and understand what they need and understand what the community needs. Safety as their highest priority when it comes to their patient care. They also felt it was very important for them to be out there recruiting top notch physicians. He commented that Hickory as a community had made his job a lot easier, because 25-years ago Hickory was a different town, and today, Hickory was a very attractive place for people to relocate. He did not have to do a really extensive sales job on why Hickory was a great place to live. Of course, everybody was advertising Hickory was a great place to live and they hear that coming in, but they see it when they come here. He appreciated all of the work that the City had done to make Hickory such a wonderful place to live. It made it easier to recruit folks to this town and they had some great success getting critical care, sports medicine, family medicine, gastroenterology, infectious disease. He could go on and on with all of the physicians that decided to relocate to Hickory and make this their home.

Dr. Greene mentioned they had a great staff, 1,460 employees. They helped them out with some professional development, every year they spend over \$500,000 on professional development and over \$130,000 in tuition reimbursement because they felt like it was important for them to continue to develop their staff into the high-quality staff that they knew they need to take care of their patients. They also celebrated their staff in many ways. This was probably their most important award as a community of hospitals. He referred to the PowerPoint and displayed a photo of Tennisha Mitchell. If anyone knew her, they would know why she got the Mercy Award for 2023. She was such a light to their community and did great work in their occupational therapy department, and she was their lead in their lymphedema treatment area. If they knew anybody that had suffered with lymphedema, they knew how important it was to get that disease process under good control. She did it with such a great heart. This award was a national award given by Lifepoint. They select one person throughout the entire organization. They had one that had won the national award. Tennisha was second this year on the award, and they were really excited for her.

Dr. Greene discussed the local workforce impact. He mentioned the 1,460 people, they do an employment multiplier to really give an idea of what that does from the standpoint of the impact on the community. That equaled out to about 2,964 jobs in the community provided by the employees that they have working for them. They also look at their payroll impact, and their \$139 million in payroll and benefits equals about \$229 million in impact on the community. They also served JD's barbecue from time to time. He referred to a photo on the PowerPoint of them serving JD's barbecue in the parking lot. They do that for their EMS staff every year. And when they say JD's, they show up. From the standpoint of their charity and uncompensated care, 2023 saw them deliver \$72 million in charity care to their community. He referred to the PowerPoint slide which

included the organizations which they either sponsor or served through donations which included everybody on that list, The Corner Table, the YMCA, the Service League, Salvation Army, and quite a few others.

Dr. Greene discussed their tax base. They contributed approximately \$24 million every year, both in property taxes, provider taxes, payroll taxes, as well as sales tax. They consider that their additional contribution to the community. They were financially strong. They benefit as a company through the larger scale that they were able to provide through the LifePoint organization. He thought that helped them to keep costs down, but it also helped them navigate some of the more complex pieces of healthcare and the regulatory environment that they find themselves in, because as with any industry, healthcare had become increasingly complicated. And they were committed as a company to remaining compliant and with the highest quality standards of ethics and regulatory compliance. They have a great team that works on that for them.

Dr. Greene discussed what was next. He had chatted earlier before the meeting about some of their work in the cardiovascular section. They had done a lot of great work. They had brought online the Watchman Procedure, which was a device that could be inserted in the heart to help reduce the risk of stroke in patients with atrial fibrillation. They were about to do their first case of a closure of the atrial septal defect. In the end of June, they were going to launch their transcatheter aortic valve replacement (TAVR) program, which was replacing the aortic valve through a catheter-based approach. It was really exciting stuff coming to Hickory and to their community. It was their commitment to bringing that high-quality, cutting-edge technology to this community. In their neurosurgery and spine section, they had a Globus robot, which was a robotic approach to doing spine surgery, which helped their surgeons do a minimally invasive approach to that spine surgery. Trying to keep up with the technology and bring those things here. They had done a lot of renovations on their south campus to bring that up to code for the joint commission. They had opened up the last of their 81 beds to be fully occupied on the south campus. This year, they launched their North Carolina Bariatric Institute, which was their combination of both medical and surgical weight loss for patients in the community. A lot of great work going on, and even more to come in 2024. He asked for questions.

Mayor Guess asked if the Council had any questions for Doctor Greene.

Alderman Wood commented they talk a lot about quality of life here, healthcare was the foundation of that, it was the cornerstone of it. He thanked him for everything he was doing and everybody at Frye, because it was essential. Having the availability of high-quality healthcare was essential. He thanked him for everything he was doing.

Dr. Greene appreciated that.

Mayor Guess echoed what Alderman Wood said. They were very fortunate to have Frye Hospital as a partner and as part of their community. There were probably not very many people in this room that had not had to use the services that were available there. He and his family had used them. It had always been a pleasant experience, and they were glad to have them in their community.

Dr. Greene thanked the Council.

Council members thanked Dr. Greene.

V. Persons Requesting to Be Heard

A. Ms. Krystal Miller, Property Manager and Resident of One North Center, Hickory, NC, advised she had issues she wished to present. Her first one was a main concern about surrounding businesses and people using their dumpster illegally. It was causing an issue where it was being overloaded, primarily by Randolph's. She had gone over and spoken to them about it and was assaulted by the owner and his daughter. She had to call the police, but she was too afraid to press charges because she was afraid, she would lose her job. She had left them alone. Since then, she has seen other businesses. She had photos. She had seen vehicles pull up, and she had gotten license plate numbers using their dumpster. Residents were fed up with it. People were leaving their labels, businesses across from the coffee shop were leaving their labels on their boxes, filling their dumpster up. The City would not pick their dumpster up if it was overflowing. She had their invoice, and they pay \$943.25 a month for that to be picked up. It was not fair that apparently the City was telling all these surrounding businesses that their dumpster was theirs. Their residents knew this, and all these surrounding businesses were using their dumpster. She did not know why. She had worked at a property before where this had happened, and it had to stop. They paid for that dumpster, and she was coming to Council first. She had talked with Officer Mayhew, who was Code Enforcement. She had done nothing but take

photos. She was on PTO, and she and valet trash had to spend 15 minutes to go through all that trash by hand to get it so that the trash would be picked up. It had to stop. She could not go back to Randolph's. She would not go back there.

Deputy City Clerk Crystal Mundy called three minutes.

Mayor Guess asked if she had any other issues besides the dumpster.

Ms. Miller replied yes.

Mayor Guess moved, seconded by Alderman Freeman to extend Ms. Miller's time. The motion carried unanimously.

Ms. Miller continued. Recently with their residents, they have always been allowed on the parking area on the second floor behind Cowa Sake' and Frothy Rooster, behind their courtyard. That was where they had always had for the past three years, since built, was where they assigned them to have their moving trucks move in. Recently, they all knew that there was a mad ticket lady. She does her job very well. But recently, she ticketed one of their moving trucks. Apparently now she was saying there was some weight limit. She did not know. All of a sudden, after three years. They have nowhere else to put their moving trucks. They were fine with having Cowa Sake', the restaurants, have them move their trucks elsewhere to bring their packages in. That was fine. But their residents had nowhere else to move in. That was the best way for them to move in. They simply pull it in on the side. It was not blocking traffic or anything, but that was the best way for them to move in, and for them to get ticketed or to not be able to move in, they have no other option. That needs to be addressed as well. She was present for their residents. For three years, it had been fine. And all of a sudden, she tickets one after three years, all of a sudden, it cannot be a weight issue. It had been three years. She was present on behalf of her residents. She had been doing this for 19 years. She thanked Council.

City Manager Warren Wood asked if Hickory Police Department Captain Demas and Public Works Director Steve Miller could talk to Ms. Miller out in the lobby about it. It seems like most of those things were related to them.

Mayor Guess advised Ms. Miller they had some officers present, and he was sure they would be happy to discuss her issues with her, at this time or some other time. They would arrange that. Mayor Guess asked if anyone else present wished to be heard. No one else appeared.

VI. Approval of Minutes

A. Regular Meeting of May 21, 2024.

Alderman Seaver moved, seconded by Alderwoman Williams that the Minutes of May 21, 2024 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 Alderman Seaver that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

A. Budget Revision Number 21. (First Reading Bote: 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.

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

A. Called for a Public Hearing to Consider the Community Development Block Grant FY 2024/2025 Annual Action Plan. (Authorized Public Hearing for June 18, 2024, at 6:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).

B. Approved Awarding Retiring MPO Kim Craig her Service Weapon and Badge.

Hickory Police Department requests the City Council award retiring MPO Kim Craig her service weapon (Glock Model - Serial # BUBU435) and badge upon her retirement. MPO Kim Craig retired from the City of Hickory Police Department on March 1, 2024, after completing over 21 years of qualifying service to the citizens of Hickory. By authority of NC General Statutes, City Council may award the service weapon and police badge to MPO Kim Craig upon her retirement from Hickory Police Department. Upon approval from the City Council, the police badge and service weapon will be declared surplus and removed from the City's fixed asset inventory. Staff recommends approval of awarding the service weapon and police badge to MPO Kim Craig upon her retirement from Hickory Police Department.

- C. Approved the Resolution Accepting the Bid and Awarding the Contract to Chatham Civil Contracting, LLC in the Amount of \$2,110,000, Contingent Upon North Carolina Department of Transportation Concurrence for the 17th Street NW Extension.

Staff requests Council's acceptance of the bid and award of the contract for construction of the Project TIP # HL-0004 – 17th Street NW Extension to Chatham Civil Contracting, LLC, in the amount of \$2,110,000, contingent upon North Carolina Department of Transportation (NCDOT) concurrence. The project is funded 80% by North Carolina Department of Transportation 20% by City of Hickory. This new connector will serve as an alternative route to US 321 for local traffic and also provide additional access for the newly planned Appalachian State University Campus. A contractor is needed for the construction of 17th Street NW Extension, including a multi-use path, from 9th Avenue NW to Clement Boulevard NW. The extension would provide a continuous route from US 70 to Clement Boulevard NW and could provide a parallel alternative to US 321. The connection from the 17th Street NE Extension would also provide a safer route for cyclists to reach Aviation Walk that includes a bicycle and pedestrian bridge over US 321 north of Clement Boulevard. Bids were advertised for the project and received on May 9, 2024. Five bids were received and opened, and the results are as follows: Chatham Civil Contracting, LLC – \$2,110,000; Zoladz Construction Company, Inc. – \$3,495,916.75; Kemp Sigmon Construction Company, Inc. - \$2,478,912.35; Neill Grading and Construction Company, Inc. – \$2,259,000; and Mountaineer Contractors, Inc. – \$2,825,976.86. Staff recommends the Council's acceptance and award of the contract for construction of Project TIP # HL-0004 – 17th Street NW Extension to Chatham Civil Contracting, LLC in the amount of \$2,110,000, contingent upon NCDOT concurrence.

RESOLUTION NO. 24-36

RESOLUTION BY HICKORY CITY COUNCIL ACCEPTING THE LOWEST RESPONSIBLE BID FROM CHATHAM CIVIL CONTRACTING, LLC IN THE AMOUNT OF \$2,110,000.00 FOR PROJECT TIP # HL-0004 KNOWN AS 17TH STREET NW EXTENSION

WHEREAS, the City of Hickory received five bids and were publicly opened on May 9, 2024 for the construction of HL-0004.

WHEREAS, in the evaluation of the five bidders, Chatham Civil Contracting, LLC was the apparent responsible low bidder for the Grand Total Bid price of \$2,110,000.00.

WHEREAS, the apparent low bid submitted by Chatham Civil Contracting, LLC has been reviewed for compliance with bidding requirements included in the Bidding and Contract Documents.

WHEREAS, based upon the review of Chatham Civil Contracting, LLC qualifications and other documentation submitted as part of the bid evaluation process, their Bid is considered to be complete and responsive with respect to the bidding requirements for this project.

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

- 1) City Council accepts the bid of \$2,110,000.00 for the construction of Project TIP # HL-0004 – 17th Street NW Extension.
- 2) City Council authorizes the City Manager to execute all contract(s) and any necessary documents, between the contractor and the City for the construction of Project TIP # HL-0004 – 17th Street NW Extension.
- 3) The award of the Contract will be contingent upon the review and approval of the bid documents by the North Carolina Department of Transportation.

D. Approved the Resolution to Direct the Expenditure of Opioid Settlement Funds.

The City of Hickory has joined national settlement agreements with companies engaged in the manufacturing, distribution, and dispensing of opioids. The allocation, use, and reporting of funds stemming from these national settlement agreements and bankruptcy resolutions (“Opioid Settlement Funds”) are governed by the Memorandum of Agreement Between the State of North Carolina and Local Governments on Proceeds Relating to the Settlement of Opioid Litigation (“MOA”) and the Supplemental Agreement for Additional Funds from Additional Settlements of Opioid Litigation (“SAAF”). The City of Hickory has received Opioid Settlement Funds pursuant to these national settlement agreements and deposited the Opioid Settlement Funds in a separate special revenue fund as required by section D of the MOA. Section E.6 of the MOA states that, before spending opioid settlement funds, the local government’s governing body must adopt a resolution that: indicates that it is an authorization for expenditure of opioid settlement funds; states the specific strategy or strategies the municipality intends to fund pursuant to Option A or Option B, using the item letter and/or number in Exhibit A or Exhibit B to identify each funded strategy; and states the amount dedicated to each strategy for a specific period of time. In alignment with the NC MOA and SAAF, the City of Hickory authorizes the expenditure of opioid settlement funds as set out in the Resolution. The total dollar amount of Opioid Settlement Funds appropriated across the above named and authorized strategies is \$100,000.

RESOLUTION 24-37
A RESOLUTION BY THE CITY OF HICKORY
TO DIRECT THE EXPENDITURE OF OPIOID SETTLEMENT FUNDS

WHEREAS the City of Hickory has joined national settlement agreements with companies engaged in the manufacturing, distribution, and dispensing of opioids.

WHEREAS the allocation, use, and reporting of funds stemming from these national settlement agreements and bankruptcy resolutions (“Opioid Settlement Funds”) are governed by the Memorandum of Agreement Between the State of North Carolina and Local Governments on Proceeds Relating to the Settlement of Opioid Litigation (“MOA”) and the Supplemental Agreement for Additional Funds from Additional Settlements of Opioid Litigation (“SAAF”);

WHEREAS the City of Hickory has received Opioid Settlement Funds pursuant to these national settlement agreements and deposited the Opioid Settlement Funds in a separate special revenue fund as required by section D of the MOA;

WHEREAS section E.6 of the MOA states that, before spending opioid settlement funds, the local government’s governing body must adopt a resolution that:

- (i) indicates that it is an authorization for expenditure of opioid settlement funds; and,
- (ii) states the specific strategy or strategies the municipality intends to fund pursuant to Option A or Option B, using the item letter and/or number in Exhibit A or Exhibit B to identify each funded strategy; and,
- (iii) states the amount dedicated to each strategy for a specific period of time.

NOW, THEREFORE BE IT RESOLVED, in alignment with the NC MOA and SAAF, the City of Hickory authorizes the expenditure of opioid settlement funds as follows:

- 1. Strategy authorized:
 - a. Name of strategy: Recovery Support Services
 - b. Strategy is included in Exhibit A
 - c. Item number in Exhibit A to the MOA: #3
 - d. Amount authorized for this strategy: \$100,000
 - e. Period of time during which expenditure may take place:
Start date: July 1st, 2024 through End date: June 30, 2025
 - f. Description of the program, project, or activity: Community Navigator Program
 - g. Provider: City of Hickory Police Department

The total dollar amount of Opioid Settlement Funds appropriated across the above named and authorized strategies is \$100,000.

E. Approved on First Reading Budget Revision Number 22

ORDINANCE NO. 24-22
BUDGET REVISION NUMBER 22

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, 2024, and for the duration of the Project Ordinance noted herein.

SECTION 1. To amend the General Fund within the FY 2023-24 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture & Recreation	22,428	-
Public Safety	300,000	-
General Government	-	422,000
Other Financing Uses	422,000	-
TOTAL	744,428	422,000

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

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	5,428	-
Restricted Intergovernmental	17,000	-
Other Financing Sources	300,000	-
TOTAL	322,428	-

SECTION 2. To amend the 17th Street Northwest Extension (#546018) Capital Project Ordinance the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Government	2,110,000	-
TOTAL	2,110,000	-

To provide funding for the above, the 17th Street Northwest Extension (#546018) revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	422,000	-
Restricted Intergovernmental	1,688,000	-
TOTAL	2,110,000	-

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

IX. Items Removed from Consent Agenda – None

X. Informational Item

XI. New Business

A. Public Hearings

1. Approved the Voluntary Contiguous Annexation of 12.45-Acres Located at 2301 21st Avenue NE, Hickory, PIN 3713-08-97-7949, Owned by the City of Hickory – Presented by Planning Director Brian Frazier.

Consideration of the voluntary contiguous annexation of 12.45 acres of property located at 2301 21st Avenue NE, identified as PIN 3713-08-97-7949. The property is currently vacant and located within the planning jurisdiction of the City of Hickory and zoned Medium Density Residential (R-3). Properties zoned R-3 can be utilized primarily for residential purposes, at a maximum density of eight single-family dwelling units and ten multi-family dwelling units per acre. If annexed, the City staff requested the property be zoned Office and Institution (OI), with their further intentions being the construction of a City Park. The surrounding properties are zoned R-3 Residential and are occupied by detached single-family residences. Upon analysis, staff has determined the petition meets the statutory requirements

for voluntary contiguous annexation, and adequate public services are available. Staff find the petition to be in conformity with applicable statutes and recommend approval of the petition.

The public hearing was advertised in a newspaper having a general circulation in the Hickory area on May 25, 2024.

Mayor Guess asked City Manager Warren Wood to introduce the public hearing.

City Manager Warren Wood asked Planning Director Brian Frazier to the podium to present Council with the voluntary contiguous annexation of 12.45-acres, located at 2301 21st Avenue NE, owned by the City of Hickory.

Planning Director Brian Frazier gave a PowerPoint presentation. He discussed the voluntary contiguous annexation for the proposed Sandy Pines Park. He referred to the PowerPoint and noted the proposed annexation area. For whatever reason, when the City bought this property numerous years ago, it was not annexed into the City proper, that needed to be done. When Natalie Jackson came on behalf of Mark Seaman and Parks and Recreation a couple meetings ago and talked to Council about the Sandy Pines Master Plan, this was a follow up of that. He referred to the PowerPoint and pointed out the City limits, the annexation area, and the extraterritorial jurisdiction. He referred to a map and pointed out the zoning. This was predominantly R-3, medium density residential. There were some higher density residential areas to the north and west, and some commercial corridor one down to the southeast. He displayed an aerial photo of the property. He pointed out 29th Avenue Drive NE, and the area going south towards McDonald Parkway at I-40 in the Highway 70 corridor. He discussed staff findings and recommendations. They believed that the voluntary annexation petition complied with all applicable statutes, adequate public services were available, and the annexation of the property would not cause public services to fall below acceptable levels. Of course, the reason for the annexation was to connect to City utilities at such time that the current vacant park was developed for public recreational use. Based upon these findings, staff recommended approval of the requested annexation. He asked for questions.

Mayor Guess asked if the Council had any questions for Mr. Frazier. 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.

Alderman Patton moved, seconded by Alderman Williams approval of the voluntary contiguous annexation of 2301 21st Avenue NE. The motion carried unanimously.

ANNEXATION ORDINANCE NO. 502
VOLUNTARY ANNEXATION ORDINANCE (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 (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 Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina, at 6:00 p.m. on the 4th day of June, 2024; and

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

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

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

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

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

Section 1. By virtue of the authority granted by G.S. 160A-58.2, as amended, the following-described contiguous territory is hereby annexed and made a part of the City of Hickory as of the 30th day of June, 2024:

Contiguous Annexation of the City of Hickory Property
located at 2301 21st Avenue NE

That certain parcel or tract of land lying and being about 3.15 miles northeast of the center of the City of Hickory. Bounded on the north by the existing City of Hickory city limits as shown in Plat Book 18 at Page 8, Plat Book 20 at Page 244, Plat Book 23 at Page 202 and the lands of the following: the City of Hickory as described in Deed Book 1496 at Page 668, Wendy L. Yanes-Vasquez as described in Deed Book 3672 at Page 1517, Ivan O. Cortez Lescano as described in Deed Book 3394 at Page 681, Mee Yang and Viddon Yang, husband and wife, as described in Deed Book 3669 at Page 410, Scot Michael Wildman and wife Lindsay Hahn Wildman as described in Deed Book 3339 at Page 398; on the east by the lands of the following: Wayne M. Beyers and Leigh Ann Byers Benson as described in Deed Book 3812 at Page 1778, Patsy L. Martin and husband Gary A. Martin as described in Deed Book 2813 at Page 761, the 60' right-of-way of 21st Avenue NE (S.R. 1438), Daniel Scott Propst and Monica Gantt Propst as described in Deed Book 3013 at Page 409, Fred Singleton, Jr. and wife Heather D. Singleton as described in Deed Book 3303 at Page 1301, Lynn A. Crouch and wife Karen H. Crouch as described in Deed 1758 at Page 690 and the existing City of Hickory city limits as shown in Plat Book 21 at Page 158; on the south by the lands of Geneva Hart Rowe Heirs 2007E/1075 and the unopened 40' right-of-way of 19th Avenue NE; on the west by Snow Creek, the existing City of Hickory city limits as shown in Plat Book 18 at Page 8 and the lands of the following: Devin Lee Hollar and wife Madison Leann Koci as described in Deed Book 3792 at Page 1476, Henry L. McLeod and wife Rebecca L. McLeod as described in Deed Book 2116 at Page 272, Brian L. and Debra M. Badders Living Trust as described in Deed Book 2937 at Page 1996, Jillcha Wakjira and wife Sidissie Bushen as described in Deed Book 2895 at Page 122, Donald Allan Brown II as described in Deed Book 3295 at Page 1364, Jesse Leonard Beane and wife Jennifer McEachern Beane as described in Deed Book 3457 at Page 1155, Charles W. Wagner and wife Lori P. Wagner as described in Deed Book 3524 at Page 169, David Brawley as described in Deed Book 3662 at Page 358, Dale R. Henrich and wife Diane C. Henrich as described in Deed Book 3701 at Page 1260 and Luis Bernardo Ortiz Sanchez as described in Deed Book 3578 at Page 1115 and more particularly described as follows, to wit.

Beginning at an iron, said iron being the northwest corner of the western terminus of the 60' right-of-way of 21st Avenue NE (S.R. 1438) and running thence, as new

City of Hickory city limits the following calls: crossing the western terminus of the 60' right-of-way of 21st Avenue NE (S.R. 1438), South 15 degrees 36 minutes 42 seconds West 60.28 feet to an iron, the northeast corner of Daniel Scott Propst and Monica Gantt Propst as described in Deed Book 3013 at Page 409; thence, with the north line of Propst, North 79 degrees 56 minutes 18 seconds West 100.00 feet to an iron, the northwest corner of Propst; thence, with the west line of Propst, South 15 degrees 36 minutes 42 seconds West 150.00 feet to an iron, the southeast corner of Propst; thence, with the south line of Propst, South 79 degrees 56 minutes 18 seconds East 100.00 feet to an iron, the northwest corner of Fred Singleton, Jr. and wife Heather D. Singleton as described in Deed Book 3303 at Page 1301 and in the existing City of Hickory city limits as shown in Plat Book 21 at Page 158; thence, with the existing city limits the following calls: with the west line of Singleton, South 15 degrees 36 minutes 42 seconds West 63.70 feet to an iron, the northwest corner of Lynn A. Crouch and wife Karen H. Crouch as described in Deed 1758 at Page 690; thence, with the west line of Crouch, South 15 degrees 36 minutes 42 seconds West 261.12 feet to an iron in the north line of Geneva Hart Rowe Heirs 2007E/1075; thence, with the north line of Rowe, North 84 degrees 31 minutes 12 seconds West 131.20 feet to an iron; thence, continuing with the north line of Rowe the same bearing, a distance of 213.48 feet to an iron on the north right-of-way line of the 40' right-of-way of 19th Avenue NE; thence, with said right-of-way the same bearing, a distance of 242.86 feet to an iron in the east line of Devin Lee Hollar and wife Madison Leann Koci as described in Deed Book 3792 at Page 1476 and the existing City of Hickory city limits shown in Plat Book 18 at Page 8; thence, with the existing city limits the following calls: with the east line of Hollar and Koci, North 24 degrees 59 minutes 01 seconds East 38.38 feet to an iron; thence, continuing with the east line of Hollar and Koci, North 23 degrees 40 minutes 50 seconds East 52.07 feet to an iron, the southeast corner of Henry L. McLeod and wife Rebecca L. McLeod as described in Deed Book 2116 at Page 272; thence, with the east line of McLeod, North 23 degrees 40 minutes 50 seconds East 109.34 feet to an iron; thence, continuing with the east line of McLeod, North 21 degrees 32 minutes 12 seconds East 19.46 feet to an iron, the southeast corner of the Brian L. and Debra M. Badders Living Trust as described in Deed Book 2937 at Page 1996; thence, with the east line of Badders, North 21 degrees 32 minutes 12 seconds East 100.34 feet to an iron, the southeast corner of Jillcha Wakjira and wife Sidissie Bushen as described in Deed Book 2895 at Page 122; thence, with the east line Wakjira and Bushen, North 21 degrees 32 minutes 12 seconds East 101.42 feet to an iron; thence, continuing with the east line of Wakjira and Bushen, North 09 degrees 10 minutes 14 seconds East 6.00 feet to an iron, the southeast corner of Donald Allan Brown II as described in Deed Book 3295 at Page 1364; thence, with the east line of Brown, North 09 degrees 10 minutes 14 seconds East 88.87 feet to an iron, the southeast corner of Jesse Leonard Beane and wife Jennifer McEachern Beane as described in Deed Book 3457 at Page 1155; thence, with the east line of Beane, North 09 degrees 10 minutes 14 seconds East 43.35 feet to an iron; thence, continuing with the east line of Beane, North 06 degrees 55 minutes 51 seconds East 52.05 feet to an iron, the southeast corner of Charles W. Wagner and wife Lori P. Wagner as described in Deed Book 3524 at Page 169; thence, with the east line of Wagner, North 06 degrees 55 minutes 51 seconds East 110.77 feet to an iron, the southeast corner of David Brawley as described in Deed Book 3662 at Page 358; thence, with the east line of Brawley, North 12 degrees 14 minutes 31 seconds East 45.38 feet to an iron; thence, continuing with the east line of Brawley, North 13 degrees 18 minutes 28 seconds East 81.69 feet to an iron, the southeast corner of Dale R. Henrich and wife Diane C. Henrich as described in Deed Book 3701 at Page 1260; thence, with the east line of Henrich, North 13 degrees 18 minutes 28 seconds East 124.43 feet to an iron, the southeast corner of Luis Bernardo Ortiz Sanchez as described in Deed Book 3578 at Page 1115; thence, with the east line of Sanchez, North 13 degrees 18 minutes 28 seconds East 35.83 feet to an iron, the southwest corner of the City of Hickory as described in Deed Book 1496 at Page 668; thence, with the south line of the City of Hickory, South 85 degrees 49 minutes 32 seconds East 110.13 feet to an iron, the southwest corner of the City of Hickory; thence, continuing with the south line of the City of Hickory, South 85 degrees 49 minutes 32 seconds East 99.99 feet to an iron, the southwest corner of Wendy L. Yanes-Vasquez as described in Deed Book 3672 at Page 1517 and the existing City of Hickory city limits as shown in Plat Book 20 at Page 244; thence, with the south line of Yanes-Vasquez and the existing city limits; South 85 degrees 49 minutes 32 seconds East 100.00 feet to an iron, the southwest corner of Ivan O. Cortez Lescano as described in Deed Book 3394 at Page 681 and the existing City of Hickory city limits as shown in Plat Book 23 at Page 202; thence, with the south

line of Lescano and the existing city limits, South 85 degrees 49 minutes 32 seconds East 100.00 feet to an iron, the southwest corner of Mee Yang and Viddon Yang, husband and wife, as described in Deed Book 3669 at Page 410; thence, leaving the existing city limits and as proposed City of Hickory city limits the following calls: with the south line of Yang, South 85 degrees 49 minutes 32 seconds East 100.00 feet to an iron, the southwest corner of Scot Michael Wildman and wife Lindsay Hahn Wildman as described in Deed Book 3339 at Page 398; thence, with the south line of Wildman, South 85 degrees 49 minutes 32 seconds East 87.06 feet to an iron in the south line of Wildman, the northwest corner of Wayne M. Beyers and Leigh Ann Byers Benson as described in Deed Book 3812 at Page 1778; thence, with the west line of Beyers and Benson, South 17 degrees 39 minutes 59 seconds West 175.36 feet to an iron, the northwest corner of Beyers and Benson; thence, continuing with the west line of Beyers and Benson, South 15 degrees 34 minutes 17 seconds West 106.18 feet to an iron, the northwest corner of Patsy L. Martin and husband Gary A. Martin as described in Deed Book 2813 at Page 761; thence, with the west line of Martin, South 15 degrees 36 minutes 42 seconds West 201.62 feet to the beginning. Containing 12.55 acres more or less.

This description was drawn from a plat made by James E. Carswell, PLS L-4494, from deeds and plats of record, titled "Contiguous Annexation of the City of Hickory property located at 2301 21st Avenue NE" and dated April 4, 2024.

Section 2. Upon and after the 30th day of June 2024, 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.1 of the City of Hickory.

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

2. Approved on First Reading Rezoning Petition 24-09 for Property Located at 2301 21st Avenue NE, Owned by the City of Hickory – Presented by Planning Director Brian Frazier.

A petition has been submitted requesting the consideration of rezoning property located at 2301 21st Avenue NE from Medium Density Residential (R-3) to Office and Institutional (OI). The subject property is currently zoned R-3 Residential and totals +/- .1245 acres in total size. The current R-3 zoning district is primarily residential and permits one and two-family residential uses at a density of eight dwelling units per acre and multi-family uses at ten dwelling units per acre. The subject property is currently vacant. The City's intention is to construct a City Park. The Hickory Regional Planning Commission conducted a public hearing on May 22, 2024, to consider the petition. During the public hearing, one person spoke in favor of the rezoning, with no one speaking in opposition of the rezoning. Upon closing the public hearing, the Hickory Regional Planning Commission acknowledged the petition's consistency with the Hickory by Choice 2030 Comprehensive Plan. Based upon its findings, the Hickory Regional Planning Commission voted unanimously (8-0) to recommend approval of the petition. Staff concurs with the recommendation of the Hickory Regional Planning Commission.

The public hearing was advertised in a newspaper having a general circulation in the Hickory area on May 25, and June 1, 2024.

Mayor Guess asked City Manager Warren Wood to introduce the public hearing.

City Manager Warren Wood asked Planning Director Brian Frazier to the podium to present Council with rezoning petition 24-09 for the property located at 2301 21st Avenue NE, owned by the City of Hickory.

Planning Director Brian Frazier gave a PowerPoint presentation. He advised the property contained approximately twelve and a half acres and was currently zoned as mentioned medium density residential with the surrounding Sandy Pines Subdivision. The request was to rezone the property to office institutional. Two years ago, this coming December, they pretty much rezoned just about all, if not all, of the City's existing parks to an O and I designation. A lot of them had been designated residential and there were certain perspectives out there when the Hampton Heights golf course was sold. People thought that it was not only a public course, but it was a municipal course which they knew was not correct. People thought that anywhere else that had a City park designation of R-1, R-2, R-3, or R-4, that the City was going to sell it, which they could not do because it was tied to Federal and State money, and it would just be poor practice anyway. They looked for a designation without going the full-blown parks route, which would lock them in. All the parks basically had been rezoned to office and institutional for the past two years. He referred to the PowerPoint and displayed a map. He pointed out the Sandy Pines Park. He displayed the future land use map. He pointed out community, commercial, and then higher density residential areas. He noted the transitional district from one to two to the R-3, medium density residential district. He pointed out to the north was 29th Avenue Drive heading towards McDonald Parkway. He displayed a map and pointed out the current zoning of the site, R-4 which was high density residential, medium density residential, and the commercial corridor. He noted Springs Road northeast. He displayed the aerial map and pointed out the Sandy Pines Park site, McDonald Parkway, the existing Walgreens, the Walmart Neighborhood Market, Starbucks, and the Sheetz store/gas station. According to Hickory by Choice 2030, the area was classified as a City park. The plan stated that parks in the City include neighborhood parks, district parks, and passive open space. The current master plan adopted by City Council a few months back identified numerous improvements to the existing parks and recreation facilities. To accommodate the projected growth patterns that they were seeing here in the City, they needed another park, both in the southern and the northeastern portions of the City. Hence Sandy Pines in the northeast portion of the City, which was just under 13 acres east of Sandy Ridge Road NE. The O and I district was a transitional area between residential and commercial that allowed such uses as parks and recreation areas. This would keep in providing a balance or transitional area for zoning between residential development and open space. Petition 24-09 staff believed was consistent with Hickory by Choice. The Planning Commission conducted a public hearing on May 22, 2024. During the public hearing, one person spoke in favor, and one spoke in opposition. There was a concern that the park would be sold, platted for residential subdivision, and they did not want to see that. Upon closing the hearing, the Planning Commission acknowledged the consistency and voted unanimously, eight to zero to recommend approval. Staff concurred with the recommendation of the Planning Commission. He asked for questions about the rezoning.

Mayor Guess asked Council if they had any questions for Mr. Frazier. He explained the rules for conducting the public hearing applied as he had mentioned previously. 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.

Alderman Seaver moved, seconded by Alderwoman Patton approval of rezoning petition 24-09 for property located at 2301 21st Avenue NE. The motion carried unanimously.

ORDINANCE NO. 24-23

AN ORDINANCE OF THE HICKORY CITY COUNCIL AMENDING THE OFFICIAL HICKORY ZONING ATLAS TO REZONE +/- 12.45 ACRES OF PROPERTY LOCATED AT 2301 21ST AVE NE FROM MEDIUM DENSITY RESIDENTIAL (R-3) TO OFFICE AND INSTITUTIONAL (OI).

WHEREAS, Article 2, Section 2.2 of the Hickory Land Development Code provides for amendments to the Official Zoning Atlas; and

WHEREAS, the property owner has been petitioned to rezone +/- 12.45 acres of property located at 2301 21st Ave NE, more particularly described on Exhibit A attached hereto, to allow Office and Institutional (OI) districts; and

WHEREAS, the Hickory Regional Planning Commission considered the proposed rezoning during a public hearing on May 22, 2024, and forwarded a recommendation of approval to the City Council; and

WHEREAS, Article 2 of the Hickory Land Development Code requires findings the proposed rezoning is in response to changing conditions and is reasonably necessary to promote the public health, safety, and general welfare; and

WHEREAS, the City Council has found Petition 24-09 to be in conformance with the Hickory by Choice 2030 Comprehensive Plan and Zoning Ordinance,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF HICKORY, NORTH CAROLINA, THAT THE REZONING OF PROPERTY DESCRIBED IN EXHIBIT A IS APPROVED.

SECTION 1. Findings of fact.

- The subject property is located at 2301 21st Ave NE and identified as PIN 3713-08-97-7949.
- The rezoning request is intended to further implement the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan.
- The rezoning of the property is consistent with the Hickory by Choice 2030 Comprehensive Plan.

SECTION 2. All ordinances or provisions of the Hickory City Code which are not in conformance with the provisions of the Amendment occurring herein are repealed as of the effective date of this Ordinance.

SECTION 3. Statement of Consistency and Reasonableness

Upon considering the matter, the Hickory City Council found:

1. The area in question is a Park future land use category listed in the Hickory by Choice 2030 Comprehensive Plan.

The Office and Institutional (OI) zoning designation is a transitional area between residential and commercial that allows for such uses as small offices, schools, and parks.

Given these factors, the rezoning of the property to Office and Institutional (OI) should be considered consistent with the findings and recommendations of the Hickory by Choice (2030) Comprehensive Plan.

Section 1.7 of the Hickory Land Development Code contains its Stated Purpose and Intent. This section contains five (5) specific items which the Land Development Code is intended to uphold. These are as follows:

- Implement the Hickory by Choice 2030 Comprehensive Plan.

The general area is made up of one of the uses listed in the Hickory by Choice 2030 Comprehensive Plan. This use, as listed in the plan, is as a Park.

- Preserve and protect land, air, water and environmental resources and property values.

All improvements that are to take place on the properties will be required to follow all applicable development regulations.

- Promote land use patterns that ensure efficiency in service provision as well as wise use of fiscal resources and governmental expenditures.

The subject property has access to a city-maintained roadway (21st Avenue NE), and easily connects to Springs Rd and McDonald Parkway, as well as water and sewer infrastructure. The land-use pattern of the area, with the inclusion of the subject property, represents an efficient use of public services, and the wise use of public funding.

- Regulate the type and intensity of development; and

The current land use pattern of the larger area consists largely of residential uses. This development pattern will benefit from an open space and park, which are permitted under this zoning classification of Office and Institutional (OI). The future use of the property is best suited to further the existing development pattern of the area. Public resources to provide critical public services are in place to service the area. These include public water utilities and transportation infrastructure.

- Ensure protection from fire, flood, and other dangers.

Any future development occurring on the subject property shall adhere to all state and local building, fire, and flood zone related development regulations. Such regulations will ensure proper protections are provided to ensure surrounding residents, and property are properly protected as prescribed by law.

- The suitability of the subject property for the uses permitted under the existing and proposed zoning classification:

The current land use pattern of the larger area consists of residential uses between 24th Street NE (which runs into McDonald Parkway) and 20th Avenue Drive NE. The rezoning of the property to OI would allow for a usable open space/ park that acts to balance the residential area as seen throughout other neighborhoods in the City.

- The extent to which zoning will detrimentally affect properties within the general vicinity of the subject property:

The requested Office and Institutional (OI) zoning will keep with the look of the current area. The permissible uses of OI zoning will aid in enhancing the existing uses of the neighborhood.

- The extent to which the proposed amendment (zoning map) will cause public services including roadways, storm water management, water and sewer, fire, and police protection to fall below acceptable levels.

Public resources to provide critical public services are in place to service the area. These include public water utilities and transportation infrastructure, as well as police and fire protection. Septic is currently located on the property and has been approved by Catawba County Environmental Health for the use.

- The proposed amendment (zoning map) will protect the public health, safety, and general welfare.

Any future development that occurs on the subject property as the result of the zoning map amendment, will be required to be adhere to regulations related to zoning, building and fire code, traffic, stormwater, etc., which will work in conjunction with one another to ensure the health and safety of residents and visitors are properly protected.

Based upon these findings, the Hickory City Council has found the Rezoning Petition 24-09 to be reasonable, and consistent with the findings and recommendations of the Hickory by Choice 2030 Comprehensive Plan.

SECTION 4. This Ordinance shall become effective upon adoption.

3. Approved the Resolution Directing the Street Improvement Project be Undertaken for Curb and Gutter Petition 24-01 for Property Located at 525 9th Avenue NW – Presented by Public Works Director Steve Miller.

The City Clerk received a petition from the owner of the property along 9th Avenue NW to install curb and gutter along a portion of their street as per Section 29-2 of the Hickory Code of Ordinances. The petitioner(s) represents a majority, greater than 50% of the property owner(s) as well as a majority, greater than 50% of the property footage of the property frontage requested in the petition and therefore qualifies as a valid petition. The signature(s) on the petition represent 100% of the property owner(s) affected, who in turn represent 100% of the property footage

affected. The City Clerk validated these numbers. Staff recommends Council's approval of the resolution directing the street improvement project be undertaken for curb and gutter petition number 24-01.

The public hearing was advertised in a newspaper having a general circulation in the Hickory area on May 11, 2024.

Mayor Guess asked City Manager Warren Wood to introduce the public hearing.

City Manager Warren Wood asked Public Works Director Steve Miller to the podium to discuss Curb and Gutter Petition 24-01 for property located at 525 9th Avenue NW.

Public Works Director Steve Miller gave a PowerPoint presentation. He referred to Dr. Greene's presentation about Frye and added a footnote to the history there. His great-grandfather was actually the first patient ever at Frye. He had his arm caught in a cotton gin not too far from here. He discussed a curb and gutter petition located at 525 9th Avenue NW. He referred to the PowerPoint and displayed a drawing. There was a circular drive currently there now, and there was no curb and gutter currently in front of this residence. They applied for a petition process. He displayed a photo of the house, a cute little home on 9th Avenue NW. They were having a little bit of a drainage issue as the water runs down the street. They had some stone between the two driveways. They petitioned for curb and gutter, and they could do that as a one-party petition, there was curb to the west of the property, and they would go uphill to the top of the property, if Council approved the petition. It would be approximately \$3,000 cost to the homeowner. They would not know that number exactly until they see how they tie in the two circular drives. But if approved by Council, once they build and construct it, it would come back for assessment. He asked for questions.

Mayor Guess asked Council for any questions for Mr. Miller.

Alderman Wood asked if there was gutter east of this property that it would connect to it like there was west of it as shown in the bottom of the photo.

Public Works Director Steve Miller advised there was not on the top end. The way that the curb and gutter petitions worked, if they were a corner property or if there was existing property, they could be a one-party petition because they were just connecting to an existing piece. It would be great if it would continue up the street, but this time that was a vacant lot, and he did not know that the folks that owned it wanted to do that at this time.

Alderman Wood asked if putting one section of the curb and gutter in there, would it cure the water problem that they were having or was it going to enter from above that and come down.

Public Works Director Steve Miller advised that would solve their issue at this particular property. The other property was a wooded lot, and the water stays in the street currently pretty easy. If you looked at their driveway there, they had to hump them up to keep water from going down. The house sat below the street. This would solve that problem 1000%.

Mayor Guess joked that perhaps they could get a plaque at Frye commemorating Steve Miller's great-grandfather, the first patient, that had to be something.

Public Works Director Steve Miller commented that there was a cool article in the Hickory Daily Record when he was in high school about it, so that was why he remembered it so well.

Mayor Guess commented they need to frame that and put it somewhere at Frye. He would make that recommendation since they had the boss present. 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.

Alderman Patton moved, seconded by Alderman Zagaroli approval of the Resolution Directing that Street Improvement Project Be Undertaken for Curb and Gutter Petition 24-01. The motion carried unanimously.

RESOLUTION NO. 24-38
Resolution Directing That Street Improvement Project Be Undertaken
(Petition No. 24-01)

WHEREAS, on 12th day of April, 2024, the property owners of 525 9th Avenue NW, Hickory filed with the City Engineer of the City of Hickory a petition for improving said street by placing and constructing thereon curb and gutter according to plans and specifications on file in the office of the City Engineer; and

WHEREAS, the City Clerk has certified to the City Council of the City of Hickory that said petition is sufficient in all respects, the same having been duly signed by a majority in number of the owners, whose property represents a majority of all the lineal feet of frontage of the lands abutting upon the streets or portion of streets hereinabove described; and

WHEREAS, a Preliminary Assessment Resolution was adopted by this City Council and a public hearing thereon duly held.

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

1. That a portion of 525 9th Avenue NW, Hickory be improved by placing and constructing thereon curb and gutter under and by virtue of Chapter 160A, Article 10 of the General Statutes of North Carolina and the procedure therein established, and that said improvements be done by the City of Hickory or by contract after due notice and advertisement for bids, as outlined by Chapter 143, Section 129, of the General Statutes of North Carolina.
2. That 50 percent of the total cost of said improvement, exclusive of so much of the total costs as is incurred in improving the street intersections, be hereafter assessed upon the property receiving the improvements.
3. That the assessment herein provided for shall be payable in cash, or if any property owner shall so elect, in accordance with Chapter 160A, Sections 232 and 233 of the General Statutes of North Carolina, he shall have the option and privilege of paying the assessment in five (5) annual installments, said installments to bear interest at the rate of 8 percent per annum.
4. Approved on First Reading the City Manager's FY2024-2025 Recommended Budget – Presented by City Manager Warren Wood.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on May 25, 2024.

Mayor Guess asked City Manager Warren Wood to present the FY2024-2025 recommended budget.

City Manager Warren Wood gave a PowerPoint presentation. He advised as part of the statutory process for adopting the annual budget, this was the required public hearing. He advised this would be a presentation of what was contained in it. They could ask questions as he went through it, and at the end, if they liked. He knew they spent a lot of time talking about all the transformational projects that they had with the bond programs and all these transportation projects and aviation museum, that sort of thing, those were transformational, but this was what they do every day. These items were just examples of what they do on an annual basis that was funded through their annual budget. Most of those big projects were funded through capital projects that come separately. He referred to the PowerPoint slide and advised they could see the amount of tons that solid waste disposes of every year with refuse and yard waste, there were 954 miles of water lines, there were 120,000 customers that they served in the Catawba Valley. There was also about 450 miles of sewer line that they maintained. The fire calls, the police calls, the potholes repaired, and the one that kind of blew him away, all of

them did, but he had no idea that there were over 300,000 items borrowed from the library. They were one of just a handful of cities in the State that has its own library system. It was very popular.

City Manager Warren Wood shared a few general highlights that people always liked to focus on initially. The property tax rate for the coming year was recommended to be unchanged at 45.5 cents per \$100 valuation. They had a revaluation this past year, so this was the new tax rate that Council set effective July 1 of this current year that they were in. It was 62.75 cents, so it came down quite a bit. In the water and sewer fund they recommended a 5% increase in the water volume and sewer volume on their bill. That would have the effect of the average household bill of about \$1.86 per month. Obviously, they have had inflationary changes and pressures that they continued to see. A couple of years ago they had a 10% increase in the volume side, so this was not as drastic as that was. That would be a recommended part of the budget. Additionally, solid waste fees, that funds the solid waste operation, they were recommending a dollar increase in that to a total of \$28 a month. That \$28 a month covered all the operational side of residential collection. They contract for recycling. Their yard waste, white goods, junk goods, all those were combined in the solid waste operation. There were some things they do not take, but he said pretty much if you put it to the curb, it disappears. He gets all kinds of compliments from folks that move here from somewhere else where they do not have that level of service. Also, those guys and gals only get Christmas day off for a holiday. They work every other holiday and a lot of weekends.

Alderman Wood asked if any of that money went to subsidize the collection of the hazardous wastes that they have once or twice a year.

City Manager Warren Wood replied yes, all the staff that they used for that was all paid for through solid waste and they took it to the landfill. They had a special way to get rid of it. He referred to the PowerPoint and displayed a slide which was the recommended budget by fund. They do fund accounting. Most of the services that the City provides that really do not produce enough revenue to support themselves were in the General Fund. That was what their property tax dollars went towards, Police, Fire, Library, Parks and Recreation, City Manager's Office, Planning, all those things that do not really produce a lot of revenue to support their operations were housed in the general fund and subsidized by the property tax rate. There was about an 8% increase there, some inflationary pressures there. They were going up a little bit on the fee schedule. He would talk about one of those in particular. But most of the other items were going to stay the same in terms of fees. The water and sewer funds were going up 2%. He would not go through all of them. The general fund, and water and sewer make up about 75% to 80% of their overall budgetary activity in the general fund. That was where their two largest operations were. The insurance fund was an internal service fund. The sludge composting facilities fund saw a 15% increase. They were buying some capital equipment, and there was also going to be a transition from the old facility to the new facility. Some of that would work itself out next year. The other big one was the water and sewer capital reserve. They saw a 42.7% increase. He mentioned that last year they adopted, effective in the current year, the system development fees, they call capacity fees. When a new development comes on, they have to pay a fee to account for the value of the capacity that they were taking out of the system. They in turn take that money, put it in the capital reserve fund, and ultimately work to replace that capacity that was incremental over time. They do not expand the water plant, every time somebody taps on. They put all that in a fund. The system development fees were calculated by a firm that goes around the State and there was a statutory way to do it. And Council adopted what they recommended, and it was really producing a good amount of revenue for them to put back into capital on the water and sewer side. The water and sewer fund were extremely capital intensive.

City Manager Warren Wood displayed a graph and advised this was on the revenue side. If they looked at the whole budget together, they put different types of revenues in different buckets. Obviously, ad valorem was the second single largest type of revenue at \$39.5 million. Sales and services were everything that they charge for, water and sewer, solid waste, hangar revenue at the airport, and all those things that there was a fee associated with goes in sales and services. The third largest category was other taxes. That would be their sales taxes and taxes, typically, that come through the State. The State collects and redistributes

to the City. Other financing sources, one of the things that was included in there, not this year, but was debt financing. They were not doing any debt financing this year. Another thing that was in that category was capital reserve transfers. They were moving money to do a project, also some things related to some of their internal service funds. They were not doing any new debt financing in the upcoming year.

City Manager Warren Wood discussed the expenditure side. This was how they categorize things, spending money. Public safety as an example, obviously, that was police and fire. Environmental protection was going to be water and sewer, solid waste, stormwater. Those sorts of things. The general government fund looked like a big number, but a lot of their internal service fund, fleet was an internal service fund. If a department takes a vehicle down there, that department gets charged, but that was an internal exchange. Health insurance was in it, an internal service fund, as an example. Also, landscape services were in the general government category, but those were the three largest. He referred to the PowerPoint slide and advised they could see the others, culture and recreations, library, and parks and recreation. They could see the breakout on the slide.

City Manager Warren Wood commented that when they went through the goals and objectives that were listed in the annual budget, there were about five themes that came out of that. In putting the budget together, he was going to walk through how these five themes in their goals and objectives played out. Enhance their livability, that was quality of life; population growth, and they also wanted to grow the local economy. All these things were tied together. These things did not work independently of one another. They were all dependent on each other and interconnected. Obviously, a core thing they wanted to do was maintain and improve their infrastructure. They read these horror stories on other communities that have real challenges going on. They had to stay ahead of the game with that. And a new one that had emerged, and they had talked about, was to protect their most important natural resource, which was the Catawba River. That had a lot of different components. Enhancing their livability. Obviously, as they talked about it, the core services they provide, that was what they come to work to do every day. They do all these other projects, and they were exciting, but what they do every day, they measure that against other local governments in larger cities around the State to see how the City compared with what they were doing to what other cities were doing. They had people call them about some of their numbers and how did you get this good at that. They had called other people and asked what some changes were they had made to make improvements there. There was a lot of communication that went back and forth between cities. The City benchmarked almost every service that they provide against those other cities, and the University of North Carolina School of Government (UNC SOG) runs that. The City had been a part of that project for probably 25 years. There was a lot of trend information that goes along with that as well. They always wanted to work to improve, and that was the basic service delivery that they do to citizens. They always wanted to work to improve that.

City Manager Warren Wood mentioned when the concept of the bond program first came about, they wanted to attract and retain a workforce. They wanted to improve their quality of life. Obviously, the interconnectivity of a trail system was the foundation of that, as well as Trivium Corporate Center. That also enhanced their livability. He referred to what Doctor Greene said as an example, it was easier to sell Hickory today than it was 25 years ago. They were seeing the benefits of that, obviously. City Walk was complete. River Walk was complete. Historic Ridgeview Walk was well under construction. The Aviation Walk was well underway. Also, the Historic Ridgeview Walk was going to be expanded. The crosswalk from 4th Street across 70 to the Walmart Neighborhood Grocery Store there. There was going to be another piece of that that was going to eventually be added to that. The Aviation Walk was also going to be expanded extending 17th Street that runs in front of ASU Hickory. With that would be a ten-foot-wide multimodal path that would come down and tie into the Aviation Walk. Also, the Aviation Museum, there was a project funded to tie the Aviation Museum into the Aviation Walk. Over time they would see where there were opportunities to expand and have connectivity and loop the trail system. That was what they were going to be doing. OLLE Art Walk was under contract. He was sure they would know when it was under construction. The Trivium Corporate Center, on the west side was complete. There were still a few lots to be sold. Trivium East was the 108 acres

on the east side, and there was some infrastructure that was going in on those 108 acres. That was also being marketed and had been a tremendous success.

City Manager Warren Wood discussed population growth. In North Carolina there were 100 counties, a third of them were growing, and the rest of them either were not growing or declining in population. That was not where they wanted to be. Talking about workforce and clients for their businesses and customers for their businesses, cities were just like a business. They need growth. They have to replace the population that moves on or dies. There was a growth goal for them, unofficial, they said ideally one and a half to 2% growth a year. That was around 800 people a year, that was very manageable. It was not explosive growth like you see in some communities, it becomes hard to manage. Their current population was 44,400, in the census they were at 43,400. That was about a 2% increase over three years. With all the rezonings and annexations that they had done, there were residential units in the pipeline that would get them up to that one and a half to 2% population growth rate. If they approved a 300-unit subdivision, that does not happen in one year. That happens over a number of years. It was all incremental. The good thing they were seeing about the residential side, they were seeing a really good mix of single family, multifamily, townhomes, market rate, and low to moderate income. They were seeing an array of products that were coming online here in Hickory.

Alderman Seaver asked how many units they had in the works right now.

City Manager Warren Wood advised there were 1,600. As an example, at the former Hampton Heights property, there were 350 plus or minus units. The site work was being done. There were about 1,600 that were kind of in that phase. Once the site work was done, it was going to be a period of years that that 1,600 will come online. In approximately the last three years approximately 600 residential units were permitted. They would see that number increase to where they were getting, if it was 2.3 people per household, whatever the math was on that, that was probably about where they were going to end up.

City Manager Warren Wood discussed growing their local economy. They had done really well on the commercial/industrial side. Over the past three years, there have been 78 new commercial industrial projects permitted. There have been 725 renovations and expansions. Together, these projects totaled over \$550 million. He thought it was 2.6 million square feet under roof during that time. They had seen really good activity on that front as well. He looked at some building permitting numbers today. The last two years, they did about \$240 million in building permitting each of the last two years. This year they would probably do a little better than that. Typically, before they started the bond program, they were looking at \$100 million in permitting. That was what was driving a lot of it.

City Manager Warren Wood discussed items that were outside of their annual budget, but this was important. He referred to the PowerPoint slide and displayed a list of all the projects that were funded, and most all of them, except for a couple, had been awarded and or were under construction. Springs Road sidewalk and Sandy Ridge Road roundabout had not been. Between the bond program and transportation related projects, most of those were transportation related, they have been able to secure \$100 million in Federal and State funding for their projects. That was bond program and all these road projects. They were fortunate that they had a lot of the planning done and all this money started coming into the system. Now that was going to dry up. But they hit it at a really good time by having plans on the shelf and ready to go with these projects. He knew that people have been frustrated about how long some of the bond stuff was taking, but it actually worked to their advantage because they were able to leverage \$40 million on a lot of those projects and get \$100 million. Some of that \$100 million was some projects at the airport as well. All their transportation efforts have paid dividends. Also, the North Carolina Department of Transportation (NCDOT) had \$550 million of projects programmed in Hickory that were in the ten-year window and those were funded. John Marshall on the City side had worked his magic. He had this combination to be able to unlock these monies. Having him on board had been a tremendous asset, particularly for a lot of these transportation-related projects. They had been very fortunate. He was glad he did not work on commission. He referred to his PowerPoint slide list and pointed out the Hickory Metro Convention Center. That was all funded by the hotel/motel occupancy tax. City tax dollars do not go into that per se, but that was funded by the hotel/motel occupancy tax. The

new biosolids facility, they would remember that was 1/10 of 1% interest rate that they got on that. That was about as close to free money being able to borrow as you could get. The Aviation Museum, they had a combination of State money and fundraising into that. Those were exciting projects.

City Manager Warren Wood thought there was a story about Atlanta and their water and sewer system. He knew Charlotte had some of those stories. They had to maintain their infrastructure because it was expensive to maintain, even when they were keeping pace, but when you fall behind, it was even worse. Just like your house, you let something go, and then eventually, you have to pay a big bill to get it back up to speed. That was what they do not do here. Water and sewer maintenance was about \$2 million annually. They may have some larger individual projects. This was what they spend annually. They may have a \$750,000 pump at the water plant that was done through a different type of process, but this was the ongoing water and sewer maintenance, building maintenance, approximately \$900,000, street resurfacings were a million dollars, and their sidewalk maintenance. It was also new sidewalk construction with that. That was that \$5 vehicle fee that everybody pays when they pay their tax bill on their vehicle. That \$5 goes into a fund for sidewalk maintenance.

Alderwoman Patton asked how many miles of those million dollars was for street resurfacing.

City Manager Warren Wood advised it was about eight lane miles a year.

Public Works Director Steve Miller interjected eight to ten. They always try to mill it and take it back to the original pavement, so they do not lose the original pavement. It could vary from eight to ten.

City Manager Warren Wood commented as an example the road in front of the Highland Recreation Center, that one was very expensive to resurface because it was so wide, but like Alderman Wood's street was not as much. To Steve Miller's point the lane miles were a little bit misleading because of how wide the street was.

Mayor Guess commented like single lane versus a four lane.

Alderman Wood asked if he was correct that the City has as many roads to maintain in Hickory that would go from end to end on the State of North Carolina.

Public Works Director Steve Miller advised it was about 430 some lane miles.

City Manager Warren Wood commented single lane miles. That was a lot. He advised this was rising to the surface very quickly. Obviously, the Catawba River was the region's most important asset that they have. He thought as a matter of policy, the Council adopted a resolution, and they were going to oppose anybody trying to take water out of the Catawba River and put it in another river. Along with that, they were currently doing a study and engineering work to figure how to create more treatment capacity. They have one intake and one water plant, and that was their Plan A, B, and C. That was why it was so important that they developed a real Plan B. They have had issues where they have had a major leak and part of the system drains out, but they were able to refill it, but they did not have a situation where the water plant itself had any issues. They had reached the size that they now need to think about additional planning for storage capacity, system interconnectivity. He thought there were five jurisdictions in their region that draw water out of the Catawba that have their own water plant, Morganton, Valdese, Lenoir, Granite Falls, and Hickory. They were not interconnected, or they may be interconnected, but not to the degree that if somebody had a problem, they could help them, or they could help us get enough water. He had talked to the other managers. He thought Lenoir just had a project funded to connect with Valdese, so that that was starting to happen, and that was part of the Plan B scenario. Newton does not draw out of the Catawba. They have an impoundment that they draw out of a big pond. They had some issues with some heavy rain, and it was mud. They could not treat the water. Hickory was able to help them, but they would not necessarily be able to help Hickory if something happened to us, just the way the hydraulics work. Educating the public about the importance of the Catawba River, that was the Environmental Education Center. There were so many intricacies about the way the river was. They heard Jeff Lineberger from Duke Energy. That was just the tip of the iceberg. But educating the public from a young

age to an old age on how the river system works, the lake system that Duke manages, and what it means to our region was important so that people have an understanding and appreciation of what that river means to us.

Alderwoman Patton thought the next meeting about the Charlotte IBT was July 15, in Morganton at CoMMA from 6:00 to 8:00. She encouraged everyone to go.

Mayor Guess commented that they said there would be another meeting in Hickory at some time.

City Manager Warren Wood commented that they had a meeting they need to spread it around the region. It cannot just be Hickory getting all these meetings. They decided to go to Morganton, which would be good, because he knew people came all the way from McDowell County and Lake James. There was a big interest up and down the river system.

Alderman Freeman commented that once again, in its simplest form, they want to take water out of the Catawba, not put it back. But when he asked the question, they could take it out, but put it back, but it would cost them, and so they just wanted to take water out for free.

City Manager Warren Wood replied right. That was a great point, because Charlotte was in two river basins. They were in the Catawba River basin, which was where their three water plants were. They do not have a water plant. They were also in the Yadkin Pee Dee on the east side of town, but do not have a water plant on the east side. They do not want to build one, so the easy solution was to take the water out of the Catawba and sell it to residents on the east and then it goes back into the Yadkin. Right now, they have an IBT, inter-basin transfer of 33 million gallons a day. They were able to pull up to 33 million gallons a day of the Catawba water into the Yadkin Pee Dee already and they want another 30 million. They were saying either financially, you need to do what you need to do to come up with the money to either pump it back to the Catawba or build a new water plant, or Mother Nature's telling you that you have reached the point where you should not be growing anymore on that side.

Alderman Wood referred to the system development fees that City Manager Warren Wood was talking about earlier, it sounds like that they had been getting their citizens to invest in the infrastructure that it takes to secure their water or to establish water security for them. He asked if Charlotte was doing system development fees in anticipation of this.

City Manager Warren Wood responded apparently not. They could. He had met with some Legislators, and he told them that the legislature has already given everybody the tool to make sure that as capacity comes off their system with new development, that there was a pot of money that was put in place to replace it. Based on them wanting to do an IBT, they have not been putting enough money aside to build a new water plant. The tool was there, and one of two things were going to happen. The price of the system development fees was going to be so high that it was going to stop growth, or it was going to raise enough revenue to do what they need to do by building a plant or pumping it back.

Alderman Wood mentioned what City Manager Warren Wood had said earlier about when you get behind, it becomes even harder. It was expensive. Well, forgive me for this, but he read in an article that Charlotte Water was \$168 million underwater this year already. They were really working out of a hole.

Alderwoman Patton knew citizens do not like to hear about fees increasing but she felt like they had done a good job with City Manager Warren Wood's leadership of doing the projects that they need to do to maintain and take care of their growth. Whereas they should not be penalized because of Charlotte's lack of planning.

City Manager Warren Wood advised that was where those IBTs really impacted them was during drought, because right now it was raining, nobody was thinking about a drought. But they had been through droughts and some serious droughts. That was where those IBTs were impacted, because they did not have to cut back on their discharge from the Catawba into the Yadkin. It also impacts, over time, everybody else's ability to get permitted. Hickory was permitted to take 32 million gallons a day out of the Catawba. They do about half of that, or less than half. But

when they reach a point in the future where they want to increase that from 32 million to 42 or whatever, whatever it is, they look at a formula, and with all these IBTs, and the fact that they were downstream from them had nothing to do with it. That was a lot to think about there.

City Manager Warren Wood discussed some other annual budget items. He wanted to put it out there. They had talked about downtown parking. He emphasized this was a parking violation citation. This was not that they were having to pay to park downtown. As an example, on Union Square, there was a three-hour parking limit, Monday through Friday from eight to five. It had been \$5 forever. They were recommending that go to \$15, because what they were seeing was, particularly, the way he understood it, the employees that work downtown basically were willing to pay \$5 a day to park on Union Square. It takes up spaces for customers and Council gets complaints, and Management gets complaints. But there was also free parking downtown that people, particularly that work downtown, and others could take advantage of. Maybe they would see if people were willing to pay \$15 a day to park for more than 3 hours. Three hours was pretty generous. They have free parking as well. That was for parking violation citations. That was not charging to park downtown, but just if you go over the timeline.

Mayor Guess mentioned that was unique to the City of Hickory, because most other cities you travel to, you pay to park, and you pay a parking violation if you go over the limit.

City Manager Warren Wood commented that just as an example, he was talking to Jason Yates. He polices his staff; he does not let them park on Union Square. They have to park in a free spot. He was an example of somebody doing it right. When they write tickets, that was the feedback that he gets. The majority of the tickets, as an example on Union Square, were to people that worked on Union Square.

Alderman Seaver asked how long their parking violation fee was \$5.

City Manager Warren Wood commented that it had been ever since he had been here. He asked if they had ever known it to be anything other than five. That was at least 1993.

Alderman Seaver commented he knew when he was at Appalachian, he thought in 1972, it was \$99.

Mayor Guess joked that when Steve Miller's great-grandfather was here, you could park your horse downtown.

City Manager Warren Wood commented that they used to have the parking meters. That was the next point. They had talked about having hourly paid parking downtown. They were not doing that. Their recommendation was to wait. They had the Tap Room, 111 Main, Every Age cross the street, and there was some other stuff, let some of these get developed and see where their pressure points were for parking. Some of those were going to have parking that comes with them. It would be premature to determine which lots they may want to charge for until they get a little better idea. It may happen sooner, but right now, they would just recommend letting some of this build up, and then they would see where the pressure points were.

City Manager Warren Wood discussed merit pay for employees. For a City of Hickory employee, everybody has a work plan, and they have a performance evaluation every year to evaluate how well they did, meeting what the goals were in the work plan. If you meet your performance valuation standards, it was 4%. If you exceed, it was 5%. They saw some improvement in recruitment. Last year at this time, they were 80 employees down. Now they were about 60. Every little bit helps. In the region, it was getting a little better. Hopefully, some of that was starting to alleviate. Obviously, they still see inflationary prices on chemicals, natural gas, power, gas, concrete, building materials, all that. Long wait times for special equipment and vehicles and special supplies, as an example, the police department was going to have to wait a year to get what they would typically get. If they see police cars that have a different color, it was because those were the ones they could get. He did not know if they had been rolled out yet. They could

not, not replace vehicles. They were still going to look good; they were just going to have a different look. They were still seeing that.

City Manager Warren Wood advised one of the fundamental indicators of how well a city was doing or not doing, that they looked at, was very simple, it was their unassigned fund balance in the general fund. That was basically their savings account. If they thought of their savings account at home, they had "x" number of dollars. It was not earmarked for anything, necessarily. They could see from 2019, they had a \$20 million fund balance, and then it dropped down. It usually builds back up a little bit every year, but it went down and stayed down. They were using money out of fund balance for the matches related to those grant monies that they got. Some of it was the bond money, but they also had to use some general fund money. He referred to the PowerPoint slide and advised that was what they were seeing for those three years. Then they saw some improvement this past year. Their official goal for fund balance as a percent of the general fund budget was 25%. They were at about 30. The bottom line, it was healthy. He thought it was 32%. Their fund balance goal used to be 30 years ago, they reduced it to 25, but anything in that range, and that was basically three months' worth of having money in the bank. If all their revenue dried up, they had three months' worth of money.

City Manager Warren Wood displayed the last slide which was one of his favorite pictures. He asked for questions.

Mayor Guess commented that this was a very comprehensive and intensive process. He knew a lot of their coworkers contributed to putting this together. He thanked everybody for their outstanding job in putting all this together. He reminded everyone, either in attendance or listening, that this was not the first interaction that they had with this budget. Obviously, the members of Council and staff have had several opportunities to review and discuss and to hash out and have conversations with the various departments to get it to where it was today. They have this also available for members of the public that would like to look at it. It was available at the libraries, and probably also online.

City Manager Warren Wood confirmed it was at the libraries and online.

Mayor Guess advised it was a public document. At this point it was a recommended budget, it was proposed, and shortly they would be opening a public hearing, if anybody wanted to make a comment, either against it or for it. There was a lot of work that goes into this, and obviously it was a fluid document until it was approved and a lot of work.

Alderman Patton thanked City Manager Warren Wood for answering all her questions on the budget. She appreciated the time.

Alderman Zagaroli agreed with the parking fine raise in price, it would discourage some of the workers.

Alderman Williams commented they get a lot of accolades about quality of service, level of service, and just some of the things Mr. Wood covered, including the foresight of leadership and staff that brought them to this point in terms of their bond projects and leveraging other State and Federal monies. She thought so much of the accolades go to the directors and management staff here. Thank you.

Alderman Freeman was glad that the Mayor mentioned that this was a public document, realizing that, not knowing who would come to voice their concerns against it, and there being a 5% increase, letting him know that the City understands the growth that was taking place. He had not received any complaints. He did not know if he went back to a meeting and someone said something about the dollar increase for their garbage, but it just shows that the City as a whole understood the growth that was taking place.

City Manager Warren Wood recognized Deputy City Manager Rodney Miller. He commented that he gets to sit up here and do the presentation. Rodney Miller goes and does the work with the department heads, and the department heads and their staff put a lot of work into it, and all the capital requests and operational requests. He goes from department to department and puts all this together. He does what City Manager Warren Wood used to do. Also in the City Manager's Office, he recognized Assistant City Manager Yaidee Fox, Executive Assistant for the City

Manager Crystal Mundy, Administrative Assistant Iris Childers, Management Analyst Breanna Ikard, and Budget Analyst Johnathan Rosales for putting this presentation together and really condensed it to a point that people could understand it. They just wind him up and then he presents it. But he appreciated all their work, too.

Mayor Guess asked if there were any other questions or concerns or discussion.

Alderman Seaver commented just an observation, did they ever notice the final budget was about five times thicker than that.

City Manager Warren Wood commented that they thought people would be more likely to read it if it looked more friendly.

Mayor Guess 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.

Alderman Patton moved, seconded by Alderman Zagaroli approval of the City Manager's FY2024-2025 Recommended Budget. The motion carried unanimously.

ORDINANCE NO. 24-24
CITY OF HICKORY
Budget Ordinance
Fiscal Year 2024-2025

BE IT ORDAINED by the Governing Board of the City of Hickory, North Carolina:

SECTION 1: It is estimated that the following revenues will be available in the General Fund for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025:

Ad Valorem Taxes	\$ 39,580,000
Other Taxes	24,110,000
Unrestricted Intergovernmental Revenues	721,127
Restricted Intergovernmental Revenues	2,973,090
Licenses and Permits	4,500
Sales and Services	2,311,807
Investment Earnings	400,000
Miscellaneous	381,000
Other Financing Sources	<u>3,495,000</u>
	\$ 73,976,524

SECTION 2: The following amounts are hereby appropriated in the General Fund for the operation of the City government and its activities for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore established for this City:

General Government	\$ 14,897,744
Public Safety	31,456,251
Transportation	7,397,099
Economic and Community Development	5,906,440
Culture and Recreation	5,158,242
Other Financing Uses	2,691,924
Debt Service	5,118,824
Contingency	<u>1,350,000</u>
	\$ 73,976,524

SECTION 3: It is estimated that the following revenues will be available in the Water and Sewer Fund for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025:

Restricted Intergovernmental Revenues	\$ 1,545,422
Sales and Services	29,911,690
Investment Earnings	60,000
Miscellaneous	1,600,000
Other Financing Sources	<u>5,700,602</u>

\$ 38,817,714

SECTION 4: The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer utilities for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ 30,868,169
Other Financing Uses	3,116,460
Debt Service	4,433,085
Contingency	<u>400,000</u>
	\$ 38,817,714

SECTION 5: It is estimated that the following revenue will be available in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025:

Restricted Intergovernmental Revenues	<u>\$ 2,312,744</u>
	\$ 2,312,744

SECTION 6: The following amounts are appropriated in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	<u>\$ 2,312,744</u>
	\$ 2,312,744

SECTION 7: It is estimated that the following revenue will be available in the Stormwater Fund for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025:

Other Financing Sources	<u>\$ 283,848</u>
	\$ 283,848

SECTION 8: The following amounts are appropriated in the Stormwater Fund for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	<u>\$ 283,848</u>
	\$ 283,848

SECTION 9: It is estimated that the following revenues will be available in the Airport Fund for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025:

Sales and Services	\$ 1,929,368
Restricted Intergovernmental Revenues	108,000
Investment Earnings	5,000
Other Financing Sources	<u>250,000</u>
	\$ 2,292,368

SECTION 10: The following amounts are appropriated in the Airport Fund for the operation of Transit and Airport activities for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore established for this City:

Transportation	\$ 2,055,077
Contingency	<u>237,291</u>
	\$ 2,292,368

SECTION 11: It is estimated that the following revenues will be available in the Solid Waste Fund for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025:

Other Taxes	\$ 30,000
Sales and Services	7,295,317
Investment Earnings	30,000
Miscellaneous	2,000
Other Financing Sources	<u>480,446</u>

\$ 7,837,763

SECTION 12: The following amounts are appropriated in the Solid Waste Fund for the operation of recycling, residential solid waste collection and commercial bulk services activities for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ 7,787,763
Contingency	<u>50,000</u>
	\$ 7,837,763

SECTION 13: It is estimated that the following revenue will be available in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025:

Other Financing Sources	\$ 4,640,000
	\$ 4,640,000

SECTION 14: The following amounts are hereby appropriated in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025 in accordance with the chart of accounts heretofore established for this City:

General Government	\$ 2,300,000
Environmental Protection	1,340,000
Other Financing Uses	<u>1,000,000</u>
	\$ 4,640,000

SECTION 15: It is estimated that the following revenue will be available in the Water and Sewer Capital Reserve Fund for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025:

Other Financing Sources	\$ 3,269,072
	\$ 3,269,072

SECTION 16: The following amounts are hereby appropriated in the Water and Sewer Capital Reserve Fund for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025 in accordance with the chart of accounts heretofore established for this City:

Other Financing Uses	\$ 3,269,072
	\$ 3,269,072

SECTION 17: The following amounts form the revenue portion of the financial plan for the Fleet Maintenance Fund:

Sales & Services	\$ 3,640,000
	\$ 3,640,000

SECTION 18: The following amounts form the expenditure portion of the financial plan for the Fleet Maintenance Fund:

General Government	\$ 3,640,000
	\$ 3,640,000

SECTION 19: The following amounts form the revenue portion of the financial plan for the Insurance Fund:

Sales & Services	\$ 7,559,430
Investment Earnings	70,000
Other Financing Sources	<u>94,482</u>
	\$ 7,723,912

SECTION 20: The following amounts form the expenditure portion of the financial plan for the Insurance Fund:

General Government	\$ 7,723,912
	\$ 7,723,912

SECTION 21: The operating funds encumbered on the financial records of June 30, 2024 are hereby reappropriated into this budget.

SECTION 22: There is hereby levied a property tax at the rate of forty-five and fifty ten thousandths' cents (\$0.4550) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2024, for the purpose of raising the revenue listed as "Ad Valorem Taxes" in the General Fund in Section 1 of this ordinance. This rate is based on a total estimated valuation of property for the purposes of taxation of \$8,794,701,578 and the Fiscal Year 2024-2025 estimated rate of collection of 99.17%.

SECTION 23: The corresponding "FY 2024-2025 Schedule of Fees" is approved with the adoption of this Annual Budget Ordinance.

SECTION 24: The City Manager (Budget Officer) is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He may transfer amounts between line-item expenditures within the same functional area within a fund without limitation and without a report being required.
- b. He may transfer amounts up to \$350,000 each between functional areas including contingency appropriations within the same fund.
- c. He may not transfer any amounts between funds, except as approved by the Governing Board in the Annual Budget Ordinance as amended.

SECTION 25: The City Manager (Budget Officer) is hereby authorized to execute implementing the FY2024-2025 Annual Budget. To enhance the efficiency of implementing the FY2024-2025 Annual Budget, the Governing Board also grants authority to the City Manager (Budget Manager) to:

- a. Approve lease agreements;
- b. Purchase real property when funds are available in an adopted or amended budget;
- c. Approve applications and agreements for acceptance of grant funds from other governmental units and non-profit organizations;
- d. Approve grant agreements granting funds to public and non-profit organizations;
- e. Dispose of personal property as provided under NCGS 160A-266(c);
- f. Adjust the payment of fees owed to the City when both reasonable and justified;
- g. Approve contracts related to bid awards made by the Governing Board;
- h. Approve settlement agreements;
- i. Approve easements;
- j. Enter into all other contracts and agreements adopted by the Governing Board when authorized to do so under NC General Statutes;
- k. Take all other action that the City Manager is authorized to take under the NC General Statutes.

SECTION 26: Copies of the Annual Budget Ordinance shall be furnished to the City Clerk, to the Governing Board and to the City Manager (Budget Officer) and the Finance Officer to be kept on file by them for their direction in the disbursement of funds.

CITY OF HICKORY
2024 COMMUNITY DEVELOPMENT ENTITLEMENT
BLOCK GRANT PROJECT ORDINANCE

BE IT ORDAINED by the City Council of the City of Hickory that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted.

SECTION 1. The project authorized is the 2024 Community Development Entitlement Block Grant program.

SECTION 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the Department of Housing and Urban Development, and the budget contained herein.

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

Restricted Intergovernmental Revenues	\$340,621
Miscellaneous	<u>25,000</u>
	\$365,621

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

Economic and Community Development	<u>\$365,621</u>
	\$365,621

SECTION 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and Federal and State regulations.

SECTION 6. Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

SECTION 7. Copies of this grant project ordinance shall be furnished to the Clerk of the Governing Board, the City Manager (Budget Officer) and the Finance Officer for direction in carrying out this project.

CITY OF HICKORY
OPIOID SETTLEMENT
SPECIAL REVENUE FUND

BE IT ORDAINED by the City Council of the City of Hickory that, pursuant to Section 8 of Chapter 159 of the General Statutes of North Carolina, the following Special Revenue Fund is hereby adopted.

SECTION 1. The following revenues are anticipated to be available in the Opioid Settlement Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Miscellaneous Revenues	<u>\$100,000</u>
	\$100,000

SECTION 2. The following amounts are appropriated in the Opioid Settlement Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Public Safety	<u>\$100,000</u>
	\$100,000

B. Departmental Reports:

1. Appointments to Boards and Commissions

<u>COMMUNITY APPEARANCE COMMISSION</u> (Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council) At-Large (Outside City but within HRP) (Council Appoints)	VACANT
--	--------

<u>COMMUNITY RELATIONS COUNCIL</u> (Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council) Caucasian (Council Appoints) Macgregor Vanbeurden Resigned Other Minority (Council Appoints) Other Minority (Council Appoints)	VACANT VACANT VACANT
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<u>HICKORY REGIONAL PLANNING COMMISSION</u> (Term Expiring 6-30; 3-Year Terms with Unlimited Appointments) (Appointed by City Council)	
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Burke County Representative (Mayor Appoints with Recommendation from Burke County) VACANT

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

PUBLIC ART COMMISSION
 (Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Ward 1 (Wood 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

Mayor Guess commented that those present could see they do have some vacancies. If anyone was interested in learning more about those, they could see any of the Council members, or they could go online for more information pertaining to not just these, but to all of their Boards and Commissions.

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

Alderman Freeman commented he had two things. He did not get a chance to do this the first time that he came to a City Council meeting, but this meeting happened to be a little bit longer than the other one. He welcomed Reverend Steve Caldwell, who prayed earlier during the invocation. He was the new kid on the block. It used to be him, but he is the new Pastor of Mount Zion Baptist Church, he wanted to say welcome to the City of Hickory. He thanked Mayor Guess, City Manager Warren Wood, and to the Chief of Police Reed Baer for sending regards, and the Mayor's presence for attending his ten-year pastoral anniversary and appreciation of being in the City of Hickory for ten years. He appreciated that. Being a Pastor now and a City Councilman, he liked to be in control, instead of losing his hair, he figured it would cut it all off, he was in control of that.

Mayor Guess added the meal at Alderman Freeman's ten-year anniversary was certainly worth it. He would just leave it at that. The meal there was fantastic that his congregation served up, he enjoyed it very much.

City Manager Warren Wood announced that Deputy City Attorney Arnita Dula had announced her retirement effective the end of this month. They appreciated her. Arnita had 18 years with the City and 18 with the State. Pretty much 36 years within local and State government. He appreciated her time here. They were going to have a reception for her before the Council's next meeting. They were excited about that. He commented that he told Anita she was his spiritual advisor. She does not do very good. She tries hard.

Deputy City Arnita Dula commented he keeps her on her knees in prayer.

Mayor Guess could believe that.

City Manager Warren Wood appreciated Arnita's service with the City. He congratulated Will Hamlin, who was appointed as the City's Public Utilities Director this past week. He lives in Hickory with his family and had been with the City for a few years. They were excited about Will. He was a Clemson guy.

Mayor Guess joked it was a good thing he already got promoted.

City Manager Warren Wood advised he was a PE and had obtained his engineering degree at Clemson.

Mayor Guess congratulated both of them. One was getting a new start, and one was getting a new beginning, a new chapter to their life. Some years they go without any retirements or without

anybody leaving them and some years it seems like they come in threes and fours, and that was good opportunities for some folks that were moving up in their careers, and it was a great opportunity for those that had served their entire career here at the City of Hickory, and they appreciated both of them and everybody that was with them and working towards retirement. He thanked each and every one of them.

City Manager Warren Wood reminded Council to put that on their calendars for the next Council meeting, they would send something out, too.

Alderman Seaver advised he would be absent for the next Council meeting as he would be attending a family get together.

XIV. There being no further business, the meeting adjourned at 7:22 p.m.

Mayor

City Clerk

COUNCIL AGENDA MEMOS**To: City Manager's Office****From: Anna Beth Walker, Community Development Specialist, Office of Business Development****Contact Person: Anna Beth Walker, Community Development Specialist****Date: May 29, 2024****Re: Approval of 2024 Urgent Repair Program Assistance Policy and Procurement and Disbursement Policy****REQUEST**

Please review and sign the attached post approval documentation and Urgent Repair Program Assistance Policy and Procurement and Disbursement Policies that accompany our applications for the Urgent Repair Program from North Carolina Housing Finance Agency in the amount of \$120,000.

BACKGROUND

In January of 2024, the City of Hickory Community Development Division applied for funding through the North Carolina Housing Finance Agency's Urgent Repair Program. The City of Hickory has been awarded \$120,000 through this program in order to assist approximately 8 very low-income homeowners with urgently needed repairs in an amount not to exceed \$12,000 per housing unit. The City of Hickory will provide an additional \$5,000 in matching funds, which are available from Rental Rehabilitation program income. The total program budget will be \$125,000.

ANALYSIS

NC Housing Finance Agency requires the City of Hickory to prepare Assistance and Procurement Policies. These policies must be made available to the public and explain the guidelines of the URP24 program. Copies of the proposed policies are attached. These policies incorporate program requirements, applicant eligibility standards, and program capabilities. Upon approval, these policies will be submitted to the NC Housing Finance Agency in order to finalize the City's grant agreement. Upon receipt and final acceptance by NCHFA, funds will be dispersed to the City of Hickory in order to begin repairs to eligible homes.

RECOMMENDATION

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

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

X

No

LIST THE EXPENDITURE CODE:

056-1621-558.32-01 (will need to be created via Budget Amendment)

059-1621-558.32-02

Reviewed by:

Dave Leonetti

Initiating Department Head

5/29/2024

Date

Amity M. Dula

Deputy City Attorney, A. Dula

6-7-24

Date

Robby Miller

Asst. City Manager, R. Miller

6/12/24

Date

Paul Beasley

Asst. City Manager, R. Beasley

6/10/24

Date

Kari Dunlap

Finance Officer, Kari Dunlap

6/12/24

Date

Carmel McHargue

Purchasing Manager, C. McHargue

6-11-24

Date

Yandee DHO
Asst City mgr

6/12/24

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

Waverly Wood

City Manager, W. Wood

6.12.24

Date

North Carolina Housing Finance Agency Urgent Repair Program (URP24) Post-Approval Documentation

URP2418	City of Hickory
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A. Instructions

Your Application for Funding was approved for the requested amount. The numbers in the table in section E below reflect the numbers from your application and represent the required performance standards for your URP24 award. If you agree with the amounts listed, please provide the information and documentation requested below and return this Post Approval Documentation packet to Chuck Dopler, Team Leader of Home Ownership Rehabilitation, who will serve as your case manager throughout your project. All proposed changes to these performance standards will require Agency approval and should result in no net loss of application rating points.

B. Local Matching Funds (Attach)

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

Source of Funds	Amount
Weatherization Assistance Program funds	\$0
Heating Appliance Repair & Replacement Program funds	\$0
Independent Living Center funds	\$0
Council on Aging funds	\$0
USDA-Rural Development Section 504 loans	\$0
Volunteer labor	\$0
Donated materials	\$0
Matching local funds	\$5,000
Other	\$0
Total of local matching funds committed to the URP24 project	\$5,000

C. Assistance Policy (Attach)

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

D. Procurement and Disbursement Policies (Attach)

URP Recipients must submit a copy of their Procurement Policy that is specific to URP24 and is written in accordance 2 CFR 200, and a copy of their Disbursement Policy to the Agency for review and approval.

E. Service Area Requirements

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

Service Area	Proposed # of Units	Program Repair Funds	Program Admin Funds
Catawba (City of Hickory)	8	\$120,000	
Caldwell (City of Hickory)	0	\$0	
Burke (City of Hickory)	0	\$0	
TOTAL	8	\$120,000	\$12,000

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

Recipients must submit evidence that honesty and fidelity insurance coverage is available in an amount not less than 50% of your URP24 funding allocation. This must be in the form of a letter from the recipient's insurer identifying the policy by number, the amount of coverage, the effective date, the positions covered by the policy, and containing a statement that NCHFA will be notified in writing if the coverage is discontinued or reduced. For self-insured units of government, the acceptable evidence of insurance will be a letter from the unit's chief financial officer or manager, stating that the unit maintains a self-insurance fund in an amount adequate to provide honesty and fidelity coverage equal to 50% of the URP24 allocation. The letter must state that the recipient will notify NCHFA in writing if the self-insurance is discontinued or reduced to a level that no longer provides the required 50% coverage.

G. Fiscal Year and Audits (Complete this section)

Recipients will be required to submit reports as required under NC State General Statute 143C-6-23 (Non-Government Organizations) or NC State General Statute 159-34 (Units of Local Government)

Fiscal year begins _____ and ends _____.

H. Acknowledgement of Audit Compliance Reporting Responsibilities (Attach)

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

I. Organizational Documents (N/A)

1. Recipients who are not units of government must supply copies of their organizational documents, including articles of incorporation, by laws and a listing of all directors, officers and staff.
2. Recipients that are private-nonprofit organizations must forward a notarized copy of their Conflict of Interest policy, in accordance with G.S. 143C-6-23, to the Agency, which addresses conflicts of interest that may arise involving any member of the recipient's management, board of directors or other governing body.
3. Recipients that are private nonprofit organizations must provide a written statement, made under oath and completed by the organizations board of directors or appropriate governing body, stating that the organization does not have any overdue taxes, as defined by G.S. 105-243.1.

J. W9 Tax ID and Direct Deposit (Attach)

1. Enclosed is the Form W-9 Request for Taxpayer Identification Number and Certification. Please complete this form with the requested information and return the completed form with the PAD.
2. Also, enclosed is the form for electronic payments, which will allow for direct deposit of Program funds into your designated checking account. Please complete this form with the requested information and return the completed form with the PAD.

K. Intergovernmental Agreement (N/A)

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

L. Certifications

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

Attest	Authorized Signature
Title	Title
Date	Date

URGENT REPAIR PROGRAM

City of Hickory

Hickory, North Carolina

ASSISTANCE POLICY

2024

URGENT REPAIR PROGRAM ASSISTANCE POLICY

INTRODUCTION

The North Carolina Housing Finance Agency has awarded \$120,000 to the City of Hickory (the City) based on the City's application for funding to implement the City's "Urgent Repair Program 2024". This program assists qualified very low and low-income homeowners, residing within the municipal boundaries of the City of Hickory (located primarily in Catawba County as well as Burke and Caldwell counties), in need of urgent housing repairs. The funds provided by NCHFA come from the North Carolina Housing Trust Fund and Agency funds. The City of Hickory shall provide an additional \$5,000 to be used in conjunction with these funds.

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

1.0 GOALS AND OBJECTIVES

1.1 GOALS

The goals of the City of Hickory's "Urgent Repair Program 2024" ("URP 24") are:

1. To alleviate housing conditions which pose an imminent threat to the life or safety of very low and low-income homeowners with special needs;
2. To provide accessibility modifications and other repairs necessary to prevent displacement of very low and low-income homeowners with special needs, such as frail elderly and persons with disabilities;
3. To assist a minimum of Eight (8) eligible homes within the municipal boundaries of the City of Hickory.

1.2 OBJECTIVES

The objectives of the City's "URP 24" are:

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

2.0 PROGRAM REQUIREMENTS

2.1 USE OF FUNDS

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

2. “URP 24” funds must be used either for hard costs or for “URP 24” support associated with “URP 24” eligible repairs or modifications.
3. Eligible repairs must meet the goals as stated in section 1.1 above and rectify deficiencies including but not limited to:
 - 1) combustion appliance and chimney hazards;
 - 2) electrical system hazards;
 - 3) plumbing system hazards;
 - 4) imminent structural system failures (e.g., porches, steps, and roofs);
 - 5) mitigation of environmental hazards such as lead-based paint, asbestos, or soil gases;
 - 6) repairs necessary to prevent the imminent displacement of eligible households;
 - 7) repairs designed to increase the accessibility of the unit to frail or disabled residents, including ramps, hand rails and grab bars, kitchen and bathroom adaptations and door alterations, etc.;
 - 8) imminent threats to life or safety, including those caused by lead, which can be addressed by inexpensive lead hazard reduction activities such as replacing mini-blinds, improving soil conditions around drip lines, replacing windows, etc.; or,
 - 9) other repairs approved by the Agency on a case-by case basis.
 - 10) *Emergency*: A situation in which a household member has an immediate threat of being displaced or removed from a home due to health or safety issues within a time frame that the program can complete a repair to stop displacement or removal. These applications will be received at any time during the funding cycle and elevated based on the ability of the program to complete the work in a timely manner that meets the goal of assisting homeowners to remain in their home. This may be documented with a doctor’s letter or displacement/eviction notice.
4. Hard costs are defined, in the case of an independent private contractor performing the repair work, as the contract price; or in the case of City work crews performing the repairs, as the direct costs associated with the repairs including labor, materials, mileage, and tool rental.
5. The maximum amount of the loan will depend on the scope of work necessary to address the identified imminent threats to life and/or safety, and that will be determined by the city’s rehabilitation specialist. There is no minimum to the amount of the loan; however, the maximum life-time limit according to the guidelines of “URP 24” is \$12,000.
6. Program funds must not be used:
 - 1) in conjunction with any source of state or federal housing assistance (CDBG, HOME, HPG, 504 grants, etc.), other than Weatherization Assistance Program (WAP) assistance, Heating Appliance Repair and Replacement Program (HARRP) assistance, Home and Community Care

- Block Grants provided by the North Carolina Division of Aging and Adult Services or contributions from local offices of Independent Living;
- 2) on any dwelling unit for which other sources of state or federal assistance are available at the time of the repair work; or
 - 3) on any dwelling unit for which other sources of state or federal assistance are likely to become available within six months following the completion of the repair work under the “URP 24”.

2.2 PROHIBITED ACTIVITIES

1. None of the funds provided under the City’s “URP 24” shall be used for any partisan political activity or to further the election or defeat of any candidate for public office.
2. There shall be no religious instruction conducted in connection with activities under the City’s “URP 24”;
3. The City will not discriminate against any applicant or beneficiary of assistance under the “URP 24” program because of race, sex, familial status religion, color, disability or national origin. The City will ensure that applicants are processed without regard to race, sex, familial status, age, religion, color, disability, or national origin. The City will also ensure that any person employed in the performance of any activity under the “URP 24” are also treated without regard to race, sex, familial status, age, religion, color, disability, or national origin.
4. No officer, employee or other public official of the City, or member of the City Council or entity contracting with the City that exercises any functions or responsibilities with respect to “URP 24” shall have any interest, direct or indirect, in any contract or subcontract for work to be performed with program funding, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Relatives of City employees, City Council and others closely identified with the City, may be approved for rehabilitation assistance only upon public disclosure before the City’s Council and written permission from NCHFA.

2.3 FORM OF ASSISTANCE

1. The City of Hickory’s “URP 24” funds shall be made available to qualifying owner-occupant beneficiaries in the form of a loan. Homeowners will receive an unsecured deferred, interest-free loan, forgiven at a rate of \$3,000 per year, until the principal balance is reduced to zero.
2. The City of Hickory shall use loan documents prescribed and provided by the NCHFA in the administration of URP assistance to qualifying beneficiaries.

2.4 ELIGIBLE HOUSEHOLDS

1. Only qualified low and very low-income owner occupants with special needs can be assisted under the City’s “URP 24”. A minimum of 50% of the City’s “URP 24” funds shall benefit very low-income households with the remainder going to benefit low-income households. This guideline will be adhered to strictly and will be the primary factor in the selection of those households to be assisted under URP24.

2. City of Hickory low-income households are those with gross annual incomes not exceeding 50% of the Median Family Income for North Carolina as defined in the NCHFA “Urgent Repair Program” manual by number of persons in the household (see Income Limits schedule below).
3. City of Hickory very low-income households are those households with gross annual incomes not exceeding 30% of the Median Family Income for North Carolina as defined in the NCHFA “Urgent Repair Program” manual by number of persons in the household (see Income Limits schedule below).
4. Eligible households must include at least one member or configuration considered as a special need which include households described as the following: elderly, disabled, a single parent, a Veteran, a large family with >5 household members or a household with a child below the age of six with lead hazards in the home. These special needs populations are further defined as follows:
 1. Elderly: A household member who is at least sixty-two (62) years old;
 2. Emergency: A situation in which a household member has an immediate threat of being evicted or removed from a home due to health or safety issues within a time frame that the program can complete a repair to stop eviction or removal. These applications will be received at any time during the funding cycle and evaluated on the ability of the program to complete the work in a timely manner that meets the goal of assisting homeowners to remain in their home.
 3. Disabled: A person who has a physical, mental or developmental disability that greatly limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment.
 4. Large Family: A large family household is composed of five or more individuals; at least four are immediate family members.
 5. Head of Household: The person or persons who own(s) the house.
 6. Household Member: Any individual who is an occupant (defined below) of the unit to be rehabilitated shall be considered a “household member” (the number of household members will be used to determine household size and all household members are subject to income verification).
 7. Occupant: An occupant is defined as any immediate family member (mother, father, spouse, son/daughter of the head of the household, regardless of the time of occupancy); or non-immediate family member who has resided in the dwelling at least 3 months prior to the submission of the family’s application.
 8. Single-Parent Household: A household in which one and only one adult resides with one or more dependent children.
 9. Child with lead hazards in the home: a child below the age of six living in the applicant house which contains lead hazards.
 10. Veteran: A person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

**URGENT REPAIR PROGRAM 2024
NC STATEWIDE INCOME LIMITS* FOR
CITY OF HICKORY BENEFICIARIES**

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

*Income limits are subject to change based on annually published HUD HOME Limits and will be updated each year. This update will not require a re-approval of the governing authority. Income limits presented in this schedule are based on 2024 HUD North Carolina Statewide Median Family Income of \$88,600.

2.5 REPAIR STANDARDS

Program funds may be used to affect urgently needed repairs or modifications without regard to whether the dwelling unit shall meet any local, state or federal housing quality standards. However, all work done using “URP 24” funds must meet North Carolina State Residential building code standards and be done in compliance with all state or local permitting, inspections, licensing, and insurance requirements.

3.0 CITY OF HICKORY’S “URP 24” PROGRAM REQUIREMENTS

3.1 “URP 24” PROGRAM SCHEDULE

The City’s “Urgent Repair Program for 2024” shall begin on October 1, 2024 or sooner, based on approval by NC Housing Finance Agency, at which time the City of Hickory’s Community Development Department shall seek applicants by making known to the public the availability of funding through published announcements in local newspapers, through the distribution of “URP 24” brochures, press releases, and announcements posted in public places such as the Municipal Building and Recreation Centers in eligible neighborhoods. All applications must be received by December 1, 2025 with all projects under contract by December 31, 2025. All construction work will be completed no later than February 1, 2026, no exceptions.

3.2 GEOGRAPHICAL DISTRIBUTION OF “URP 24” FUNDS

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

3.3 BENEFICIARY SELECTION PROCESS

Approximately Eight (8) units will be assisted through the 2024 Urgent Repair Program. Applications for assistance will be accepted on a first come, first to qualify, first-served basis. All applications, along with financial documentation, shall be delivered to the City of Hickory’s Citizens’ Advisory Committee regularly scheduled meeting on

the 1st Thursday of each month. A minimum of 50% of the units assisted under the 2024 Urgent Repair Program must have income limits less than 30% of the area median. No units with stated income above 30% of the area median will be repaired until the 50% threshold has been met.

3.4 APPLICATION PROCESS

1. Media and personal contact shall be used throughout the City to encourage prospective beneficiaries to make application for “URP 24” assistance. Citizens may apply for URP funding by contacting Anna Beth Walker, Community Development Specialist at (828) 323-7414. The City of Hickory Community Development Department shall provide technical assistance to potential beneficiaries in completing applications for “URP 24” funds. All applications, along with financial, special need and urgent repair need documentation, shall be delivered to the City of Hickory’s Citizens’ Advisory Committee. At regularly scheduled meetings, the Citizens’ Advisory Committee shall review and approve on a first come first to qualify basis, all eligible applications submitted to ensure that beneficiary distribution is consistent with the City of Hickory’s “URP 24” Assistance Policy. Applicants not receiving notification by December 31, 2025 that they were chosen may contact Anna Beth Walker, Community Development Specialist, at (828) 323-7414 to confirm the disposition of the application. Those who have applied for URP housing assistance from the City in the past will not automatically be reconsidered. A new application will need to be submitted for consideration.

Applications shall consist of two parts:

- 1) Application for determination of eligibility, including income, home ownership, and special need documentation;
 - 2) Work write-up and cost estimate.
2. All information in applicant files will remain confidential to the extent permitted by North Carolina law. Access to the information will be provided only to City employees who are directly involved in the program, the North Carolina Housing Finance Agency and auditors.
 3. Complaints concerning the City’s “URP 24” program application process shall be in writing and addressed to the City of Hickory Community Development Department. A representative of the City of Hickory Community Development Department shall contact the person making the complaint and attempt to resolve the problem. A written response will be made within 15 working days of contact. If the complaining party is not satisfied with the response, he or she may file a complaint with the Citizens’ Advisory Committee who will schedule a meeting with the complaining party. The decision of the Committee shall be final and will be made in writing within 5 days.

3.5 CONTRACT AND REPAIR PROCESS

1. The City's Rehabilitation Specialist will visit the homes of potential grant recipients to interview and determine the need and feasibility of repairs/modifications. All parts of the home must be made accessible for inspection, including the attic and crawlspace, if any. The owner should report any known problems such as electrical short circuits, blinking lights, roof leaks and the like. The Rehabilitation Specialist will prepare a complete and detailed work specifications (known as the "work write-up"). A final cost estimate will also be prepared by the Rehabilitation Specialist and held in confidence until bidding is completed.

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

2. After approval of the work write-up, the homeowner will sign a formal agreement that will explain and govern the repair/modification process. This agreement will define the roles of the parties involved throughout the process.
3. The City is obligated under "URP 24" to ensure that quality work is done at reasonable prices and that all work is contracted through a fair, open and competitive process. To meet those very difficult requirements, the City will invite bids only from contractors who are part of an "approved contractor registry". Please request a copy of the City's Procurement and Disbursement Policy for further information.
4. The City will maintain a list of contractors eligible to bid on work financed by "URP 24" funds (approved contractor registry). Such contractors must present evidence of their rehabilitation experience, ability to complete work items in a workmanlike manner, possession of liability and workman's compensation insurance (and RRP Firm Certification which is required for units built prior to 1978), ability to work with the homeowner and City staff, and to complete work on schedule. Contractors not on this list must supply evidence of their qualifications to the City and shall be reviewed for approval by the City. All contractors performing work under this program must possess other contracting licenses as required by the adopted building codes.
5. The City's bid package consisting of a detailed work write-up, contract document, cost proposal form, and instructions to the bidder will be mailed to a minimum of three contractors on the approved contractors registry who will be given a specific period of time in which to inspect the property and prepare bid proposals. The names of the invited contractors will be supplied to the homeowner. Each will need access to those areas of the house, in which work is to be performed, in order to prepare a bid. A bid opening will be conducted at the Community Development office at a specified date and time, with all bidders and the homeowner invited to attend.

After review of bid breakdowns and timing factors, the winning bidder will be selected. Typically, the contract or contracts will be awarded to the low bidder(s). In

addition, the selected contractor's bid must be within 15 percent (15%) of the City's cost estimate.

All bidders and the homeowner will be notified of (1) the selection, (2) the amount, (3) the amount of the City's cost estimate, (4) any support or contingency costs that will be included in the loan amount and (5) if other than the lowest bidder is selected, of the specific reasons for the selection.

6. The promissory note and any modifications (if applicable) will be executed and will be between the homeowner and the City. The cost of the actual work and project related support costs up to the maximum amount of \$1000 will be included in the loan document. The contract for repairs will be between the homeowner and contractor with the City signing as an interested third party.
7. A pre-construction conference will be held at the home or City of Hickory offices. At this time, the homeowner, contractor and program representatives will discuss the details of the work to be done. Starting and ending dates will be agreed upon, along with any special arrangements such as weekend or evening work hours and disposition of items to be removed from the home (such as old plumbing, etc.). Within 24 hours of the pre-construction conference, the City will issue a "proceed order" formally instructing the contractor to commence by the agreed-upon date.
8. The contractor will be responsible for obtaining any required building permits for the project before beginning work. The permit must be posted at the house during the entire period of construction. Program staff will closely monitor the contractor during the construction period to make sure that the work is being done according to the work write-up (which is made a part of the rehabilitation contract by reference) and in a timely fashion. Code Enforcement Officers will inspect new work for compliance with the State Building Code as required by the guidelines of "URP 24". The homeowner will be responsible for working with the contractor toward protecting personal property by clearing work areas as much as practicable
9. Contractors shall not be permitted any partial payment during construction. Upon completion of all (100%) of contracted work and the execution of the City of Hickory's "Certificate of Final Inspection" and the "Owner's Certificate of Satisfaction", payment will be issued. Prior to payment the contractor shall execute a "Contractor's Release of Liens".
10. Contractors must supply lien waivers, signed by all sub-contractors employed on the job and by all material suppliers from whom materials for the job were purchased, and warranties to the homeowner upon completion of work.
11. All Change Orders to the bid specifications must be approved by the homeowner, contractor and two representatives of the City. The change order must be reduced to writing as a contract amendment ("change order"). Loan funds shall not be advanced beyond the permitted maximum (\$12,000) to cover Change Orders. If the changes

- require an increase in the loan amount, a loan modification stating these changes in the contract amount must be completed by the City and executed by the owner. If the changes result in a decrease in the loan amount, an estoppel informing the homeowner of these changes in the contract amount will be completed by the City and conveyed to the owner.
12. Following construction the contractor and a City Community Development Staff member will sit down with the homeowner one last time. At this conference the contractor will provide any owner's manuals and warranties on equipment. The contractor and the City Community Development Staff member will go over operating and maintenance requirements for any new equipment installed and discuss general maintenance of the home with the homeowner. The homeowner will have the opportunity to ask any final questions about the work.
 13. Once all work has been completed in accordance with the Contract and the homeowner has signed a Certificate of Satisfaction, the job will be closed out.
 14. In the event of any dispute between the homeowner and the contractor during the repair Modification Process the following steps will apply:
 1. If the homeowner feels that repairs or modifications are not being completed per the contract, he/she must inform the contractor and the City Community Development Department staff, in writing.
 2. The City Community Development Department staff will inspect the work in question. If it is found that the work is not being completed according to contract, the City Community Development Department staff will review the contract with the contractor and ask the contractor to remedy the problem.
 3. If the City Community Development Department staff finds that the work is being completed according to contract, the complaint will be noted and the City Community Development Department staff and the homeowner will discuss the concern and the reason for the City Community Development Department staff's decision.
 4. If problems persist, a mediation conference between the homeowner and the contractor may be convened with the City Community Development Department staff and facilitated by the Citizens Advisory Committee.
 5. Should the mediation conference fail to resolve the dispute, the Citizen's Advisory Committee will render a written final decision.

3.6 CLIENT REFERRALS

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

3.7 CONTACTS

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

2024 Urgent Repair Program Assistance Policy, approved and adopted
by the City of Hickory, this ____ day of _____, 2024.

By: _____
Warren Wood, City Manager

Notary Public: _____

City of Hickory's Urgent Repair Program

PROCUREMENT POLICY

1. To the maximum extent practical, the City of Hickory promotes a fair, open and competitive procurement process as required under the North Carolina Housing Finance Agency's Urgent Repair program (URP). Bids are invited from Contractors who are part of the City's approved contractor registry. (To be on the registry, a contractor must complete an application, have their recent work inspected, reviewed and approved by the Rehabilitation Specialist and submit proof of insurance at the appropriate levels required by the City. For homes built prior to 1978, bid invitations will be sent only to contractors with an RRP Firm Certificate on file at the City of Hickory; these projects must have at least one personnel on site who is an RRP Certified Renovator.)
2. At least three eligible contractors on the City's approved contractor registry shall be invited to bid on each job and the lowest responsive and responsible bidder shall be selected for the contract. "Responsive and responsible" means (a) the contractor is deemed able to complete the work in a timely fashion, (b) the bid is within 15%, in either direction, of the City's cost estimate, and (c) there is no conflict of interest (real or apparent).
3. Although bid packages may be bundled for multiple job sites, the bids for multiple job sites shall be considered separate and apart when awarded and shall be awarded to the lowest responsive and responsible bidder(s) for each job site.
4. Bid packages shall consist of an invitation to bid, work write up(s) and bid sheet(s) for each job.
5. Bids must include a cost-per-item breakdown with line item totals equaling the submitted bid price. Discrepancies must be reconciled prior to a contract being awarded.
6. Any change to the original scope of work must be reduced to writing in the form of a change order to be agreed upon and signed by the homeowner, contractor, and two representatives of the City. The change order must also detail any changes to the original contract price.
7. No work may begin prior to a contract being awarded and a written order to proceed provided to the contractor. In addition, a pre-construction conference and "walk thru" shall be held at the work site prior to commencement of repair work.
8. The City of Hickory reserves the right to reject any or all bids at any time during the procurement process.
9. In the event of a true emergency situation, the City reserves the right to waive normal procurement procedures in favor of more expedient methods, which may include seeking telephone quotes, faxed bids and the like. Should such methods ever become necessary the transaction will be fully documented.
10. All sealed bids will be opened publicly at a time and place to be announced in the bid invitation. All bidders are welcome to attend.

DISBURSEMENT POLICY

1. All repair work must be inspected by (a) the City's Rehabilitation Specialist, (b) a Code Enforcement Officer, and (c) the homeowner prior to any payments to contractors. If all work is deemed satisfactory and all other factors and written agreements are in order, payment shall be issued upon presentation of an original invoice from the contractor. Contractor should allow 15 business days for processing of the invoice for payment.
2. If any of the work is deemed unsatisfactory, it must be corrected prior to authorization of payment. If the contractor fails to correct the work to the satisfaction of the City's Rehabilitation Specialist, payment may be withheld until such time the work is satisfactory. (Contractors may follow the City's Urgent Repair Program Assistance Policy if a dispute occurs; however, contractors shall abide by the final decision as stated in the policy).
3. The City of Hickory assures, through this policy, that adequate funds shall be available to pay the contractor for satisfactory work.
4. All contractors, sub-contractors and suppliers must sign a lien waiver prior to disbursement of funds.

The Procurement and Disbursement Policies are adopted this the _____ day of _____ 20____.

City of Hickory

BY: _____

Attested by: _____

CONTRACTORS STATEMENT:

I have read and understand the attached Procurement and Disbursement Policy.

BY: _____

COMPANY NAME: _____

WITNESS: _____

RESOLUTION NO. 24-

Be it resolved by the City Council of the City of Hickory that the regularly scheduled City Council Meeting for July 2, 2024 be cancelled.

Adopted this the 18th day of June 2024.

THE CITY OF HICKORY a
North Carolina Municipal Corporation

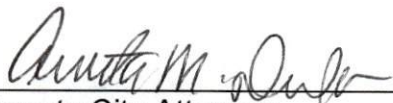
(SEAL)

ATTEST:

By: _____
Hank Guess, Mayor

Debbie D. Miller, City Clerk

Approved as to form this 7th day of June, 2024.


Deputy City Attorney

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Sarah Greene, Library Director
Contact Person: Sarah Greene
Date: June 4, 2024
Re: Library Surplus Materials

REQUEST

To surplus 2,640 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

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE: N/A

<u>Bob Deere</u> Initiating Department Head	<u>6/4/24</u> Date	<u>Auntal Dula</u> Deputy City Attorney, A. Dula	<u>6-7-24</u> Date
<u>Rodney Miller</u> Asst. City Manager Rodney Miller	<u>6/12/24</u> Date	<u>R. Beasley</u> Asst. City Manager, R. Beasley	<u>6/10/24</u> Date
<u>Kari Duplap</u> Finance Officer, Kari Duplap	<u>6-12-24</u> Date	<u>R Cameron McHargue</u> Deputy Finance Officer, Cameron McHargue	<u>6-11-24</u> Date
<u>Yaltee Fox</u> Asst. City Manager Yaltee Fox	<u>6/12/24</u> Date		

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

W. Wood
City Manager, W. Wood

6.12.24
Date

RESOLUTION NO. 24-

**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 2,640 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 the 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 18th day of June 2024.


City of Hickory

By: _____
Hank Guess, Mayor

ATTEST:

Debbie D. Miller, City Clerk

Approved as to form this 7th day of June, 2024.


Deputy City Attorney for the City of Hickory

4
To: City Manager's Office

From: Police/Chief Reed Baer III, Captain Phillip Demas

Contact Person: Lisa Drum

Date: June 6, 2024

Re: Governor's Highway Safety Program Grant

REQUEST: Hickory Police Department requests approval to accept the Governor's Highway Safety Program Grant for officer overtime traffic enforcement. Hickory Police is requesting 26,000.00 from the granting agency.

BACKGROUND:

The Hickory Police Department is committed to reducing motor vehicle crashes, especially those involving injury and death. If awarded, the overtime grant will fund extra duty efforts by the Hickory Police Department to conduct operations that will involve highly visible traffic enforcement for speeding, occupant protection devices, and other traffic violations. Conducting these traffic enforcement operations will allow Hickory Police Department to address the rising trend in motor vehicle crashes involving injury or death. The Hickory Police Department will use these funds to pay officers to work these highly visible traffic enforcement operations and focus on speeding, occupant protection devices, and intersection traffic violations.

ANALYSIS:

In comparing statistics from 2018-2022, an average of 44% of all the reportable crashes in Catawba County occurred in the city limits of Hickory. During the above stated period, 19% of all speed related crashes, 31% of all alcohol related crashes, and 34% of all crashes involving occupants not using occupant protection devices occurred within the city limits of Hickory. In 2022, there were six fatal crashes that occurred in Hickory city limits. Of these crashes, one crash had a contributing circumstance of speed and three had the contributing circumstance of intersection traffic violations. Increasing traffic enforcement efforts will allow Hickory Police to address the rising trend in motor vehicle crash fatalities, serious injuries, crashes caused by speeding and intersection traffic violations. If awarded, Hickory Police Department will use these funds for its officers to conduct high visibility and/or saturation type traffic enforcement focused on speeding, intersection traffic violations, and occupant protection devices.

RECOMMENDATION: Hickory Police Department recommends acceptance of the Governor's Highway Safety Program Grant for officer overtime traffic enforcement in the amount of 26,000.00. There are no matching funds required.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

D. Reed Baer, III *(RC)*

Initiating Department Head

06/06/2024

Date

Amanda M. Dula
Deputy City Attorney, A. Dula

6-7-24

Date

Rodney Miller
Asst. City Manager Rodney Miller

6/12/24

Date

R. Beasley
Asst. City Manager, R. Beasley

6/10/24

Date

Kari Dunlap
Finance Officer, Kari Dunlap

6-12-24

Date

Cameron McHargue
Deputy Finance Officer,
Cameron McHargue

6-11-24

Date

Yaidee Fox
Asst. City Manager Yaidee Fox

6/12/24

Date

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

W. Wood
City Manager, W. Wood

6.12.24
Date

Lisa Drum

From: Moore, Emily R <ermoore1@ncdot.gov>
Sent: Wednesday, June 5, 2024 4:33 PM
To: Ball, Christopher; Tonya Miller; Rogers-Mckee, Bonnie K; George, Lori Perkins; Allison, Janna M; Keen, Jennifer M; Main, Laura J; Joanne Pope-Clark; Gregory Ferrara; daniel_findley@ncsu.edu; Mosher, Moriah A; Lisa Drum; MiglinDaniel@Gmail.com; Bright, Nathan; Beverly Hopps; Bevan Kirley; Harmon, Katie Jean; Buchanan, Allan; Lefler, Nancy Xenelis
Subject: Congratulations!
Attachments: Agreement of Conditions Rev 2018-05-14.pdf; No Overdue Taxes Certification.pdf; Resolution.pdf

CAUTION: This email originated from outside of the organization.

Grantees,

Your FY25 grant application has been approved by GHSP to begin **October 1, 2024 through September 30, 2025.**

Please monitor the grant system daily. You will receive an auto-generated approval letter - Your application should soon appear as returned for you to sign, pin, and resubmit. Once you have done that **and** submitted all the required forms (see below), we will create the final agreement and provide you with your agreement/project number for FY25.

I have attached copies of the blank forms to this email for your agency to **complete and return them to me as soon as possible.** It is important to verify all information is correct before presenting the forms to your agency head for approval and signature. **If your agency has multiple grants, you only need to complete one set of forms per agency.** Please use the table below to determine which forms your agency is required to submit.

Type of Agency	AOC	
State Agency	X	
Higher Education	X	
Local Municipality	X	
Non-Profit	X	
County	X	

Note: For the AOC, please have at least ONE person initial each page AND **only provide the MONTH and DAY** (do not include the year on page 8) for example:

30. Agency Fiscal Year. The end date for the Agency's fiscal year is JUNE 30

If your agency is not authorized to complete these forms until further action is taken through the steps of local/county/state procedures – *please let me know when to expect the completion and submission of your required forms* (board meeting, etc.). **If you have questions about which forms to complete, or anything regarding the process just let me know.**

Thank you,

Emily Moore

Occupant Protection/CPS &
Traffic Records Coordinator



Department of Transportation

Office Phone: 919.814.3655

Email: Ermoore1@ncdot.gov

750 North Greenfield Parkway

Garner North Carolina 27529

Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.

Email correspondence to and from this sender is subject to the N.C. Public Records Law and may be disclosed to third parties.

North Carolina Governor's Highway Safety Program LOCAL GOVERNMENTAL RESOLUTION

WHEREAS, the _____ (herein called the "Agency")

(The Applicant Agency)

has completed an application contract for traffic safety funding; and that _____

(The Governing Body of the Agency)

_____ (herein called the "Governing Body") has thoroughly considered the problem identified and has reviewed the project as described in the contract;

THEREFORE, NOW BE IT RESOLVED BY THE _____ IN OPEN MEETING ASSEMBLED IN THE CITY OF _____, NORTH CAROLINA,

(Governing Body)

THIS ____ DAY OF _____, 20 ____, AS FOLLOWS:

1. That the project referenced above is in the best interest of the Governing Body and the general public; and
2. That _____ is authorized to file, on behalf of the Governing Body, an application contract in the form prescribed by the Governor's Highway Safety Program for federal funding in the amount of \$ _____ to be made to the Governing Body to assist in defraying the cost of the project described in the contract application; and
(Name and Title of Representative)
(Federal Dollar Request)
3. That the Governing Body has formally appropriated the cash contribution of \$ _____ as required by the project contract; and
(Local Cash Appropriation)
4. That the Project Director designated in the application contract shall furnish or make arrangement for other appropriate persons to furnish such information, data, documents and reports as required by the contract, if approved, or as may be required by the Governor's Highway Safety Program; and
5. That certified copies of this resolution be included as part of the contract referenced above; and
6. That this resolution shall take effect immediately upon its adoption.

DONE AND ORDERED in open meeting by _____
(Chairperson/Mayor)

ATTESTED BY _____
(Clerk)

SEAL

DATE _____

North Carolina Governor's Highway Safety Program
Agreement of Conditions

This Agreement is made by and between the North Carolina Department of Transportation, hereinafter referred to as the "Department", to include the Governor's Highway Safety Program, hereinafter referred to as "GHSP"; and the applicant agency, for itself, its assignees and successors in interest, hereinafter referred to as the "Agency". During the performance of this contract, and by signing this contract, the Agency agrees as follows:

A. Federal Provisions

1. **Equal Opportunity/Nondiscrimination.** The Agency will agree to comply with all Federal statutes and implementing regulations relating to nondiscrimination concerning race, color, sex, religion, national origin, handicaps, and age. These include but are not limited to:
 - (a) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq., 78 stat. 252);
 - (b) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. 4601)
 - (c) Federal-Aid Highway Act of 1973, (23 U.S.C. 324 et seq.), and Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683 and 1685-1686);
 - (d) Non-Discrimination in Federally-assisted programs of the United States Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964 (49 CFR Part 21), hereinafter referred to as "USDOT", as amended;
 - (e) Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 794 et seq.), as amended, and 49 CFR Part 27; and
 - (f) The Age Discrimination Act of 1975, as amended (42 U.S.C. 6101 et seq.);
 - (g) The Civil Rights Restoration Act of 1987, (Pub. L. 100-209);
 - (h) Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) and 49 CFR parts 37 and 38;
 - (i) Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations;
 - (j) Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency
2. **Drug Free Workplace.** The Agency agrees to comply with the provisions cited in the Drug-Free Workplace Act of 1988 (41 U.S.C. 8103).
3. **Federal Grant Requirements and Contracts.** The Agency shall comply with the following statutes and implementing regulations as applicable:
 - (a) Highway Safety Act of 1966 (23 U.S.C. Chapter 4 -), as amended;
 - (b) Sec. 1906, Pub. L. 109-59, as amended by Sec. 4011, Pub. L. 114-94;
 - (c) Uniform Procedures for State Highway Safety Grant Programs (23 CFR part 1300);
 - (d) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 1201);
 - (e) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) and all other relevant Federal regulations covering the Highway Safety Program;
 - (f) NHTSA Highway Safety Grant Funding Guidance, as revised, July 2015 (www.nhtsa.gov) and additions or amendments thereto.
4. **Political Activity (Hatch Act)** The Agency will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508), which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
5. **Lobbying.**
 - (a) **Certification Regarding Federal Lobbying.** The undersigned certifies, to the best of his or her knowledge and belief, that:
 - (i) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- (ii) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (iii) The undersigned shall require that the language of this certification be included in the award documents for all sub-award at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure

- (b) **Restriction on State Lobbying.** None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

6. Audits.

- (a) **Audit Required.** Non-Federal entities that expend \$750,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of 2 CFR, Subpart F, §200.500. Guidance on determining Federal awards expended is provided in 2 CFR, Subpart F, §200.502.
- (b) **Single Audit.** Non-Federal entities that expend \$750,000 or more in a year in Federal awards shall have a single audit conducted in accordance with 2 CFR, Subpart F, §200.501, except when they elect to have a program-specific audit conducted in accordance with 2 CFR, Subpart F, §200.501, paragraph (c).
- (c) **Non-Governmental Entities.** Non-governmental entities (not-for-profit and for-profit entities) must adhere to North Carolina General Statute 143C-6.22 and 09 NCAC Subchapter 03M.

7. Instructions for Lower Tier Certification.

- (a) By signing and submitting this proposal, the prospective lower tier participant (the Agency) is providing the certification set out below and agrees to comply with the requirements of 2 CFR Parts 180 and 1200.
- (b) The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
- (c) The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (d) The terms covered transaction, civil judgement, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded, as used in this clause, are defined in 2 CFR Part 180 and 1200. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
- (e) The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred,

suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

- (f) The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR Parts 180 and 1200.
 - (g) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).
 - (h) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
 - (i) Except for transactions authorized under paragraph 7(e) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies including suspension or debarment.
 - (j) **Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transactions.**
 - (i) The prospective lower tier participant (the Agency) certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any Federal department or agency.
 - (ii) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participants shall attach an explanation to this contract proposal.
8. **Buy America Act.** The Agency and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.
9. **Prohibition On Using Grant Funds To Check For Helmet Usage.** The Agency and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.
10. **Conditions for State, Local and Indian Tribal Governments.** State, local and Indian tribal government Agencies shall adhere to the standards established by 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments and additions or amendments thereto, for principles for determining costs applicable to grants and contracts with state, local and Indian tribal governments.
11. **Conditions for Institutions of Higher Education.** If the Agency is an institution of higher education, it shall adhere to the standards established by 2 CFR Part 215 Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations and 2 CFR 220 Cost Principles for Educational Institutions for determining costs applicable to grants and contracts with educational institutions.

- 12. Conditions for Non-Profit Organizations.** If the Agency is a non-profit organization, it shall adhere to the standards established by 2 CFR Part 215 Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations and 2 CFR Part 230 Cost Principles for Non-Profit Organizations for determining costs applicable to grants and contracts with non-profit organizations.
- 13. Conditions for Hospitals.** If the Agency is a hospital, it shall adhere to the standards established by 2 CFR Part 215 Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations.

B. General Provisions

1. **Contract Changes.** This document contains the entire agreement of the parties. No other contract, either oral or implied, shall supercede this Agreement. Any proposed changes in this contract that would result in any change in the nature, scope, character, or amount of funding provided for in this contract, shall require a written addendum to this contract on a form provided by the Department.
2. **Subcontracts Under This Contract.** The Agency shall not assign any portion of the work to be performed under this contract, or execute any contract, amendment or change order thereto, or obligate itself in any manner with any third party with respect to its rights and responsibilities under this contract without the prior written concurrence of the Department. Any subcontract under this contract must include all required and applicable clauses and provisions of this contract. Subcontracting does not relieve the Agency of any of the duties and responsibilities of this agreement. The subcontractor must comply with standards contained in this agreement and provide information that is needed by the Agency to comply with these standards. The Agency must submit any proposed contracts for subcontracted services to the Governor's Highway Safety Program for final approval no less than 30 days prior to acceptance.
3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment.** In all solicitations, either by competitive bidding or negotiation, made by the Agency for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Agency of the Agency's obligations under this contract. Additionally, Agencies making purchases or entering into contracts as provided for by this contract must adhere to the policies and procedures of 2 CFR Part 200 and North Carolina General Statute 143-128.4. Historically underutilized business defined; statewide uniform certification as it pertains to Historically Underutilized Businesses.
4. **Incorporation of Provisions in Subcontracts.** The Agency shall include the provisions of section A-1 through A-13 of this Agreement in every subcontract, including procurements of materials and leases of equipment, unless exempted by the regulations, or directives issued pursuant thereto. The Agency shall take such action with respect to any subcontract or procurement as the Department, the State of North Carolina, hereinafter referred to as the "State", the National Highway Traffic Safety Administration, hereinafter referred to as "NHTSA", or the Federal Highway Administration, hereinafter referred to as "FHWA", may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event the Agency becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Agency may request the Department or the State to enter into such litigation to protect the interests of the Department or the State. In addition, the Agency may request the NHTSA or FHWA to enter into such litigation to protect the interests of the United States.
5. **Outsourcing.** All work shall be performed in the United States of America. No work will be allowed to be outsourced outside the United States of America.
6. **Property and Equipment.**
 - (a) **Maintenance and Inventory.** The Agency shall maintain and inventory all property and equipment purchased under this contract.
 - (b) **Utilization.** The property and equipment purchased under this contract must be utilized by the Agency for the sole purpose of furthering the traffic safety efforts of the Agency for the entire useful life of the property or equipment.
 - (c) **Title Interest.** The Department and NHTSA retain title interest in all property and equipment purchased under this contract. In the event that the Agency fails or refuses to comply with the provisions of this Agreement or terminates this contract, the Department, at its discretion, may take either of the following actions:
 - (i) Require the Agency to purchase the property or equipment at fair market value or other mutually agreed to amount; or

- (ii) Require the Agency to transfer the property or equipment and title of said property or equipment, if any, to the Department or to another Agency, as directed by the Department.
- (d) **Non-expendable Property.** Non-expendable property is defined as property or equipment having a value of \$5000 or more with a life expectancy of more than one year. Non-expendable property purchased under this contract cannot be sold, traded, or disposed of in any manner without the expressed written permission of the Department.
7. **Educational or Other Materials.** If allowed, any educational or other materials developed using funds from this contract must be reviewed and approved by the GHSP prior to their production or purchase. The cost of these materials is generally limited to a maximum of \$5.00 per item. The purchase of promotional items and memorabilia are not an allowable cost.
8. **Review of Reports and Publications.** Any reports, papers, publications, or other items developed using funds from this contract must be reviewed and approved by the GHSP prior to their release.
9. **Reimbursement.**
- (a) **General.** Payments are made on a reimbursement basis. There is no schedule of advance payments. Only actual allowable costs are eligible for reimbursement. Claims for reimbursement must be made a minimum of quarterly and no more than once a month via the Grants Management System. Claims for reimbursement not made within the three month threshold are subject to denial. The itemized invoice shall be supported by documentation of costs as prescribed by the Department. Reimbursements will not be processed if other required reports are incomplete or have not been submitted. Failure to submit complete reports by the required deadline may result in denial of reimbursement.
- (b) **Approval.** The Governor's Highway Safety Program and the Department's Fiscal Section shall approve the itemized invoice prior to payment.
- (c) **Unapproved Costs.** Any rejected or unaccepted costs shall be borne by the Agency. The Agency agrees that in the event the Department determines that, due to Federal or State regulations that grant funds must be refunded, the Agency will reimburse the Department a sum of money equal to the amount of Federal and State participation in the rejected costs.
- (d) **Final Claims for Reimbursement.** Final claims for reimbursement must be received by the GHSP within 30 days following the close of the approved contract period. Project funds not claimed by this date are subject to reversion.
- (e) **Expending Funds Under This Contract.** Under no circumstances will reimbursement be made for costs incurred prior to the contract effective date or after the contract ending date.
10. **Project Costs.** It is understood and agreed that the work conducted pursuant to this contract shall be done on an actual cost basis by the Agency. The amount of reimbursement from the Department shall not exceed the estimated funds budgeted in the approved contract. The Agency shall initiate and prosecute to completion all actions necessary to enable the Agency to provide its share of the project costs at or prior to the conclusion of the project.
11. **Program Income.** The Agency shall account for program income related to projects financed in whole or in part with federal funds in accordance with 2 CFR 200.307. Program income earned during the contract period shall be retained by the Agency and deducted from the federal funds committed to the project by the GHSP unless approved in advance by the Federal awarding agency as an addition to the project. Program income must be accounted for separately and the records made available for audit purposes.
12. **Project Directors.** The Project Director, as specified on the signature page of this Agreement, must be an employee of the Agency or the Agency's governing body. Any exception to this provision must have the expressed written approval of GHSP.
13. **Reports Required.**
- (a) **Quarterly Progress Reports.** Unless otherwise directed, the Agency must submit Quarterly Progress Reports to the GHSP, on forms provided by the Department, which reflect the status of project implementation and attainment of stated goals. Each progress report shall describe the project status by quarter and shall be submitted to GHSP no later than fifteen (15) days after the end of each quarter. If the Agency fails to submit a Quarterly Progress Report or submits an incomplete Quarterly Progress Report, the Agency will be subject to having claims for reimbursement withheld. Once a Quarterly Progress Report that substantiates adequate progress is received, cost reimbursement requests may be processed or denied at the discretion of GHSP.
- (b) **Final Accomplishments Report.** A Final Accomplishments Report must be submitted to the GHSP within fifteen (15) days of completion of the project, on forms provided by the Department, unless otherwise directed. If the Agency fails to submit a Final Accomplishments Report or submits an

incomplete Final Accomplishments Report, the Agency will be subject to having claims for reimbursement withheld. Once a Final Accomplishments Report that substantiates adequate progress is received, claims for reimbursement may be processed or denied at the discretion of GHSP.

- (c) **Audit Reports.** Audit reports required in Section A-6 above shall be provided to the Department within thirty (30) days of completion of the audit.

14. Out-of-State Travel.

- (a) **General.** All out-of-state travel funded under this contract must have prior written approval by the Governor's Highway Safety Program.
- (b) **Requests.** Requests for approval must be submitted to the GHSP, on forms provided by the Department, no less than thirty (30) days prior to the intended departure date of travel.
- (c) **Agency Travel Policy Required.** For Agencies other than state agencies, out-of-state travel requests must include a copy of the Agency's travel policy, to include allowances for lodging, meals, and other travel-related expenses. For state agencies, maximum allowable subsistence is limited to the prevailing per diem rates as established by the North Carolina General Assembly.
- (d) **Agenda Required.** Out-of-state travel requests must include a copy of the agenda for the travel requested.

15. Conditions for Law Enforcement. In addition to the other conditions provided for in this Agreement, grants to law enforcement agencies are subject to the following:

(a) **Certifications Required.**

- (i) **In-car Camera or Video System.** For any in-car camera or video system purchased under this contract, it is required that the operator of that equipment has successfully completed Standardized Field Sobriety Testing training (SFST). A copy of this certificate must be filed with GHSP prior to reimbursement of in-car camera or video systems.
- (ii) **Radar.** For any radar equipment purchased under this contract, it is required that the operator of that equipment has successfully completed Radar Certification Training. A copy of this certificate must be filed with GHSP prior to reimbursement of radar equipment.
- (iii) **Alcohol Screening Devices.** For any preliminary alcohol screening devices purchased under this contract, it is required that the operator of that equipment has successfully completed the Alcohol Screening Test Device training offered by the Forensic Test for Alcohol Branch.

- (b) **Report Required - Monthly Enforcement Data Report.** In addition to the reports mentioned above, law enforcement agencies engaging in enforcement activities must submit a Monthly Enforcement Data Report on the form provided by the Department no later than fifteen (15) days after the end of each month. If the Agency fails to submit a Monthly Enforcement Data Report or submits an incomplete Monthly Enforcement Data Report, the Agency will be subject to having cost reimbursement requests withheld. Once a Monthly Enforcement Data Report that substantiates adequate progress is received, cost reimbursement requests will be processed. The agency head must sign the form. However, the agency head may assign a designee to sign the form by providing written signature authority to the GHSP.

16. Conditions for Local Governmental Agencies.

- (a) **Resolution Required.** If the Agency is a local governmental entity, a resolution from the governing body of the Agency is required on a form provided by the Department.
- (b) **Resolution Content.** The resolution must contain a commitment from the governing body to provide the local funds as indicated in this contract. Additionally, the resolution is required even if the funding is one hundred percent from federal sources, as it serves as recognition by the governing body of federal funding for purposes of Section A-6 above.

17. Seat Belt Policy and Use. Agency must adopt and enforce a seat belt use policy required for all seating positions unless exempted by state law.

18. Text Messaging Policy. Agency must adopt and enforce a policy banning text messaging while driving unless exempted by state law.

19. Prohibited Interests. No member, officer, or employee of the Agency during his or her tenure, and for at least one (1) year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds thereof or therefrom.

20. Continued Federal and State Funding.

- (a) **Federal Funding.** The Agency agrees and understands that continuation of this project with Federal funds is contingent upon Federal funds being appropriated by the United States Congress specifically for that purpose. The Agency further agrees and understands that in the event funds originally

appropriated by Congress for these grants are subsequently reduced by further acts of Congress, funding to the Agency may be proportionately reduced.

- (b) **State Funding.** The Agency agrees and understands that continuation of this project with funds from the State of North Carolina is contingent upon State funds being appropriated by the General Assembly specifically for that purpose. The Agency also agrees that any state funds received under this contract are subject to the same terms and conditions stated in this Agreement.
21. **Performance.** All grants provided by the Governor's Highway Safety Program are performance-based and, as such, require that continual progress be made toward the reduction of the number and severity of traffic crashes. Any agency, whose performance is deemed unsatisfactory by the GHSP, shall be subject to the sanctions as provided for in this contract. Additionally, unsatisfactory performance shall be cause for the Department to reduce or deny future funding.
22. **Resolution of Disputes.** Any dispute concerning a question of fact in connection with the work not disposed of by contract by and between the Agency and the Department, or otherwise arising between the parties to this contract, shall be referred to the Secretary of the North Carolina Department of Transportation and the authorized official of the Agency for a negotiated settlement. In any dispute concerning a question of fact in connection with the project where such negotiated settlement cannot be resolved in a timely fashion, the final decision regarding such dispute shall be made by the Secretary of the North Carolina Department of Transportation, with the concurrence of the Federal funding agency, and shall be final and conclusive for all parties.
23. **Department Held Harmless.**
- (a) **For State Agencies.** Subject to the limitations of the North Carolina Tort Claims Act, the Agency shall be responsible for its own negligence and holds harmless the Department, its officers, employees, or agents, from all claims and liability due to its negligent acts, or the negligent acts of its subcontractors, agents, or employees in connection with their services under this contract.
- (b) **For Agencies Other Than State Agencies.** The Agency shall be responsible for its own negligence and holds harmless the Department, its officers, employees, or agents, from all claims and liability due to its negligent acts, or the negligent acts of its subcontractors, agents, or employees in connection with their services under this contract.
24. **Records Access and Retention.** The Agency shall provide all information and reports required by the regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Department, the State, NHTSA, or FHWA, as appropriate, to be pertinent to ascertain compliance with such regulations, orders and instructions. Furthermore, the Agency shall maintain such materials during the contract period, and for five (5) years from the date of final payment from the Department or until all audit exceptions have been resolved, for such inspection and audit. Where any information required of the Agency is in the exclusive possession of another who fails or refuses to furnish this information, the Agency shall so certify to the Department, State, NHTSA, or FHWA, as appropriate, and shall set forth what efforts it has made to obtain the information. Pursuant to N.C.G.S. §147-64.7, the Department, the State Auditor, appropriate federal officials, and their respective authorized employees or agents are authorized to examine all books, records, and accounts of the Agency insofar as they relate to transactions with any department, board, officer, commission, institution, or other agency of the State of North Carolina pursuant to the performance of this Agreement or to costs charged to this Agreement.
25. **Sanctions for Non-Compliance.** The applicant Agency agrees that if it fails or refuses to comply with any provisions and assurances in this contract, the Department may take any or all of the following actions:
- (a) Cancel, terminate, or suspend this contract in whole or in part;
- (b) Withhold reimbursement to the Agency until satisfactory compliance has been attained by the Agency;
- (c) Refrain from extending any further funding to the Agency under this contract with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from the Agency;
- (d) Refer the case to the United States Department of Justice for appropriate legal proceedings.
26. **Cancellation, Termination, or Suspension of Contract.**
- (a) **By the Department.** For noncompliance with any of the said rules, regulations, orders or conditions, due to management deficiencies or criminal activity this contract may be immediately canceled, terminated, or suspended in whole or in part by the Department. For noncompliance not indicative of management deficiencies or criminal activity the Department shall give sixty (60) days written notice

- to take corrective action. If the Agency has not taken the appropriate corrective action after sixty (60) days the Department may cancel, terminate, or suspend this contract in whole or in part.
- (b) **By mutual consent.** The Agency or the Department may terminate this contract by providing sixty (60) days advanced written notice to the other party.
 - (c) **Unexpended funds.** Any unexpended funds remaining after cancelation or termination will revert to the Department.
27. **Completion Date.** Unless otherwise authorized in writing by the Department, the Agency shall commence, carry on, and complete the project as described in the approved Highway Safety Project Contract by September 30 of the Federal fiscal year for which it was approved.
28. **E-Verify requirements.** If this contract is subject to NCGS 143-133.3, the contractor and its subcontractors shall comply with the requirements of Article 2 of Chapter 64 of the NC General Statutes.
29. **Certification of Eligibility Under the Iran Divestment Act.** Pursuant to G.S. 147-86.59, any person identified as engaging in investment activities in Iran, determined by appearing on the Final Divestment List created by the State Treasurer pursuant to G.S. 147-86.58, is ineligible to contract with the State of North Carolina or any political subdivision of the State. The Iran Divestment Act of 2015, G.S. 147-55 et seq. requires that each Agency, prior to contracting with the State certify, and the undersigned Agency Authorizing Official on behalf of the Agency does hereby certify, to the following:
- (a) that the Agency is not now and was not at the time of the execution of the Contract dated below identified on the Final Divestment List of entities that the State Treasurer has determined engages in investment activities in Iran;
 - (b) that the Agency shall not utilize on any contract with the State agency any subcontractor that is identified on the Final Divestment List; and
 - (c) that the undersigned Agency Authorizing Official is authorized by the Agency to make this Certification.
30. **Agency Fiscal Year.** The end date for the Agency's fiscal year is _____.
31. **Signature.** By signing below, the Agency agrees to adhere to the terms and conditions of this Agreement.

AGENCY PROJECT DIRECTOR		
NAME	TITLE	ADDRESS
SIGNATURE	DATE	TELEPHONE NUMBER
AGENCY AUTHORIZING OFFICIAL		
NAME	TITLE	ADDRESS
SIGNATURE	DATE	TELEPHONE NUMBER
AGENCY OFFICIAL AUTHORIZED TO RECEIVE FUNDS		
NAME	TITLE	ADDRESS
SIGNATURE	DATE	TELEPHONE NUMBER

North Carolina Governor's Highway Safety Program

SECTION A – GENERAL INFORMATION

1. Project Title: * Hickory Police Traffic Enforcement Overtime Grant	Fiscal Year: 2025
2. Agency: 1000000164 - CITY OF HICKORY POLICE DEPARTMENT	3. Contact Person for Agency: Lisa Drum
4. Agency Address: 347 2ND AVE SW HICKORY, NC 28602-2844	5. Telephone Number: * (828) 261-2609
7. Physical Location of Agency * City of Hickory	6. Cell Phone: 8. Email of Contact Person * ldrum@hickorync.gov
9. Federal Tax ID Number / Type of Agency Federal Tax ID Number: * 56-6001244 Unique Entity Identifier: RJMSVMJ8NJR3 County: * CATAWBA Type of Agency <input type="radio"/> State <input type="radio"/> Non-Profit <input type="radio"/> County <input type="radio"/> Higher Education <input checked="" type="radio"/> Municipality <input type="radio"/> Hospital	10. Project Year * <input checked="" type="radio"/> New <input type="radio"/> Continuation Year: <input checked="" type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4+ Application Number: 1000020664
11. Allocation of Funding * Federal % 100.00 Local % 0.00	

12. Budget	Total Project Amount	Source of Funds	
		Federal Amount	State/Local Amount
Personnel Costs	\$25,000.00	\$25,000.00	
Contractual Services			
Other Direct Costs	\$1,000.00	\$1,000.00	
Indirect Costs			
Total Project Costs	\$26,000.00	\$26,000.00	

13. Specify How Non-Federal Share Will Be Provided: *
100% federal funding, no non-federal shares.

Project Number: _____	CFDA#: 20.
	Work Type: _____

SECTION B – DESCRIPTION OF PROJECT

Statement of Problem (Provide detailed information of the highway safety problems in your area to be addressed through this project. Include countywide crash data for the last three years and any other relevant information to validate the statements. For more detailed information see "How to write an effective traffic safety project" located at:

<https://connect.ncdot.gov/municipalities/Law-Enforcement/Pages/Law-Enforcement-Reporting.aspx>

The Hickory Police Department is committed to reducing motor vehicle crashes, especially those involving injury and death. In 2023, Hickory Police Department had over 3500 reported traffic crashes. One of the ways to accomplish this goal is to increase enforcement efforts in high crash areas. The overtime grant if awarded will fund extra duty efforts by the Hickory Police Department to conduct operations that will involve highly visible traffic enforcement for speeding, occupant protection devices, and other traffic violations. The City of Hickory is the largest municipality in Catawba County. We have a population of over 43,000 but swell to over 100,000 during the daytime. The City of Hickory also has three colleges, which include Catawba Valley Community College, Lenoir Rhyne University, and Appalachian State University campus. Hickory Police Department has two regional hospitals in the city limits and many large businesses to include MDI, CommScope, Corning, Hickory Springs Manufacturing (HSM), Performance Food Group, Transportation Insight, and many others. Conducting these traffic enforcement

operations will allow Hickory Police Department to address the rising trend in motor vehicle crashes involving injury or death. The Hickory Police Department will use these funds to pay officers to work these highly visible traffic enforcement operations and focus on speeding, occupant protection devices, and intersection traffic violations. In comparing statistics from 2018-2022, an average of 44% of all the reportable crashes in Catawba County occurred in the city limits of Hickory. During the above stated period, 19% of all speed related crashes, 31% of all alcohol related crashes, and 34% of all crashes involving occupants not using occupant protection devices occurred within the city limits of Hickory. In 2023, there were six fatal crashes that occurred in Hickory city limits. Of these crashes, one crash had a contributing circumstance of speed and three had the contributing circumstance of intersection traffic violations. Hickory Police received a 2010 GHSP equipment grant for five Mobile In Car Cameras and five radars. Hickory Police received a 2011 GHSP equipment grant for four lidars and four pole mounted radar systems. Hickory Police received a 2013 GHSP equipment grant for 20 in car digital cameras.

Proposed Solution (Begin with a one-sentence summary of your project. Then describe in detail how your proposed project will address the problem identified in the "Statement of Problem" section):

Hickory Police Department will utilize funds for officers to conduct saturation or directed patrols for high-visibility traffic enforcement efforts emphasizing speed-related violations as well as seat belt and child restraint violations. Hickory Police Department further acknowledges that funds WILL NOT be used to conduct checkpoints. Hickory Police Department will schedule a minimum of forty (40) hours of overtime throughout the month with officers working 4 to 6-hour shifts. To be reimbursed for funds spent on overtime salary, Hickory Police Department will submit both a monthly traffic enforcement overtime schedule as well as the regular monthly work schedule for personnel assigned to overtime traffic enforcement activities. In addition, Hickory Police Department agrees to submit copies of payroll reports and/or pay memos demonstrating that personnel were compensated at a rate of one and a half times (1.5x) their normal rate of pay regardless of whether an officer uses leave during any given pay period. Similarly, Hickory Police Department agrees to provide CAD/Activity Reports and copies of all North Carolina Uniform Citations and written warnings issued during scheduled overtime as supporting documentation for each assigned employee and shift. At the end of each month, Hickory Police Department agrees to submit a Monthly Enforcement Data (MED) report outlining the agency #s efforts as a whole."

Budget Justification (Provide a detailed explanation of the costs associated with proposed project):

Hickory Police Department will utilize these funds to pay off-duty law enforcement Hickory Police Department officers to conduct high-visibility saturation or directed patrols for the purpose of enforcing speed, seat belt, and child restraint violations. Compensation to assigned employees will be provided at a rate of one and a half times (1.5x) the normal rate of pay and reimbursements WILL NOT be claimed at any other pay rate. No fringe benefits will be claimed.

Travel Justification (Provide justification for all travel expenses):

Hickory Police Department will utilize these funds to cover the costs of in-state travel associated with the suggested, recommended, or required attendance of agency staff at GHSP-sponsored events and trainings.

To be completed by law enforcement agencies seeking first year grant:

Provide the agency's number of sworn officers	122
Does the agency currently have a dedicated traffic or DWI unit?	Yes <input type="radio"/> No <input checked="" type="radio"/>
If a dedicated traffic or DWI unit exists, how many officers are assigned to the unit?	

For applicants requesting enforcement grants, please provide the following county fatality rankings:

Information can be located at:

<https://connect.ncdot.gov/municipalities/Law-Enforcement/Pages/Law-Enforcement-Reporting.aspx>

Overall Fatality Ranking:	17
Alcohol Fatality Ranking:	19
Unrestrained Fatality Ranking:	21
Speed Related Fatalities:	29
Other Applicable Rankings: (Specify)	The City of Hickory had six fatal collisions in year 2023.

As part of this project all law enforcement agencies must enter traffic enforcement citations data of their agency for the past three years.

Year 2021	Occupant Protection Citations	20	DWI Citations	106	Speed Citations	1,155
Year 2022	Occupant Protection Citations	12	DWI Citations	71	Speed Citations	1,252
Year 2023	Occupant Protection Citations	16	DWI Citations	60	Speed Citations	1,308

Goals and Objectives (Provide at least one SMART (Specific, Measurable, Attainable, Realistic and Timely) goals and objectives. For more detailed information see "How to write an effective traffic safety project" located at: <https://connect.ncdot.gov/municipalities/Law-Enforcement/Pages/Law-Enforcement-Reporting.aspx>)

Goal #1: To reduce unrestrained fatalities in Catawba County by 10 percent from the 2018-2022 average of 4.20 to 3.00 from October 1, 2024, to September 30, 2025.

Objectives: To increase selective and proactive traffic enforcement efforts by conducting high visibility and/or saturation enforcement techniques focused on speeding, intersection traffic violations, and occupant protection devices. The Hickory Police Department will schedule at least two traffic enforcement operations per month. Officers will work overtime for four to eight hours during each operation. Normally, four to eight officers work each operation. Objective: Increase speed violation contacts by 10% from the 2023 totals. Specifically, speeding contacts from 1308 to 1438 from October 1, 2024 through September 30, 2025

Goal #2: To reduce speed related fatalities in Catawba County by 10 percent from the 2018-2022 average of 4.2 to 2.00 from October 1, 2024, to September 30, 2025.

Objectives: To increase selective and proactive traffic enforcement efforts by conducting high visibility and/or saturation enforcement techniques focused on speeding, intersection traffic violations, and occupant protection devices. The Hickory Police Department will schedule at least two traffic enforcement operations per month. Officers will work overtime for 4-8 hours during each operation. Normally, 4-8 officers work each operation. Objective: Increase occupant protection violation contacts by 500% from the 2023 totals. Specifically, occupant protection contacts from 16 to 96 from October 1, 2024 through September 30, 2025.

Goal #3: Raise the participation rate in GHSP sponsored events from 0% to 100% by September 30, 2025.

Objectives: Participate in all GHSP Sponsored events.

Below are the 5-year goals of the NC Governor's Highway Safety Program (GHSP). To be eligible for funding, your traffic safety project should match one or more of the GHSP goals. Check all that apply.

- Reduce NC's traffic-related fatalities by 4% from the 2022 total of 1,784 to 1,712 by December 31, 2025.
- Reduce NC's alcohol-related fatalities by 4% from the 2022 total of 448 to 430 by December 31, 2025.
- Reduce NC's unrestrained fatalities by 4% from the 2022 total of 562 to 539 by December 31, 2025.
- Reduce NC's speed-related fatalities by 4% from the 2022 total of 426 to 408 by December 31, 2025.
- Reduce NC's young driver-related fatalities by 4% from the 2022 total of 198 to 190 by December 31, 2025.
- Reduce NC's motorcycle fatalities by 4% from the 2022 total of 237 to 227 by December 31, 2025.
- Increase NC's seat belt usage rate from the 2022 usage rate of 90.8% to 91.46% by December 31, 2025.

SECTION C – BUDGET DETAIL

Personnel Costs

#	Personnel Position	Salary
1	Activity Hours for Traffic Safety Overtime Enforcement	\$25,000.00
Total Salaries Cost:		\$25,000.00
#	Personnel Fringe Benefits	Cost
Total Fringe Benefits Cost:		
Total Personnel Costs:		\$25,000.00

Other Direct Costs

#	Equipment	Quantity	Cap Amount	Cost
Total Equipment Cost				

Other Equipment Details :

#	Other Items and Equipment Direct Cost:	Cost
Total Other Items and Equipment Direct Cost:		
#	Travel	Cost
1	In-State Travel	\$1,000.00
Total Travel Cost:		\$1,000.00
Total Other Direct Costs:		\$1,000.00

SECTION D – SCHEDULE OF TASKS BY QUARTERS

List the schedule of tasks by quarters, referring specifically to the objectives in Section B. Tasks should be a bulleted list of activities to be performed in each quarter.

Conditions for Enforcement Projects Only

By checking this box, the above agency agrees to the terms below as additional activities to be performed as part of this project.

- A minimum of one (1) nighttime and one (1) daytime seat belt initiative per month;
- A minimum of one (1) impaired driving checkpoint per month;
- A minimum of 50% of seat belt initiatives must be conducted at night between the hours of 7:00 p.m. and 7:00 a.m.;
- Participation in all "Click It or Ticket" and "Booze It & Lose It" campaigns;
- Participation in any event or campaign as required by the GHSP;
- Attempt to utilize one of the Forensic Tests for Alcohol Branch's Mobile Breath Alcohol Testing (BATMobiles) units during at least one of the impaired driving checkpoints.

First Quarter (October, November, December)

Conduct safety-focused enforcement initiatives scheduled for the quarter, with a focus on occupant protection and speeding. Participate in GHSP-sponsored events/campaigns as required or invited, including all Click It or Ticket and Booze It & Lose It campaigns. Submit Monthly Enforcement Data (MED) reports. Submit monthly claims. Submit quarterly reports.

Second Quarter (January, February, March)

Conduct safety-focused enforcement initiatives scheduled for the quarter, with a focus on occupant protection and speeding. Participate in GHSP-sponsored events/campaigns as required or invited, including all Click It or Ticket and Booze It & Lose It campaigns. Submit Monthly Enforcement Data (MED) reports. Submit monthly claims. Submit quarterly reports.

Third Quarter (April, May, June)

Conduct safety-focused enforcement initiatives scheduled for the quarter, with a focus on occupant protection and speeding. Participate in GHSP-sponsored events/campaigns as required or invited, including all Click It or Ticket and Booze It & Lose It campaigns. Submit Monthly Enforcement Data (MED) reports. Submit monthly claims. Submit quarterly reports.

Fourth Quarter (July, August, September)

Conduct safety-focused enforcement initiatives scheduled for the quarter, with a focus on occupant protection and speeding. Participate in GHSP-sponsored events/campaigns as required or invited, including all Click It or Ticket and Booze It & Lose It campaigns. Submit Monthly Enforcement Data (MED) reports. Submit monthly claims. Submit quarterly reports. Submit Final Accomplishments Report.

AGENCY AUTHORIZING SIGNATURE

I have read and accept terms and conditions of the grant funding and attached the Grant Agreement. The information supplied in this application is true to the best of my knowledge

Name: PIN: Date:

Note:

1. Submitting grant application is not a guarantee of grant being approved.
2. Once form has been submitted, it cannot be changed unless it has a status of "Return".

FOR GHSP USE ONLY:

Recommendation:

Date:

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: John Marshall, Transportation Planning Manager

Contact Person: John Marshall, Transportation Planning Manager

Date: June 18, 2024

Re: BL-0115 – Aviation Museum Connector Multi-Use Trail – From Aviation Walk Connector at 19th St Lane NW to the Aviation Museum

REQUEST

Staff requests Council approval and acceptance of an Agreement for Professional Services with Thomas-Gordon-Shook (TGS), Consulting Engineers for Preliminary Engineering and Design Services related to the Aviation Museum Connector Multi-Use Trail Project – BL-0115 in the amount of \$198,825.25, contingent on NCDOT approval.

BACKGROUND

The City applied for and received Surface Transportation Block Grant - Directly Attributable (STBG-DA) funding approval, for \$2,400,000 with 20% match of a \$600,000, from the Greater Hickory MPO and North Carolina Department of Transportation (NCDOT) for the Aviation Museum Connector Multi-Use Trail. The multi-use trail will connect the Aviation Museum to the Aviation Walk Connector and the rest of the Hickory Trail System.

The location of the proposed Aviation Museum is currently not served by sidewalk or other bicycle or pedestrian facilities. Aviation Museum Connector would link the new Aviation Museum to the rest of the Hickory Trail System and give visitors and citizens of Hickory a bike/ped option to enjoy the facility. The new museum building will also house the Catawba Valley Community College Workforce Innovation Center. The proposed trail will connect the App State Campus with the CVCC Workforce Innovation Center and will support shared educational opportunities.

ANALYSIS

Preliminary Engineering is needed to design the Aviation Museum Connector. The multi-use trail connector would begin at western edge of the Aviation Walk Connector on Clement Blvd and travels west along Clement Blvd to 21st Street NW then south on 21st Street NW to the future entrance of the Aviation Museum at 9th Avenue Drive NW. The project is approximately 0.31 miles in length.

RECOMMENDATION

Staff requests Council approval and acceptance of an Agreement for Professional Services with Thomas-Gordon-Shook (TGS), Consulting Engineers for Preliminary Engineering and Design Services related to the Aviation Museum Connector Multi-Use Trail Project – BL-0115 in the amount of \$198,825.25, contingent on NCDOT approval.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

700015

61-7000-577.83-01 – PE and Design

Reviewed by:

John Marshall
Initiating Department Head

6/6/2024
Date

Amanda M. Dula
Deputy City Attorney, A. Dula

6-7-24
Date

Rodney Miller
Asst. City Manager Rodney Miller

6/12/24
Date

R. Beasley
Asst. City Manager, R. Beasley

6/10/24
Date

Kari Dunlap
Finance Officer, Kari Dunlap

6-12-24
Date

Cameron McHargue
Deputy Finance Officer,
Cameron McHargue

6-11-24
Date

Yaidee Fox
Asst. City Manager Yaidee Fox

6/12/24
Date

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

W. Wood
City Manager, W. Wood

6.12.24
Date

**AGREEMENT BETWEEN OWNER
AND
TGS ENGINEERS
FOR PROFESSIONAL SERVICES**

THIS AGREEMENT is made as of this _____ day of _____, 2024, between the City of Hickory (“OWNER”), with principal offices at 76 North Center Street, Hickory, NC, 28601 and TGS Engineers (“ENGINEER”), with principal offices at 201 W. Marion Street, Shelby, NC 28150 for services in connection with the project known as the BL-0115 (“Project”);

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

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

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

SECTION I. SCOPE OF SERVICES

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

SECTION II. TERMS AND CONDITIONS OF ENGINEERING SERVICES

The “TERMS AND CONDITIONS,” which are attached hereto in Exhibit B, are incorporated into this Agreement by this reference as if fully set forth herein.

SECTION III. RESPONSIBILITIES OF OWNER

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

SECTION IV. COMPENSATION

Compensation for ENGINEER’S services under this Agreement shall be on the basis of lump sum. The amount of the lump sum price is **(\$198,825.25)**.

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

Compensation terms are defined as follows:

SECTION V. PERIOD OF SERVICE

Upon receipt of written authorization to proceed, ENGINEER shall perform the services within the time period(s) described in Exhibit A.

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

SECTION VI. SPECIAL PROVISIONS

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

Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

NCDOT is providing the following list of contract provisions (as noted by the US Code or the Code of Federal Regulations) that should be included in all contracts or subcontracts that include federal funding.

- Title 2 CFR 200 is the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is applicable government-wide to any contract with Federal Funding. Appendix II contains a list of contract provisions that should be included in contracts.
- Title 23 CFR 172 is the *Procurement, Management, and Administration of Engineering and Design Related Services*, subject to the provisions of 23 USC 112(a) – related to construction. Contract provisions that are not already included in 2 CFR 200, are listed below. These should be included in all professional engineering contracts.
- Construction Contracts, funded under Title 23 of the US Code (Federal-aid Highway Program), have specific required contract provisions. Resources to build the contract proposal and include appropriate provisions are listed below.

IMPORTANT: It is the Local Government Agency responsibility to ensure all provisions are included in relevant contracts, in which federal funds are participating. You may need to consult with your legal representative or contracts office to ensure your contracts are in compliance.

ALL CONTRACTS AND SUB-CONTRACTS WITH FEDERAL FUNDS

Pursuant to Title 2 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, **the following list of contract provisions should be incorporated into every sub-recipient contract, if federal funds will be used on the contract.** Please note applicability requirements.

2 CFR 200, Appendix II

<https://www.gpo.gov/fdsys/pkg/CFR-2014-title2-vol1/xml/CFR-2014-title2-vol1-part200-appII.xml>

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage

determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research

work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201).

(I) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide Excluded Parties List System in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), “Debarment and Suspension.” The Excluded Parties List System in SAM contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(J) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award of \$100,000 or more must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(K) See §200.322 Procurement of recovered materials.

PROFESSIONAL SERVICES CONTRACTS

Pursuant to Title 23 CFR 172, *Procurement, Management, and Administration of Engineering and Design Related Services*, the following contract provisions should be included, either by reference or by physical incorporation into the language of each contractor or subcontract, as applicable. Provisions that are **not** already noted in 2 CFR 200 are in **bold**.

- (i) Administrative, contractual, or legal remedies in instances where consultants violate or breach contract terms and conditions, and provide for such sanctions and penalties as may be appropriate;
- (ii) **Notice of contracting agency requirements and regulations pertaining to reporting;**
- (iii) **Contracting agency requirements and regulations pertaining to copyrights and rights in data;**
- (iv) **Access by recipient, the subrecipient, FHWA, the U.S. Department of Transportation's Inspector General, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the consultant which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions;**
- (v) **Retention of all required records for not less than 3 years after the contracting agency makes final payment and all other pending matters are closed;**
- (vi) Standard DOT Title VI Assurances (DOT Order 1050.2);
- (vii) **Disadvantaged Business Enterprise (DBE) assurance, as specified in 49 CFR 26.13(b);**
- (viii) **Prompt pay requirements, as specified in 49 CFR 26.29;**
- (ix) **Determination of allowable costs in accordance with the Federal cost principles;**
- (x) **Contracting agency requirements pertaining to consultant errors and omissions;**
- (xi) **Contracting agency requirements pertaining to conflicts of interest, as specified in 23 CFR 1.33 and the requirements of this part; and**
- (xii) A provision for termination for cause and termination for convenience by the contracting agency including the manner by which it will be effected and the basis for settlement.
- (xiii) All contracts and subcontracts exceeding \$100,000 shall contain, either by reference or by physical incorporation into the language of each contract, a provision for lobbying certification and disclosure, as specified in 49 CFR part 20.

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

City of Hickory
"OWNER"

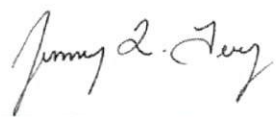
BY: _____

NAME: _____

TITLE: Mayor

ADDRESS: PO Box 398
Hickory, NC 28603

TGS Engineers
"ENGINEER"

BY: 

NAME: Jimmy L. Terry

TITLE: Project Manager

ADDRESS: 201 W. Marion Street
Shelby, NC 28150

EXHIBIT A
SCOPE OF SERVICES

TGS Engineers
201 W. Marion Street
Shelby, NC 28150

SCOPE OF WORK

May 23rd, 2024

NCDOT Project Title/Name: BL-0115 – Aviation Museum Connector

Introduction

Based on conversations with the City of Hickory and NCDOT, this document will serve as documentation of the important items discussed and as a proposed scope of work for this project.

Background and Purpose

The project's purpose is to connect the 10' multi-use trail from 19th St Ln NW to the Aviation Museum. The project is approximately 0.40 miles in length.

Tasks

The tasks to be performed within this assignment include:

- I. **Roadway Design**
- II. **Work Zone Traffic Control**
- III. **Signing and Pavement Markings**
- IV. **Hydraulic Design**
- V. **Erosion Control Design**
- VI. **Surveying**
- VII. **Geotech (See attached scope from Carolinas Geotechnical Group)**
- VIII. **PDEA Planning (includes NRTR and Cultural Resources)**
- IX. **Utility Coordination**
- X. **Utility Design – Conduit Layout Only**

I. Roadway Design

TGS Engineers will perform the following items to complete the Roadway Design:

1.1 Project Familiarization

1.2 Prepare Design Assumptions – Prepare Design Assumptions in accordance with the AASHTO Greenbook.

1.3 Complete Base Plan Sheets (Project No., Preliminary Stickers, Edit, etc.) – Prepare Base Plan Sheets in accordance with the NCDOT *Roadway Design Manual*.

1.4 Preliminary Typical Sections - Prepare Typical Sections in accordance with the NCDOT *Roadway Design Manual*.

1.5 Preliminary Studies of Vertical and Horizontal Alignment - - Prepare horizontal and vertical alignments in accordance with the AASHTO *A Policy on Geometric Design of Highways and Streets*, AASHTO Guide for Development of Bicycle Facilities, and in accordance with the approved design criteria utilizing GEOPAK design software.

1.6 Plot Profile and Grades - Plot profile grade in accordance with NCDOT CADD guidelines.

1.7 Complete Cross-Sections (Existing Ground and Elevation, Preliminary Stickers, Scale, Project No., etc.) - Prepare Cross-Sections in accordance with the NCDOT *Roadway Design Manual* utilizing GEOPAK design software and criteria files.

1.8 Plot Templates on Cross-Sections - Plot templates on cross-sections utilizing GEOPAK design software.

1.9 Plot Slope Stakes - - Plot slope stakes utilizing GEOPAK design software.

1.10 Prepare Title Sheet - Prepare Project Title Sheet in accordance with the NCDOT *Roadway Design Manual*.

1.11 Run Earthwork Areas and Prepare Preliminary Summary – Run earthwork areas and prepare preliminary summary utilizing GEOPAK design software.

1.12 Attend Preliminary Review - Consultant will follow *NCDOT Guidelines for roadway design activities* and send electronic plans to the Municipality and NCDOT.

1.13 Revise after Review - Revise plans per review comments.

1.14 Intersection Design. (Including details) – Intersection Designs (including details) in accordance with the AASHTO *A Policy on Geometric Design of Highways and Streets*, NCDOT *Roadway Design Manual* and NCDOT *Roadway Standard Drawings*.

- 1.15 Plot Hydrology on Plans - Plot and label hydrology on plans in accordance with NCDOT CADD guidelines.
- 1.16 Draft Right-of-Way and Easements on Plans - Plot and label right of way and easements on plans in accordance with NCDOT CADD guidelines.
- 1.17 Finalize Right of Way Plans and Check by Engineer - Finalize plans in accordance with standard NCDOT guidelines for appropriate checklist.
- 1.18 Incorporate Final Pavement Design Recommendations – Revise Typical sections to include final pavement design and recommendations.
- 1.19 Finalize Earthwork Computations, and Balance Card – Complete earthwork computations and balance card for project.
- 1.20 Prepare Index of Sheets, General Notes, Standards, List of Special Provisions – Complete Index of sheets, General Notes and List of Standards for I-A sheet. Generate list of special provisions needed for project specs.
- 1.21 Drafting of Special Detail (Undercut, Ditches, Special Drainage Structures, etc.) – Draft special details needed for the project that are not furnished by or available from NCDOT.
- 1.22 Prepare Earthwork Summary – Complete earthwork summary.
- 1.23 Prepare Guardrail Summary – Complete guardrail summary.
- 1.24 Prepare Drainage Summary (includes temporary pipe) – Complete drainage summary.
- 1.25 Prepare Pavement Removal Summary – Complete pavement removal summary.
- 1.26 Final Quantities and Estimate – Calculate roadway quantities for roadway section of project and complete Engineer’s estimate (roadway items).
- 1.27 Finalize All Designs and Plans and Check by Engineer (Plans 90% Complete) – Complete project and review plans.
- 1.28 Final Review by City of Hickory, NCDOT, Revise Plans and Submit Original Plans and Quantities – Revise plans, quantities, special provisions, engineer’s estimate. Seal plans and submit to NCDOT.
- 1.29 Miscellaneous Estimates, Studies and Preparation of Correspondence, Coordination with Various Agencies, etc. - Consultant will prepare estimates, correspondence and coordinate with agencies as required per *Guidelines for roadway design activities*.

1.30 Coordination with Sub-consultants - Consultant/Sub consultant coordination through duration of project.

1.31 Prepare Contract Document and Pre-Bid Information – Preparation of Contract bid documents per NCDOT Standards and Special Provisions. Aid the City in preparing for Letting of the Contract, including pre-bid advertisement, pre-bid conference, and any other assistance needed.

II. Traffic Management Plan

TGS Engineers will perform the following items to complete the Traffic Management Plan:

1.1 Project Notes:

A preliminary listing of general and local project notes will be incorporated onto the plan set.

1.2 Quantity Estimate:

A quantity estimate will be required as part of the final submittal.

1.3 Pre-Final Plan Submittal:

The consultant is expected to use the NCDOT-WZTC Guidelines, located at http://www.ncdot.org/doh/preconstruct/wztc/PEF/TMP_Guidelines.pdf, when developing the Pre-Final Plans for the Traffic Management Plan (TMP).

1.4 Final Plan Submittal:

The consultant is expected to use the NCDOT-WZTC Guidelines, located at http://www.ncdot.org/doh/preconstruct/wztc/PEF/TMP_Guidelines.pdf, when developing the Final Plans for the Traffic Management Plan (TMP).

1.5 Meetings/Coordination:

A representative from the PEF will be required to coordinate with the Division Traffic Engineer, City of Hickory, and NCDOT Work Zone Traffic Control Unit.

III. Signing and Pavement Delineation Design

DESCRIPTION OF WORK REQUIRED

Proposed Signing and Pavement Delineation Design plans

The Engineer shall furnish signing and pavement delineation plans. Plans will be submitted at the 90% plan stage of roadway plans and final 100% roadway design plan stage. The Engineer shall prepare the signing and pavement delineation design plans utilizing the MUTCD and the NCDOT Guidelines for the preparation of signing plans & signing and delineation roadway standard specifications.

IV. Hydraulic Design

TGS Engineers will perform the following items to complete the Hydraulics Design:

Description

The project includes ditch analysis, cross drainage, storm drainage analysis, outfall analysis, Storm water Management Plan, and preliminary drainage coordination to minimize utility impacts. Wetlands and surface waters will be mapped by TGS.

Scope of Work

1.1 Field Recon & Supplemental Survey – The TGS Surveying staff will provide special survey data required by the hydraulic engineer for the design study. The type and presentation format of this data is provided in the Locations Units’ “Hydraulic Survey Guidelines”. The hydraulics engineer will supplement the location data with survey and informational data obtained during his field reconnaissance and site visit. Review of the project in the field prior to commencing detailed design is a requirement of the engineer with primary responsibility for the drainage study. The purpose of this field trip in addition to obtaining supplemental survey data is to:

- Visually acquaint the designer with conditions and constraints of the site.
- Verify data obtained from other sources
- Identify ponds, lakes, reservoirs and other storage areas which affect discharge rates
- Review existing drainage features and obtain information on performance
- Review potential outlet channels for performance and adequacy
- Identify sediment sensitive areas such as lakes, ponds, and developed stream areas
- Review contributing watershed characteristics
- Review and obtain design information on environmental areas of concern such as wetlands and special fishery streams (State GIS mapping is a good resource)
- Obtain details of size, location, length, material type and condition of existing drainage structures.
- Obtain historical flood and other stream flow information
- Locate areas where beam ditches are needed.
- Locate and obtain elevations of low areas back of existing curb for special pickups
- Locate small inflow systems such as roof and basement drains.

All pertinent data and facts gathered through this field reconnaissance and survey are to be documented on work plans, field notes or other forms suitable for submittal with the final project report.

1.2 Hydrologic and Hydraulic Design: Develop a set of Drainage Redline Plans in accordance with Chapter V of the North Carolina Division of Highways *Guidelines for Drainage Studies and Hydraulics Design*.

a. Pipes, Storm Drainage, & Ditches – Prepare hydraulic design in accordance with the North Carolina Division of Highways *Guidelines for Drainage Studies and Hydraulics Design*. Design the Storm Drainage using Geopak Drainage.

1.3 Storm water Management Plan - Design Storm water Controls and develop a Storm water Management Plan using Best Management Practices per the latest NCDOT Storm water Best Management Practices Toolbox.

1.4 Prepare Drainage Summary – Prepare drainage summary in accordance with current NCDOT standards and procedures.

V. Erosion Control

TGS Engineers will perform the following items to complete the Erosion Control plans:

1.1 Plan Development:

a. Clearing and Grubbing Phase:

Develop an erosion control plan for the clearing and grubbing phase of grading. This plan will include types, sizes, and locations of all erosion control devices to be used. Erosion control devices will be designed to NCDENR and NCDOT specifications.

b. Intermediate / Final Grading Phase: Develop an erosion control plan for the intermediate / final phase of grading to accommodate new drainage patterns and site topography resulting from the clearing and grading phase of grading.

1.2 Details and Notes: Provide additional details and notes to supplement the erosion control plans. Details and notes to include standard drawings of erosion control devices as well as scheduling considerations and details of any unusual conditions which dictate that special measures be used.

1.3 Title Sheet: A title sheet will be produced to include pertinent information to the project.

1.4 Commitments & Revisions Due to Comments: Address any revisions which need to be made from the plan review by NCDENR and NCDOT. This includes resubmittal for final approval.

1.5 Specifications and Documentations: Provide additional information to include site preparation, surface stabilization, runoff control measures, runoff conveyance measures, outlet protection, inlet protection, sediment traps and barriers, and other related practices not detailed in plans. Specifications may also include design criteria and calculations.

VI. Surveying

The following surveying scope of work is proposed:

- 1) Courthouse Research will be performed on properties.
- 2) Contacting Property Owners will be performed on properties
- 3) Baseline will be Traversed
- 4) Baseline will be staked at intermediate intervals
- 5) Existing alignments will be computed using acquired field data
- 6) Supplemental DTMs will be field located
- 7) Properties will be field tied and reconed
- 8) R/W and Survey Control Sheets will be provided for final plans.
- 9) Field location of Topo & Plan features is medium
- 10) Non-gravity U/G utilities is medium
- 11) Gravity utilities and pipe invert location is medium
- 12) Staking and flagging of R/W & Easements will be performed
- 13) Base Mapping will be prepared
- 14) Travel time (Round Trip) will consist of 2 hours
- 15) SUE will be performed for all underground utilities

VII. Geotechnical (See attached Scope from CG2)

VIII. Planning Document

TGS Engineers will perform the following items to complete the Planning Document and Public Involvement:

1.0 Preparation of Federal Categorical Exclusion

1.1 Scoping

- 1.1.1 Field Review
- 1.1.2 Review Scope of Work
- 1.1.3 Develop Project Schedule
- 1.1.4 Estimates & Negotiations

1.2 Planning

- 1.2.1 Vicinity Map
- 1.2.2 Scoping Letter to Agencies
- 1.2.3 Scoping Letter to SHPO
- 1.2.4 Natural Resources Technical Report
- 1.2.5 Community Impacts

1.3 Public Involvement – No meeting expected

1.4 Environmental Document

- 1.4.1 Prepare Figures
- 1.4.2 Prepare Draft

1.4.3 Revise & Finalize

No Historic or Archaeological Surveys are included in this scope of work. Any surveys required from the SHPO review will be considered extra work.

IX. Utility Coordination - Dry Utilities

With respect to utility coordination, TELICS will:

- 1) Assist in identifying all utilities and owners within the project limits
- 2) Send conflict letter to all utility owners and obtain No cost/No conflict letters (if applicable)
- 3) Municipal utility construction requests
- 4) Work early with TGS during the preliminary design phase in order to minimize or ultimately resolve utility conflicts, prioritize utility relocations that could have a major impact on the overall construction schedule, and insure that all utility issues (S.U.E., construction phasing, etc.) are addressed during design.
- 5) Establish relocation timelines and provide milestones to utility owners.
- 6) Report utility progress monthly via the Complex Utility Relocation Spreadsheet.
- 7) Meet with all affected utilities in the Project area when 70% Final Right-of-Way Roadway
- 8) Determine the cost responsibility / compensable interest for all utilities to be relocated due to the roadway construction.
- 9) Review the Utility Relocation Plans with TGS and ensure that no conflicts exist with either the proposed roadway improvements or between each of the utility company's relocation plans.
- 10) Maintain constant communication with all Utilities, TGS and the NCDOT to ensure that issues are resolved in a timely manner.
- 11) Develop a Master Relocation Schedule for the Project that lists all utilities in conflict with the project and the current status of their relocation.
- 12) Schedule and facilitate all necessary field meetings during the utility relocation phase to insure timely, complete, and satisfactory coordination with the utilities affected by the Project.

If utility relocation efforts are still underway at the start of roadway construction, a member of TELICS Utility Coordination Team will be available to meet with the Construction Project Manager to review and discuss items pertinent to utility conflict resolution. TELICS personnel will be on site as needed to facilitate the timely relocation of utilities.

TELICS will be available as required to perform the tasks in this scope of work. TELICS does not anticipate having personnel on the Project site on a daily basis.

X. Utility Design – Conduit Plans

TGS Engineers will perform the following items to complete Utility Design:

- 1.1 Utility Construction Conduit Plan** – PEF will design and prepare final utility construction plans of the proposed conduit and special provisions.

Schedule/Timeline

The following schedule shall be used as a guideline for the project:

Task	Date
Proposal & Estimate Submitted	May 31, 2024
NTP Received	June 28, 2024
Start of Study Letters/Cultural Resource Letters/Geoenvironmental Planning Report/Tribal Letters	Submitted by July 12, 2024. Received by August 12, 2024.
Surveys Completed	August 30, 2024
Preliminary Roadway Plans (25%)	September 27, 2024
Hydraulic Design Completed	November 22, 2024
Planning Document – Federal CE & NRTR	January 17, 2025
Right of Way Plans & Estimate	January 17, 2025
R/W Authorization	February 28, 2025
R/W Acquisition	Approximately three months (3) months – Completed May 2025
Final Plans Approved – All Disciplines (90%)	April 22, 2025
Sealed Plans, Contract, R/W and Utility Certifications to NCDOT	July 15, 2025
Advertisement	September 9, 2025
Let	October 7, 2025

Hours

TGS Engineers proposes to undertake this work as a lump sum for the agreed upon amount, excluding the right of way acquisition fee. A separate Cost Proposal will be attached showing names, position classifications, rates of pay, and anticipated hours required to complete the various tasks as listed and described above.

Budget/Invoicing

The total fee for the scope of work as stated above is **\$198,825.25**.

It will be necessary to include a detailed monthly activity report and a DBE-IS form when submitting invoices for the project. Compensation will be based on the percentage of the total work completed as shown on the invoice. The DBE-IS form can be downloaded at <http://www.ncdot.org/doh/forms/files/DBE-IS.xls> (instructions on how to complete the form are included on the second tab of the spreadsheet).



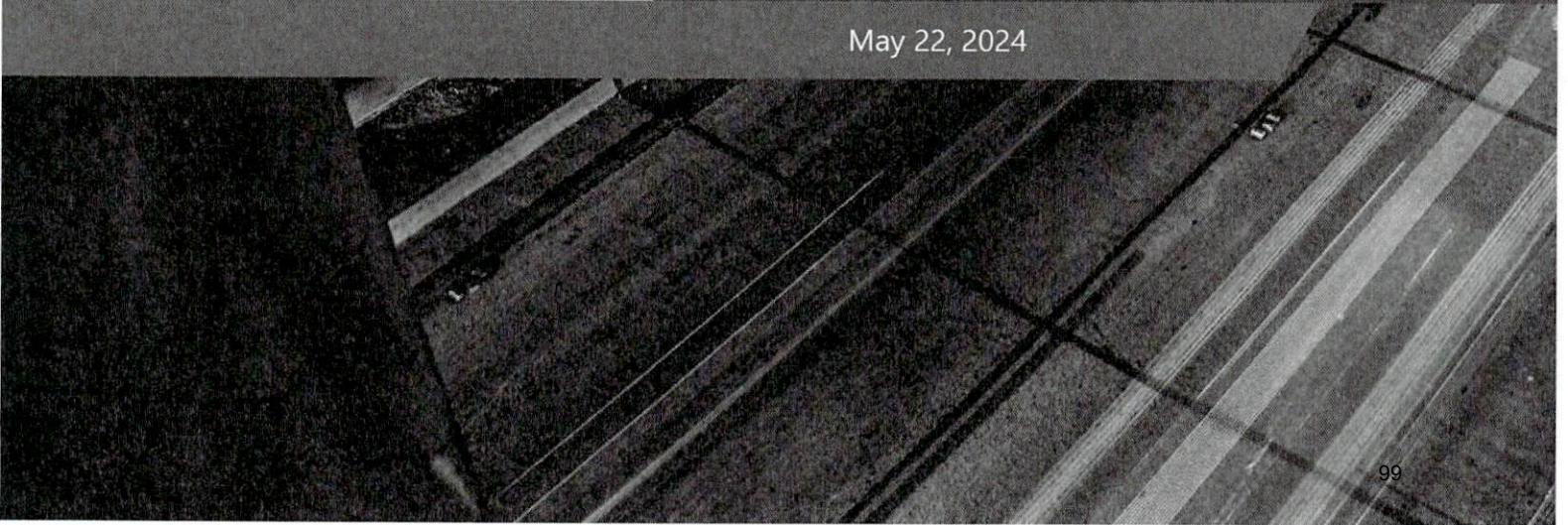
**CAROLINAS
GEOTECHNICAL
GROUP**

Request for Proposal

Prepared for:

TGS Engineers, Inc.
201 W. Marion Street, Suite 200
Shelby, North Carolina 28150

May 22, 2024





**CAROLINAS
GEOTECHNICAL
GROUP**

N.C. Firm License: P-1904

📍 2400 Crownpoint Executive Drive
Suite 800
Charlotte, NC 28227

☎ (980) 339-8684
✉ contact@carolinasgeotech.com
🌐 www.carolinasgeotech.com

May 22, 2024

Mr. Jimmy Terry, P.E.
TGS Engineers, Inc.
804-C N. Lafayette Street
Shelby, North Carolina 28150

PROJECT NO.: BL-0115
COUNTY: Catawba
DESCRIPTION: Museum/Aviation Walk Connector
CG2 PROPOSAL NO.: 20240329

RE: Request for Proposal – Roadway Subsurface Inventory and Recommendations

Dear Mr. Terry:

Carolinas Geotechnical Group, PLLC (CG2) would like to thank you for the opportunity to submit our scope of work and cost estimate to provide geotechnical investigation and report preparation services for the roadway project in Catawba County, North Carolina. Our proposal is based on our review of the provided project information. This proposal presents our understanding of the project, proposed scope of services, proposed schedule, fee estimate, and authorization requirements.

PROJECT UNDERSTANDING

This roadway project consists of the construction of new sidewalk along Clement Blvd NW and 21st ST NW. The proposed multi-use trail will be approximately 1,500 to 2,000 feet in length. We assume cuts on the order of 30 to 40 feet will be required in order to lay back the existing project slopes on the south side of Clement Blvd NW. No other information is available regarding the proposed scope at this time.

SCOPE OF WORK

Property Owner Contact Letters

We will attempt to contact property owners (if required) in person during our boring layout. Prior to our mobilization to the site, we will mail property owner contact letters to each property that could be impacted by our investigation.

Boring Layout

CG2 will utilize a GPS unit to perform the boring layout. CG2 will note and/or locate the any relevant boundaries and confirm the presence of utilities during the boring layout.

Request for Proposal – Roadway Subsurface Inventory and Recommendations
BL-0115 – Museum/Aviation Walk Connector
Catawba County, North Carolina

Public Utility Clearance

CG2 will contact North Carolina One Call (NC 811) to locate underground utilities at the site; however, our experience indicates that NC 811 will normally not locate private utilities.

Soil Test Borings

The drilling work will be performed by CG2 using ATV-mounted or track-mounted drill rigs to perform the Standard Penetration Test (SPT) borings. A field professional from CG2, working under the supervision of the project engineer, will perform this exploration.

In general accordance with the *Geotechnical Investigation and Recommendations Manual*, CG2 proposes to perform a total of 7 soil test borings along Clement Blvd NW and 21st ST NW. Up to 130 feet of drilling is anticipated for these borings.

Site Access

CG2 will adjust boring locations as needed to avoid utility conflicts. Access to private property may be required in order to access the cut slope locations. Some hand clearing may be required to access the locations on the south side of Clement Blvd NW.

Groundwater

Groundwater will be measured at the termination of investigation activities and after a stabilization period of at least 24 hours. Prior to our demobilization from the site, the boreholes performed will be backfilled with the hand auger cuttings, and will include a bentonite plug, placed in accordance with Section 2.5 of the NCDOT *Geotechnical Investigation and Recommendations Manual*.

Laboratory Services

A CG2 Geotechnical Engineer will select representative test samples for AASHTO Classification and Indexing tests. An NCDOT approved Tier III laboratory will perform the laboratory testing in accordance with AASHTO and NCDOT guidelines. Laboratory testing for this project will include up to 5 soil classifications tests, which include Atterberg limits, sieve analysis with hydrometer, and natural moisture content tests (AASHTO M-145).

Reporting

CG2 will provide the following reports as part of this scope of work:

- Roadway Inventory and Recommendations Report with recommended quantities.

Each of these reports will be prepared in general accordance with guidelines included in the *Geotechnical Investigation and Recommendations Manual*.

SCHEDULE

CG2 can generally mobilize to the site for the investigation within 7 to 10 business days of receiving written authorization to proceed and utility clearance by NC 811. Our field exploration is expected to

Request for Proposal – Roadway Subsurface Inventory and Recommendations
BL-0115 – Museum/Aviation Walk Connector
Catawba County, North Carolina

require up to 1 working days to complete, weather permitting. We understand that final deliverable dates will be communicated to us at a later date.

FEE

The NCDOT Manday Estimate has been attached to this proposal. This estimate includes the costs associated with the CG2 geotechnical scope of work. We understand a Notice to Proceed (NTP) will be issued to CG2 upon acceptance of our cost estimate and proposal. We also understand that our work will be billed on a Time and Materials (unit cost) basis. If modification to the scope is required, we will contact you immediately for authorization prior to completing any additional services.

CLOSING

CG2 is pleased to have the opportunity to provide these services to you and looks forward to working with you on your project. If you have questions concerning the content of this proposal, or if CG2 can be of further service, please contact CG2 at (980) 339-8684.

Sincerely,

Carolinas Geotechnical Group, PLLC

DocuSigned by:


386129C0A4C1462...
D. Matthew Brewer, P.E.
Senior Project Engineer

Attachments:

Cost Estimate Spreadsheet

OVERALL SUMMARY				Version: 2024.04.12.SPM			
TIP NUMBER:	BL-0115	When initial estimate is complete, lock initial estimates					
COUNTY:	Catawba						
TASK ORDER NUMBER: (if applicable)	1						
FA NUMBER: (if applicable)		WBS NUMBER(s):					
ESTIMATE SUBMITTAL NUMBER: (Version Control-If needed) (Ex. InitialV2 (initial estimate version 2))		Firm: fill out WBS Number(s) section on "Acct Initiation Request"					
OTHER PROJECT IDENTIFIER INFORMATION: (if needed)		DOT: the Project Manager fills out the entire "Acct Initiation Request"					
DESCRIPTION: (List the project parameters, where the project starts and stops)	Design multi-use path from 19th St Ln NW to the Aviation Museum						
DISCIPLINE USED: (List each discipline that will be involved in this project)	PM-Project Mgmt : EP-Env Policy : GT-Geotechnical : HY-Hydraulics : LS-Location Surveys : PD-Final Pavement Marking & Markers : RD-Roadway : RE-Erosion Control : SD-Signing : TM-Work Zone Traffic Control (WZTC) : UT-Utilities Coordination : UT-Utilities Design						
DISCIPLINE	ITEM	WD	INITIAL COST	COST/WORKDAY	WD	FINAL COST	COST/WORKDAY
PM-Project Mgmt	Direct Costs	10,000	\$ 15,326.15	\$ 1,532.62			
EP-Env Policy	Direct Costs	22,000	\$ 26,716.76	\$ 1,214.40			
GT-Geotechnical	(Boring and Lab)	7,440	\$ 7,644.50	\$ 1,027.49			
HY-Hydraulics	Foundations	10,000	\$ 11,428.93	\$ 1,142.89			
LS-Location Surveys	Direct Costs	40,000	\$ 37,012.65	\$ 925.32			
PD-Final Pavement Marking & Markers	Direct Costs	5,000	\$ 5,141.41	\$ 1,228.28			
RD-Roadway	Direct Costs	40,000	\$ 47,335.90	\$ 1,183.40			
RE-Erosion Control	Direct Costs	10,000	\$ 10,180.64	\$ 1,018.09			
SD-Signing	Direct Costs	3,000	\$ 3,853.43	\$ 1,284.48			
TM-Work Zone Traffic Control (WZTC)	Direct Costs	7,000	\$ 9,151.90	\$ 1,307.41			
UT-Utilities Coordination	Direct Costs	16,500	\$ 11,365.33	\$ 688.81			
UT-Utilities Design	Direct Costs	5,000	\$ 6,568.35	\$ 1,313.67			
Grand Total - All Disciplines		175,940	\$ 198,825.25				
Labor, Overhead & Fee							
MANAGING DOT DISCIPLINE:							
ENGINEERING FIRM:							
TGS Engineers							
ENGINEERING FIRM CONTRACT NUMBER:							
CONTRACT TYPE:							
PAYMENT TYPE: LUMP SUM							
SCOPE/WORKDAY ESTIMATE PREPARED BY:							
TGS Engineers							
SCOPE/WORKDAY ESTIMATE APPROVED BY:							
DATE: May 23, 2024							
REASON FOR SUPPLEMENTAL: (If this is a supplemental to the original Scope of Services, state reason for supplemental.)							
PO NUMBER: (If Available)							
SUPPLEMENTAL NUMBER: (If Applicable)							

EXHIBIT B
TERMS AND CONDITIONS

Terms and Conditions for Professional Services

1. STANDARD OF PERFORMANCE

The standard of care for all professional engineering, consulting and related services performed or furnished by ENGINEER and its employees under this Agreement will be the care and skill ordinarily used by members of ENGINEER's profession. ENGINEER makes no warranties, express or implied, under this Agreement or otherwise, in connection with ENGINEER's services.

2. INSURANCE/INDEMNITY

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

3. OPINIONS OF PROBABLE COST (COST ESTIMATES)

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

4. CONSTRUCTION PROCEDURES

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

5. CONTROLLING LAW

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

6. SERVICES AND INFORMATION

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

In performing professional engineering and related services hereunder, it is understood by OWNER that ENGINEER is not engaged in rendering any type of legal, insurance or accounting services, opinions or advice. Further, it is the OWNER's sole responsibility to obtain the advice of an attorney, insurance counselor or accountant to protect the OWNER's legal and financial interests. To that end, the OWNER agrees that OWNER or the OWNER's representative will examine all studies, reports, sketches, drawings, specifications, proposals and other documents, opinions or advice prepared or provided by ENGINEER, and will obtain the advice of an attorney, insurance counselor or other consultant as the OWNER deems necessary to protect the OWNER's interests before OWNER takes action or forebears to take action based upon or relying upon the services provided by ENGINEER.

7. SUCCESSORS AND ASSIGNS

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

8. RE-USE OF DOCUMENTS

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

9. TERMINATION OF AGREEMENT

OWNER or ENGINEER may terminate the Agreement, in whole or in part, by giving ten (10) days written notice to the other party. Where the method of payment is "lump sum," or cost reimbursement, the final invoice will include all services and expenses associated with the project up to the effective date of termination. An equitable adjustment shall also be made to provide for termination settlement costs ENGINEER incurs as a result of commitments that had become firm before termination.

10. SEVERABILITY

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

11. INVOICES

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

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

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

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

12. CHANGES

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

13. CONTROLLING AGREEMENT

These Terms and Conditions shall take precedence over any inconsistent or contradictory provisions contained in any proposal, contract, purchase order, requisition, notice-to-proceed, or like document.

14. EQUAL EMPLOYMENT AND NONDISCRIMINATION

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

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

15. HAZARDOUS MATERIALS

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

16. EXECUTION

This Agreement, including the exhibits and schedules made part hereof, constitute the entire Agreement between ENGINEER and OWNER, supersedes and controls over all prior written or oral understandings. This Agreement may be amended,

supplemented or modified only by a written instrument duly executed by the parties.

17. ALLOCATION OF RISK

OWNER and ENGINEER have evaluated the risks and rewards associated with this project, including ENGINEER'S fee relative to the risks assumed, and agree to allocate certain of the risks, so, to the fullest extent permitted by law, the total aggregate liability of Engineer (and its related corporations, subconsultants, and employees) to OWNER and third parties granted reliance is limited to _____, for any and all injuries, damages, claims, losses, or expenses (including attorney and expert fees) arising out of ENGINEER's services or this Agreement regardless of cause(s) or the theory of liability, including negligence, indemnity, or other recovery. This limitation shall not apply to the extent the damage is paid under Engineer's commercial general liability insurance policy.

18. LITIGATION SUPPORT

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

19. UTILITY LOCATION

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

20. PROFESSIONAL LICENSURE

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

21. IRAN DIVESTMENT ACT

By executing this Agreement/Contract, Contractor hereby certifies that Contractor is 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, Contractor 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.

E-VERIFY ADDENDUM

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

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Kari Dunlap, Finance Director
Contact Person: Kari Dunlap, Finance Director
Date: June 1, 2024
Re: Write Offs for Fiscal Year 2023-2024

REQUEST

For City Council approval to write-off uncollectible accounts totaling \$171,767.69, in accordance with North Carolina General Statutes.

BACKGROUND

In accordance with the North Carolina General Statutes, a list of accounts to be written off is submitted for Council approval each year, in conjunction with the annual audit. A detailed list is included in the agenda packet.

ANALYSIS

North Carolina General Statutes establish that all Street Assessments, Demolitions, Nuisance violations, and Property Taxes that are over ten (10) years old are no longer collectible and should be written off in conjunction with the annual audit. For the current fiscal year 2023-2024, there are \$14,116.36 in unpaid Property Taxes which exceed the ten (10) year limitation.

The City of Hickory's Accounting Division requires all other accounts that are over eighteen (18) months in arrears be written off to comply with Generally Accepted Accounting Principles in order to more fairly represent financial assets of the City on the balance sheet. For the current fiscal year, this amount is \$157,651.33.

Current fiscal year write-offs total \$171,767.69, compared to \$138,207.07 for FY 2022-2023.

Even though these accounts will be written off, the Finance Department will continue to pursue collection of the debts. All eligible accounts over \$50.00 are submitted to the North Carolina Debt Setoff Program for collection. As of May 21, 2024, the City of Hickory has collected \$21,230.18 from the garnishment of North Carolina State income tax refunds and North Carolina State lottery winnings during this current fiscal year.

RECOMMENDATION

Staff recommends approval to write-off uncollectible accounts for Fiscal Year 2023-2024.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

Kari Dunlap
Initiating Department Head

6-12-24
Date

Amanda M. Dula
Deputy City Attorney, A. Dula

6-7-24
Date

Rodney Miller
Asst. City Manager Rodney Miller

6/12/24
Date

R. Beasley
Asst. City Manager, R. Beasley

6/10/24
Date

Kari Dunlap
Finance Officer, Kari Dunlap

6-12-24
Date

Cameron McHargue
Deputy Finance Officer,
Cameron McHargue

6-11-24
Date

Asst. City Manager Yaidee Fox

Date

Recommended for approval and placement on June 18, 2024 Council agenda
(as Consent, Public Hearing, Informational, Department Report, etc).

W. Wood
City Manager, W. Wood

6.12.24
Date

Fiscal Year 2024 Write Off's

	<u>Account #</u>	<u>2024</u>	<u>2023</u>
<u>Fiscal Year 2014 Taxes:</u>			
Catawba County Real / Personal		\$13,981.61	\$40,169.13
Catawba County Vehicle		0.00	23,308.11
Burke County Real / Personal		134.75	2,301.35
Burke County Vehicle		0.00	3.40
Caldwell County Real/Personal		0.00	0.00
Caldwell County Vehicle		0.00	0.00
		<u>\$14,116.36</u>	<u>\$65,781.99</u>
<u>Basic Law Enforcement:</u>			
Kelsy Hays	20098	<u>\$584.00</u>	<u>\$0.00</u>
		\$584.00	\$0.00
<u>Civil Citations:</u>			
		\$3,700.00	\$6,050.00
<u>Community Development Loans:</u>			
Dorothy Burton	9042	<u>\$14,576.92</u>	<u>\$0.00</u>
		\$14,576.92	\$0.00
<u>Fire Permits:</u>			
Mandarin Express	12993	\$107.50	
Max' Mexican Eatery	13030	107.50	
Market La Es Quinita	16359	107.50	
Craft Beer Cellar Hickory	17602	<u>107.50</u>	<u>\$1,170.00</u>
		\$430.00	\$1,170.00
<u>Insurance:</u>			
Dalton Bentley	20900	<u>\$137.47</u>	<u>\$0.00</u>
		\$137.47	\$0.00
<u>Miscellaneous:</u>			
Hickory Station Restaurant	5292	\$16,250.00	
Protection Products Inc	18753	3,500.00	
Notions	18826	6,500.00	
The Room-220 Union Square	18900	3,250.00	
Bradley Simmons	21188	<u>1,081.73</u>	<u>\$0.00</u>
		\$30,581.73	\$0.00
<u>Property Tax:</u>			
Lake Hickory Antique Mall	14880	<u>\$25.73</u>	<u>\$0.00</u>
		\$25.73	\$0.00
<u>Public Utilities:</u>			
Prime Utility Construction	20894	\$300.84	
Cabletech	21219	345.68	
Mastery	21220	<u>240.33</u>	<u>\$0.00</u>
		\$886.85	\$0.00
<u>Public Works:</u>			
Alice Price	11995	\$155.25	
Andrea Sherrill	16780	22.50	
Tiffany Aquailia	18944	155.25	
Doug Yoder	20195	11,121.15	
Lionel Totherwo	20659	204.97	
Anadeli Nolasco	20699	145.00	
Paul Speagle	20747	195.00	
John Murray	20990	155.25	
Amanda Robertson	21024	155.25	
Brandon Lee	21041	155.25	
Chou Lee	21140	155.25	
Austin Bartlett	21197	<u>155.25</u>	<u>\$981.00</u>
		\$12,775.37	\$981.00
<u>Returned Check:</u>			
Allen Mitchell Funeral Home	2133	\$98.75	
Cassandra R Hyatt	20876	50.00	
Siearra Rose Simmons	20877	<u>55.00</u>	<u>\$37.00</u>
		\$203.75	\$37.00
<u>Tuition Reimbursement:</u>			
Jaleel D Smith	20088	<u>\$667.67</u>	<u>\$0.00</u>
		\$667.67	\$0.00
<u>Utility Customers:</u>			
Utility terminations through 12/31/22		\$93,081.84	\$64,187.08
Total Write Offs		\$171,767.69	\$138,207.07

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Dave Leonetti, Business Services & Community Development Manager
Contact Person: Dave Leonetti, Business Services & Community Development Manager
Date: June 6, 2024
Re: Citizens Advisory Committee Recommendation

REQUEST

Recommendation 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 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 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 a regular called meeting on June 6, 2024:

- Maudie Hewitt, 232 10th Avenue SE Hickory, was recommended for approval of a Housing Rehabilitation Loan. The Citizens' Advisory Committee recommends approval for assistance not to exceed \$25,000.00 for repairs to her house. Assistance would be in the form of a 0% interest deferred loan.
- Tammy Conley, 433 3rd Street SW, Hickory, was recommended for approval of up to \$12,000.00 under the City of Hickory's 2023 Urgent Repair Program.
- Maudie Hewitt, 232 10th Avenue SE, Hickory, was recommended for approval of up to \$12,000.00 under the City of Hickory's 2023 Urgent Repair 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

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

059-1537-558-38-01

056-1620-558-32-02

Reviewed by:

Dave Leonetti

Initiating Department Head

6-6-24

Date

Auntam Dula
Deputy City Attorney, A. Dula

6-9-24

Date

Rodney Miller
Asst. City Manager Rodney Miller

6/12/24

Date

R. Beasley
Asst. City Manager, R. Beasley

6/10/24

Date

Kari Dunlap
Finance Officer, Kari Dunlap

6-12-24

Date

Cameron McHargue
Deputy Finance Officer,
Cameron McHargue

6-11-24

Date

Yaidee Fox
Ex. Asst City Manager Yaidee Fox

6/14/24

Date

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

W. Wood

City Manager, W. Wood

6.12.24

Date

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Stephen Craig, Fire Marshal
Contact Person: Stephen Craig
Date: June 6, 2024
Re: Public Fireworks Display

REQUEST

To obtain approval to issue a pyrotechnic display permit to PyroStar Entertainment for a fireworks display at the Hickory Motor Speedway for the below listed dates.

BACKGROUND

Kevin Piercy, General Manager of Hickory Motor Speedway, has submitted a request to obtain permission to conduct public fireworks displays on the following dates:

Saturday, July 13, 2024

The following would be a rain date:

Saturday, October 5, 2024

ANALYSIS

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, 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 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).

RECOMMENDATION

Staff recommends approval of the above pyrotechnics displays.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

[Signature]

Initiating Department Head

5-6-24

Date

[Signature]

Deputy City Attorney, A. Duda

6-7-24

Date

[Signature]

Asst. City Manager Rodney Miller

6/2/24

Date

[Signature]

Asst. City Manager, R. Beasley

6/10/24

Date

[Signature]

Finance Officer, Melissa Miller

6-12-24

Date

[Signature]

Asst. Finance Officer, C. McHargue

6-11-24

Date

[Signature]

Asst City mgr

6/12/24

Date

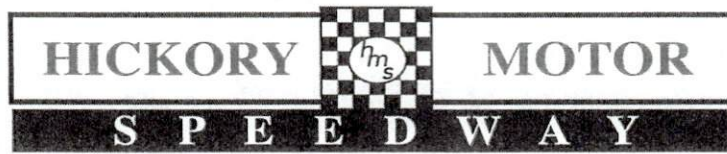
Recommended for approval and placement on _____ Council agenda (Consent, Public Hearing, Informational, Department Report, etc).

[Signature]

City Manager, W. Wood

6.12.24

Date



Hickory Motor Speedway
3130 Hwy 70 SE
Newton, NC 28658

(828)-464-3655

To Whom it may concern,

I would like to put in a request to the Hickory City Council to conduct a Fireworks display at Hickory Motor Speedway on July 13th 2024 with a rain date of October 5th 2024.

I appreciate your help in submitting this request and I look forward to hearing from you soon.

Sincerely,

Kevin Piercy

Kevin Piercy
Hickory Motor Speedway
General Manager

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Will Hamblin, Public Utilities Director
Contact Person: Will Hamblin, Public Utilities Director
Date: June 18, 2024
Re: Trivium Corporate Center East Road Widening and Traffic Signal Design

REQUEST

Staff requests Council approval of a change order with Neill Grading and Construction Co. Inc. for Trivium East Road Widening and Traffic Signal Design project in the amount of \$37,218.50.

BACKGROUND

The City of Hickory identified an area in southeast Hickory that is large enough and conducive to development of a business park, convenient to major roadways and adjacent to significant Utility infrastructure. The City of Hickory, Catawba County and Economic Development Corporation have worked on development of this area as a business park for several years and the City and County have agreed to split the cost of development. Trivium Business Park is the business park identified for Bond proceeds for the Bond Referendum that was passed by the City of Hickory.

This project was designed in 2023 to meet the 2018 NCDOT Standard Specifications. After the project was bid, the Traffic Signal plans were required to be updated to the 2024 NCDOT Standard Specifications. The change to 2024 NCDOT Standard Specifications changed the mast arm pole and signalization design, resulting in an increase in price.

ANALYSIS

Trivium Corporate Center is the business park recognized in the Bond projects to receive money from bond proceeds for development. The City, County and EDC have worked on development of the project to a condition that is receptive to marketing. As the original Trivium site has been successful and only 3 lots remain, the partnership has purchased additional properties to expand the success of the business park.

This phase of the project will consist of the main entrance and access for the east business park, including widening Startown Road and traffic signal along with all associated work to NCDOT standards. Also includes the relocation of a 12" water main and additional line into the park to serve the future businesses.

The change order has been reviewed and negotiated by the Engineer of Record and their Traffic Engineer.

RECOMMENDATION

Staff recommends Council approval of a change order with Neill Grading and Construction Co. Inc. for Trivium East Road Widening and Traffic Signal Design project in the amount of \$37,218.50.

BUDGET ANALYSIS:

These funds will be split 50/50 with City of Hickory and Catawba County

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

**Project# B1B004
061-7505-577.24-02**

Reviewed by:

<u>Will Hamblin</u> Initiating Department Head	<u>06/05/2024</u> Date	<u>[Signature]</u> Deputy City Attorney, A. Dula	<u>6-7-24</u> Date
<u>[Signature]</u> Asst. City Manager Rodney Miller	<u>6/12/24</u> Date	<u>[Signature]</u> Asst. City Manager, R. Beasley	<u>6/10/24</u> Date
<u>[Signature]</u> Finance Officer, Kari Dunlap	<u>6-12-24</u> Date	<u>[Signature]</u> Deputy Finance Officer, Cameron McHargue	<u>6-11-24</u> Date
<u>[Signature]</u> Asst. City Manager Yaidee Fox	<u>6/12/24</u> Date		

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

[Signature]
City Manager, Warren Wood

6.12.24
Date

CHANGE ORDER NO.: 1

Owner: City of Hickory
 Engineer: W.K. Dickson & Co., Inc.
 Contractor: Neill Grading and Construction Co., Inc.
 Project: Trivium East Widening Project
 Contract Name:
 Date Issued: May 28, 2024

Owner's Project No.:
 Engineer's Project No.: 20220335.00.CL
 Contractor's Project No.:

Effective Date of Change Order:

The Contract is modified as follows upon execution of this Change Order:

Description:

Signalization plan revision and upgrades to meeting 2024 NCDOT standards and specifications.
 Contractor requesting six (6) additional weeks of contract time.

Attachments:

- DRMP issued revised signal and pole design plan sheets and specifications dated February 27, 2024 consisting of the following:
- Signal and Intelligent Transportation System Project Special Provisions
- Electrical Details – Sheet 1 of 2
- Electrical Details – Sheet 2 of 2
- Installation Plan
- Mast Arm Pole – Sheet 1 of 2
- Mast Arm Pole – Sheet 2 of 2
- Neill Grading and Construction Request for Change form with change descriptions and pricing breakdown

Change in Contract Price	Change in Contract Times [State Contract Times as either a specific date or a number of days]
Original Contract Price: \$ <u>2,235,033.00</u>	Original Contract Times: Substantial Completion: <u>180</u> Ready for final payment: <u>240</u>
[Increase] [Decrease] from previously approved Change Orders \$ <u>0</u>	[Increase] [Decrease] from previously approved Change Orders Substantial Completion: <u>0</u> Ready for final payment: <u>0</u>
Contract Price prior to this Change Order: \$ <u>2,235,033.00</u>	Contract Times prior to this Change Order: Substantial Completion: <u>180</u> Ready for final payment: <u>210</u>
[Increase] [Decrease] this Change Order: \$ <u>37,218.50</u>	[Increase] [Decrease] this Change Order: Substantial Completion: <u>42</u> Ready for final payment: <u>21</u>
Contract Price incorporating this Change Order: \$ <u>2,272,251.50</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>226</u> Ready for final payment: <u>231</u>

Recommended by Engineer (if required)	Accepted by Contractor
By: <u>Shad W. Walters</u>	<u>[Signature]</u>
Title: <u>Shad Walters, Senior Consultant</u>	<u>M. Scott Zambito - V.P.</u>
Date: <u>5/28/24</u>	<u>5/31/24</u>
<u>Authorized by Owner</u>	<u>Approved by Funding Agency (if applicable)</u>
By: _____	_____
Title: _____	_____
Date: _____	_____

10

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Will Hamblin– Public Utilities Director
Contact Person: Drew Foy – Assistant Public Utilities Director
Date: June 18, 2024
Re: NCEM Disaster Relief and Mitigation (DRMF) Grant – Supplemental to Snow Creek PS FEMA Grant

REQUEST

Staff requests Council approval of Grant Agreement between NCDPS and City of Hickory for supplemental grant funds under the NCEM Disaster Relief and Mitigation grant in the amount of up to \$736,523.00.

BACKGROUND

The City of Hickory received a federal grant through the FEMA Building Resilient Infrastructure and Communities (BRIC) program, along Snow Creek at the Snow Creek Pump Station, which provided funding to mitigate infrastructure risks to better protect public investment and the environment, in June of 2023. Due to the construction cost being more than the grant amount, the state asked the City to use the NCEM Disaster Relief and Mitigation (DRMF) Grant as a supplemental grant to cover the Snow Creek pump station project costs.

ANALYSIS

On January 21, 2024, Public Utilities applied for supplemental grant funding for an Emergency Management Disaster Relief and Mitigation grant through the NC Department of Public Safety. This grant application was intended to assist with cost overruns anticipated due to construction cost increases realized between the FEMA BRIC grant award and projected construction.

NCDPS approved this application and awarded the City of Hickory a grant in the amount of up to \$736,523.00 on May 3, 2024, for flood hardening and streambank restoration along Snow Creek at the Snow Creek Pump Station.

RECOMMENDATION

Staff recommends Council approval of Grant Agreement between NCDPS and City of Hickory for supplemental grant funds under the NCEM Disaster Relief and Mitigation grant in the amount of up to \$736,523.00.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Project: 803312

065-8033-587.20-04

Reviewed by:

Will Hamblin *WGH*
Initiating Department Head

06/06/2024
Date

Amanda M. Dula
Deputy City Attorney, A. Dula

6-7-24
Date

Rodney Miller
Asst. City Manager, Rodney Miller

6/7/24
Date

R. Beasley
Asst. City Manager, R. Beasley

6/10/24
Date

Kari Dunlap
Finance Officer, Kari Dunlap

6-12-24
Date

Cameron Mchargue
Deputy Finance Officer,
Cameron Mchargue

6-11-24
Date

Yaidee Fox
Asst. City Manager, Yaidee Fox

6/12/24
Date

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

Warren Wood
City Manager, Warren Wood
6.12.24
Date



NC Department of Public Safety
EMERGENCY MANAGEMENT

Roy Cooper, Governor

Eddie M. Buffaloe Jr., Secretary
William C. Ray, Director

**Emergency Management Disaster Relief and Mitigation Grant (DRMG)
Memorandum of Agreement (MOA)**
between

Grantor:

State of North Carolina
Department of Public Safety
Emergency Management

Recipient:

City of Hickory
76 N. Center St.
Hickory, NC 28601

MOA# NCEM-DRMG2337

Award amount: \$736,523.00

Period of performance: 6/01/2024 to 7/31/2026

1. Purpose

The purpose of this Memorandum of Agreement (MOA) is to establish roles, responsibilities, and procedures to implement the terms and conditions for the above Grant. This MOA is to set forth terms by which Grantor, State of North Carolina through NC Department of Public Safety (NCDPS) / North Carolina Emergency Management (NCEM), shall provide funding to the Recipient to facilitate flood mitigation efforts and more specifically to accomplish the Scope of Work as outlined within the Grant Application (See Appendix 2)

2. Authority

This grant award and MOA are authorized under the provisions of: (1) 2023 Appropriation Act, *S.L. 2023-134, § 5.6(f)(1)*, (2) NC Appropriations Act of 2021, *S.L. 2021-180, Section 5.9(a)(3), and Section 5.9(a)(4)*, (3) N.C.G.S. §166A-19.12(13), and (4) FY 2023 Disaster Relief and Mitigation Fund (NOFO):

The funds awarded under this grant must be used in compliance with all applicable federal, state, local and tribal laws and regulations, including N.C.G.S. §§ 143C-6-21, 143C-6-22, 143C-6-23 and 09 NCAC 03M. By accepting this award, the Recipient agrees to use these funds in a manner consistent with all applicable laws and regulations.

3. Compensation

Payment to Recipient for expenditures under this MOA will be reimbursed after Recipient's (Requests for Reimbursement) is submitted and approved for eligible scope of work activity. Grant funds will be disbursed upon receipt of evidence that funds have been invoiced, products or services received (i.e., invoices, contracts, itemized expenses, etc.), and proof of payment is provided (as outlined in Appendix 4).

Recipient must meet all reimbursement requirements contained herein. Non-compliance may result in denial of reimbursement request(s) or suspension/revocation of grant funds awarded for this project. See also paragraph 7 below regarding compliance.



4. Conditions

These funds are provided by Grantor (NCEM on behalf of State of North Carolina) The following conditions must be adhered to during the entire duration of the grant program:

A. Recipient must:

- i. Have a DUNS number prior to any funds being released. DUNS numbers may be obtained from either of the following websites: www.dnb.com or <http://fedgov.dnb.com/webform>. After April 4, 2022, Recipient will be required to obtain a Unique Entity Identifier created in the System for Award Management (SAM), if they do not already have one. Current SAM registrants have already been assigned their Unique Entity Identifier and can view it within SAM. The Unique Entity ID is currently located below the DUNS Number on the entity registration record in SAM.
- ii. Ensure their organization is registered with SAM. Every applicant is required to have their name, address, DUNS number and EIN up to date in SAM, and the DUNS number used in SAM must be the same one used to apply for all awards from Grantor. SAM information can be found at <http://www.sam.gov>. After April 4, 2022, the Unique Entity Identifier in SAM becomes the official identifier for doing business with the U.S. Government.

B. Recipient must submit the following documents to Grantor at NCEMLTR.grant@NCDPS.gov upon execution and submission of this MOA:

- i. State of NC Substitute W-9 Form
- ii. Supplier Electronic Payment Request Please email the completed form directly to OSC for processing: ncfsepay@osc.nc.gov with copy to NCEMLTR.grant@ncps.gov
- iii. Conflict of Interest Policy (G.S. 143C-6-23.(b))
- iv. Sworn (Notarized) No Overdue Tax Debt Certification (G.S. 143C-6-23.(c))

C. File Retention

Recipient is required to maintain records and (invoices) of this grant for five years after termination of the grant, or audit if required, or longer where required by law. Recipient must maintain a separate file for each grant award. However, if any litigation, claim or audit has been initiated prior to the expiration of the five-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The following files must be available for review by NCEM staff for site visits, project closeout and audits:

- i. Resolution or other official documentation relating to the acceptance or adoption of the grant award.
- ii. MOA, and supporting appendices.
- iii. Completed appropriate reports with specifications, solicitations, competitive quotes or proposals, basis for selection decisions, purchase orders, contracts, invoices and proof(s) of payment.
- iv. Audit findings and corrective action plans.
- v. Request for Reimbursements and documentation
- vi. Closeout Request and documentation
- vii. Pre and Post photo documentation for all permanent work projects

5. Regulation

Recipient certifies that it understands and agrees that funds will only be expended for the project as outlined in the grant application and incorporated by reference herein. The Recipient and Grantor certify that each understands and agrees to comply with the general and fiscal terms and conditions of the grant including special conditions; to comply with provisions of the applicable laws, rules and policies governing these funds; that all information is correct; that there has been appropriate coordination with affected agencies; that the Grantor is duly authorized to commit the Recipient to these requirements; that costs incurred prior to grant application approval will result in the expenses being absorbed by the Recipient; and that all agencies involved with this project understand that all funds are limited to the period of performance.

6. Supplanting

Grant funds must be used to supplement existing federal, state and local funds for program activities and must not replace (supplant) those funds that have been appropriated for the same purpose. Jurisdictions must provide assurances and certifications as to non-supplanting and the existence of proper administrative/financial procedures as requested.

7. Compliance

Recipient shall comply with applicable federal, state, local and/or tribal statutes, regulations, ordinances, licensing requirements, policies, guidelines, reporting requirements, certifications and other regulatory matters for the conduct of its business and purchase requirements performed under this MOA. Recipient shall be wholly responsible for the purchases made under this MOA and for the supervision of its employees and assistants.

Failure to comply with the specified terms and conditions of this MOA may result in the return of funds and any other remedy for noncompliance and/or termination of the award per 09 NCAC 03M.0801. Additional conditions may also be placed on the Recipient for noncompliance with the specified terms and conditions of this MOA, including, but not limited to, additional monitoring and possible placement of Recipient on the Suspension of Funding List (SOFL) maintained by the State Office of State Budget & Management (OSBM) <https://www.osbm.nc.gov/stewardship-services/grants-management-system/suspension-funding-memos>.

8. Responsibilities

Grantor:

- A. Grantor shall provide the funding described herein to Recipient to perform the activities as described herein.
- B. Grantor shall conduct a review of the project to ensure Recipient is progressing toward completion of the SOW.
- C. Grantor shall verify the completion of the project thru the closeout process.

Recipient:

- A. This MOA must be signed and returned to NCEM within 45 days after Recipient receives notice of this award. The grant shall be effective upon return of the executed Grant Award (MOA) and date of final approval by the Director of Emergency Management.
- B. Recipient shall expend funds in accordance with this MOA.

- C. Recipient shall utilize State of North Carolina and/or local procurement policies and procedures for the expenditure of funds, and conform to applicable state standards identified in N.C.G.S. Chapter 143, Article 3, Purchases & Contracts.

If Recipient utilizes local procurement policies, Recipient is required to submit a copy of the applicable policies they followed and demonstrate that they complied with those policies, including competition as required.

Recipient is required to check the federal System for Awards Management (SAM), <https://sam.gov/content/exclusions> and the State Debarred Vendors Listing, <https://ncadmin.nc.gov/documents/nc-debarred-vendors>, to verify that all vendors and contractors have not been suspended or debarred from doing business with the federal or state government.

- D. Provide quarterly progress reports to NCEM within 10 days from end of the calendar year quarter to the following email: NCEMLTR.grant@ncdps.gov.

- E. Requests for Reimbursement (RFR)

Recipient must submit RFR, with all required documentation attached to NCEM at NCEMLTR.grant@ncdps.gov. Grantor will reimburse Recipient for eligible costs as determined by Grantor. Recipient must take possession of all purchased equipment and receive any grant-eligible service prior to seeking reimbursement from Grantor. Recipient must submit Request for Reimbursement per appendix 4.

- F. Closeout Reporting Requirements

Recipient must submit to Grantor, no later than 90 calendar days after the end date of the period of performance or completion of the project, whichever is sooner, all financial, performance, and other reports as required by the terms and conditions of the grant award, and this MOA.

This includes, at a minimum:

- i. A closeout letter indicating that the project is now 100% complete, that all funds were used for the purpose appropriated and ready for final inspection.
 - ii. A complete accounting of how all grant funds were used thru the Summary of Documentation (SOD)Form which lists all labor, material, equipment, and contract invoices with corresponding checks or other proof of payment making up the total spend for the project.
 - iii. Copies of all invoices and a copy of proof of payment (both front and back of cleared check is required) as listed on the SOD form.
 - iv. Bid documents (solicitation, bid evaluations, etc.), contracts.
 - v. Insurance documentation on equipment or property purchased under this award or letter indicating lack of insurability
 - vi. Pictures prior to the start of the project and when complete for permanent work type grants.
- G. Non-Supplanting Requirement. See paragraph 6 (Supplanting).
- H. Recipient shall have sole responsibility for the ownership, maintenance, insurance, upkeep, and replacement of any equipment procured pursuant to this MOA as follows:

- i. Recipient shall take and maintain a physical inventory of all equipment purchased with funds awarded under this grant. Equipment is defined as tangible, non-expendable

property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Recipient may have property management guidelines that are more restrictive, requiring a unit of equipment with a value of less than \$5,000 to be inventoried. If so, such equipment purchased under this award allocation shall be included on the report submitted to Grantor. The grant summary, cost reports with backup documentation, certificate of title, and any other Recipient reports or inventory reports that include information regarding the grant, vendor, invoice number, cost per item, number of items, description, location, condition and identification number may be used to meet this requirement.

- ii. Recipient must ensure a control system exists to ensure adequate safeguards to prevent loss, damage, or theft. Recipient shall be responsible for replacing or repairing equipment which is willfully or negligently lost, stolen, damaged, or destroyed. Any loss, damage or theft of the property must be investigated and fully documented and made part of the official project records.
 - iii. Recipient or equipment owner must ensure adequate maintenance procedures exist to keep the equipment in good condition.
- I. Property and Equipment. Property and equipment purchased with these funds shall be titled to Recipient, and Recipient shall be responsible for the custody and care of any property and equipment purchased with funds furnished for use in connection with this MOA. Grantor will not be held responsible for any property purchased under this MOA. Recipient must obtain any necessary insurance where said insurance can be reasonably obtain and provide proof of insurance as part of any Reimbursement Request or Closeout.

Recipient must utilize all property and equipment as intended in their project application to Grantor.

Failure to comply with these terms and conditions may result in the return of funds and any other remedy for noncompliance specified paragraph 7, Compliance, above.

- J. Indirect Costs. No indirect or administrative costs will be charged to this award.
- K. Conflict of Interest. Per N.C.G.S. § 143C-6-23(b), Recipient is required to file with Grantor a copy of Recipient's policy addressing conflicts of interest that may arise involving the grantee's management employees and the members of its board of directors or other governing body. The policy shall address situations in which any of these individuals may directly or indirectly benefit, except as the grantee's employees or members of its board or other governing body, from the grantee's disbursing of State funds, and shall include actions to be taken by the grantee or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. The policy shall be filed before Grantor may disburse any grant funds.

In conjunction with providing the conflict of interest policy to Grantor, Recipient must disclose in writing to Grantor, and attempt to avoid, any real or potential conflict of interest that may arise during the administration of this grant award.

This includes Recipient's responsibility to maintain written standards of conduct covering conflicts of interest and governing the actions of their employees engaged in the selection, award, and administration of contracts. No employee, officer, or agent may participate in the selection, award,

or administration of a contract supported by this grant award if he or she has a real or apparent conflict of interest. Such conflicts of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the Recipient may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. Recipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value.

The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the Recipient. All Recipients must disclose in writing to Grantor, and attempt to avoid, any real or potential conflicts of interest with respect to procurement, contracting and subcontracting with funds provided under this grant award. Upon request, Recipient must also provide a copy of their standards of conduct policy covering conflicts of interest with respect to procurement, contracting and subcontracting with funds provided under this grant award.

- L. Recipient must have an acceptable local travel regulation plan or accept the state travel regulations. Expenditures for travel mileage, meals, lodging and other travel expenses incurred in the performance of this Contract shall not exceed state rates and must be supported by documentation. International travel is not eligible under this MOA.

9. **Funding**

Pursuant to N.C.G.S 143C-1-1, the Recipient understands and agrees that agreement funding shall be subject to the availability of appropriated funds. However, in the event of agreement termination due to lack of adequate appropriated funds, Grantor will pay for services and goods acquired and obligated on or before the notice of agreement termination.

10. **Taxes**

Recipient shall be considered to be an independent Recipient and as such shall be responsible for ALL taxes. There shall be no reimbursement for taxes incurred by the Recipient under this grant.

11. **Warranty**

Recipient will hold Grantor harmless for any liability and personal injury that may occur from or in connection with the performance of this MOA to the extent permitted by the North Carolina Tort Claims Act. Nothing in this MOA, express or implied, is intended to confer on any other person any rights or remedies in or by reason of this MOA. This MOA does not give any person or entity other than the parties hereto any legal or equitable claim, right or remedy. This MOA is intended for the sole and exclusive benefit of the parties hereto. This MOA is not made for the benefit of any third person or persons. No third party may enforce any part of this MOA or shall have any rights hereunder. This MOA does not create, and shall not be construed as creating, any rights enforceable by any person not a party to this MOA. Nothing herein shall be construed as a waiver of the sovereign immunity of the State of North Carolina.

12. State of North Carolina Reporting Requirements per NCGS 143C-6-23 and 09 NCAC 03M

North Carolina state law (N.C.G.S. 143C-6-23 and 09 NCAC 03M) requires every non-state entity (including non-profit organizations, counties and local governments) that receives state or federal pass-through grant funds from state agencies to file annual reports on how those grant funds were used no later than three months after the end of the non-state entity's fiscal year.

Refer to "State Grant Compliance Reporting Forms" on the following website for instructions and applicable forms for Recipients to meet these requirements: <https://www.ncdps.gov/our-organization/emergency-management/emergency-management-grants/grants-management-compliance>.

Level I (Less than \$25,000)

A grantee receiving less than \$25,000 (combined) in State or Federal pass through funds must submit:

- Certification Form.
- State Grants Compliance Reporting for Receipts of Less than \$25,000.
- Level I form and reporting instructions are available on the above website.

Level II (\$25,000 - \$499,999)

A grantee that receives between \$25,000 - \$499,999 (combined) in State or Federal pass-through funding must submit:

- Certification Form.
- State Grants Compliance Reporting for Receipts of \$25,000 or More.
- Schedule of Receipts and Expenditures.
- Program Activities and Accomplishments Reports.
- Level II form and reporting instructions are available on the above website.

Level III (\$500,000 - \$749,999)

A grantee that receives a combined \$500,000 or more in State funding or Federal pass-through funding must submit:

- Certification Form.
- State Grants Compliance Reporting for Receipts of \$25,000 or More.
- Program Activities and Accomplishments Reports.
- Level III form and reporting instructions are available on the above website.
- Submit within nine months of the grantee's fiscal year end: Submit to DPS Internal Audit a single audit prepared and completed in accordance with Generally Accepted Government Auditing Standards. See paragraph 15 below for audits.

Level III Continued (\$750,000+)

A grantee that receives a combined \$750,000 or more in funding from all Federal funding sources, even those passed through a state agency must submit:

- Certification Form.

- State Grants Compliance Reporting for Receipts of \$25,000 or More.
- Program Activities and Accomplishments Reports.
- Level III form and reporting instructions are available on the above website.
- Submit within nine months of the grantee's fiscal year end:
- Submit to DPS Internal Audit a single audit prepared and completed in accordance with Generally Accepted Government Auditing Standards.
- Post the single audit to the Federal Audit Clearinghouse (<https://harvester.census.gov/facweb/>).
- Make copies of the single audit available to the public. See paragraph 15 below for audits.

13. Audit Requirements

Per 09 NCAC 03M.0205, a Recipient that receives a combined **\$500,000** or more in **North Carolina state funding or federal funding passed through a state agency** must within 9 months of the Recipient's fiscal year end submit to DPS Internal Audit (AuditGrantsReport@ncdps.gov) a single audit prepared and completed in accordance with Generally Accepted Government Auditing Standards (GAGAS): <https://www.gao.gov/yellowbook>.

If Recipient is a unit of local government in North Carolina, Recipient may also be subject to the audit and reporting requirements in N.C.G.S. 159-34, Local Government Finance Act – Annual Independent Audit, rules and regulations. Such audit and reporting requirements may vary depending upon the amount and source of grant funding received by the Recipient and are subject to change (*see Local Government Commission* for more information).

14. Points of Contact (POC)

To provide consistent and effective communication between Recipient and Grantor, each party shall appoint a Principal Representative(s) to serve as its central point of contact responsible for coordinating and implementing this MOA. Grantor contact shall be the Grants Manager listed on the NoFO or as amended. Recipient POC shall be the person designated by the Recipient. Recipient is required to keep Grantor informed of any changes in POC over the course of the period of performance. All confidential information of either party disclosed to the other party in connection with the services provided hereunder will be treated by the receiving party as confidential and restricted in its use to only those uses contemplated by the terms of this MOA. Any information to be treated as confidential must be clearly marked as confidential prior to transmittal to the other party. Neither party shall disclose to third parties, the other party's confidential information without written authorization to do so from the other party. Specifically excluded from such confidential treatment shall be information that:

- A. As of the date of disclosure and/or delivery, is already known to the party receiving such information.
- B. Is or becomes part of the public domain, through no fault of the receiving party.
- C. Is lawfully disclosed to the receiving party by a third party who is not obligated to retain such information in confidence.

D. Is independently developed at the receiving party by someone not privy to the confidential information.

15. Public Records Access

All information maintained by Grantor in connection with this MOA and grant award is subject to the North Carolina Public Records Act, Chapter 132 of the North Carolina General Statutes and is subject to public records requests through NCDPS.

16. Contracting/Subcontracting

If Recipient contracts/subcontracts any or all purchases or services under this MOA, then Recipient agrees to include in the contract/subcontract that the contractor/subcontractor is bound by the terms and conditions of this MOA. Recipient and any contractor/subcontractor agree to include in the contract/subcontract that the contractor/subcontractor shall hold Grantor harmless against all claims of whatever nature arising out of the contractors/subcontractor's performance of work under this MOA. If Recipient contracts/subcontracts any or all purchases or services required under this MOA, a copy of the executed contract/subcontract agreement must be forwarded to Grantor. A contractual arrangement shall in no way relieve Recipient of its responsibilities to ensure that all funds issued pursuant to this grant be administered in accordance with all state and federal requirements.

17. Situs

This MOA shall be governed by the laws of North Carolina and any claim for breach or enforcement shall be filed in State Court in Wake County, North Carolina.

18. Antitrust Laws

All signatories of this MOA will comply with all applicable state and federal antitrust laws.

19. Other Provisions/Severability

Nothing in this MOA is intended to conflict with current federal, state, local, or tribal laws or regulations. If a term of this MOA is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of this MOA shall remain in full force and effect.

20. Entire Agreement

This MOA and any annexes, exhibits and amendments annexed hereto, and any documents incorporated specifically by reference represent the entire agreement between the parties and supersede all prior oral and written statements or agreements.

21. Modification

This MOA may be amended only by written amendments duly executed by Recipient and Grantor.

22. Termination

Either party, upon sixty (60) days advance written notice to the other, may terminate this MOA.

23. Scope of Work

Recipient shall implement the project as described in the approved project application. That application is hereby incorporated into this MOA in Appendix 2.

24. Execution and Effective Date

This grant shall become effective upon return of this original Grant Award(MOA), properly executed on behalf of the Recipient, and upon execution of all parties to this MOA. The last signature shall be that of the Director of NC Emergency Management.

25. Certification of eligibility - Under the Iran Divestment Act

Pursuant to N.C.G. S§147-86.59, any person identified as engaging in investment activities in Iran, determined by appearing on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. § 147-86.58, is ineligible to contract with the State of North Carolina or any political subdivision of the State. The Iran Divestment Act of 2015, N.C.G.S. § 147-86.55 et seq.* requires that each vendor, prior to contracting with the State certifies, and the undersigned on behalf of the Vendor does hereby certify, to the following:

- A. That the vendor is not identified on the Final Divestment List of entities that the State Treasurer has determined engages in investment activities in Iran
- B. That the vendor shall not utilize on any contract with the State agency any subcontractor that is identified on the Final Divestment List
- C. That the undersigned is authorized by the Vendor to make this Certification

The State Treasurer's Final Divestment List can be found on the State Treasurer's website at the address: <https://www.nctreasurer.com/inside-the-department/OpenGovernment/Pages/Iran-divestment-Act-resources.aspx> and will be updated every 180 days. For questions about the Department of State Treasurer's Iran Divestment Policy, direct questions to (919) 814-3852.

26. Attachments

All attachments to this Agreement are incorporated as if set out fully herein.

- A. In the event of any inconsistency or conflict between the language of this MOA and the attachments hereto, the language of the MOA shall be controlling, but only to the extent of such conflict or inconsistency.
- B. This MOA includes the following attachments or documents incorporated by reference as if fully set out herein:
 - i. Appendix 1 - Notice of Funding Opportunity (NoFO)
 - ii. Appendix 2 - Scope of Work or Grant Application
 - iii. Appendix 3 - Award letter
 - iv. Appendix 4 – Required Documentation for Reimbursement Request.

IN WITNESS WHEREOF, the parties have each executed this MOA and the parties agree that this MOA will be effective upon signature of all parties with the signature of the Director of Emergency Management establishing the effective date.

**NC Department of Public Safety
Division of Emergency Management**

**1636 Gold Star Drive
Raleigh NC 27607**

By: _____

Date: _____

William C. Ray
Director NC Emergency Management

APPROVED AS TO FORM:

By: _____

Date: _____

William Polk
Department of Public Safety
Deputy General Counsel

City of Hickory

**76 N. Center Street
Hickory, NC 28601**

By: _____

Date: _____

Name: _____

Title: _____

By: _____

Date: _____

Name: _____

Title: _____

By: _____

Date: _____

Name: _____

Title: _____

Appendix 1

NOTICE OF FUNDING OPPORTUNITY (NOFO):

North Carolina Emergency Management (NCEM)*Disaster Relief and Mitigation Fund*

North Carolina Emergency Management (NCEM) is now accepting applications for grants funded through the 2023 Appropriations Act, *S.L. 2023-134, § 5.6(f)(1)*, the Emergency Management Disaster Relief and Mitigation Fund.

Eligible applicants are state agencies, units of local government, public authorities, and nonprofit organizations.

Funding can be used for flood mitigation, transportation infrastructure resilience against natural disasters, and assistance with local matching to drawn down federal mitigation funds.

Applications must be received by NCEM no later than Close of Business (5pm) on **31 January 2024**.

Eligible Applicants

State agencies, units of local government, nonprofit organizations, and public authorities, as defined in G.S. 159-7, may submit projects to the Emergency Management Long-Term Recovery Group who will convene a panel to score the projects. Nonprofit organization projects are limited to nonsectarian or nonreligious purposes which address such items in the section below.

Eligible Categories of Work

Funds can be used for the following categories of work:

- (1) Flood mitigation efforts that stabilize areas and reduce future damage.
- (2) Ensuring transportation resilience against natural disasters
- (3) Predevelopment assistance to provide small and underserved communities with technical assistance to identify and design shovel-ready projects related to disaster relief and flood mitigation.
- (4) Financial assistance with local cost share to draw down federal funds on approved federal mitigation grants.

Initial funding for this notice is anticipated to be \$25,000,000.

Projects can be 100% funded with no cost share and are paid on a reimbursement basis. Grant administration costs are not eligible.

Examples of Eligible Projects:

(Not intended to be a full list but may help applicants to identify possible projects)

- Construction of new or improvement of existing stormwater infrastructure
- Engineering expenses related to planning and implementation of flood mitigation projects.
- Elevation of buildings, controls, or other improvements of public infrastructure to mitigate future flood damage.
- Projects to protect public infrastructure from flooding.

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- Projects that update and prepare transportation infrastructure for storms, mudslides, and flooding events taking projections of future risk into consideration.
- Risk assessments for critical transportation routes, building on existing and future reports, such as the I-95 and I-40 Flood Resilience Feasibility Study.
- Creating community-informed flood risk and vulnerability assessments that identify resilience gaps and project opportunities for transportation routes in North Carolina to help maintain vital transportation functions following flooding events.

Applicants applying for local cost share assistance for projects that require a local cost share to access federal funds should provide additional information within the application including 1) any notice of approval for your project from the funding agency, 2) a clear understanding of all additional funding sources for the project, and 3) current requirements of the applicant for local match.

Where to Submit Application Materials

Applications must be submitted to the following email address: NCMLTR.grant@ncdps.gov. Applications will be reviewed for completeness with completed applications scored and ranked.

Key Target Dates:

8-December-2023	NOFO Released
31-January-2024	Application Deadline
15-March-2024	NC Review Panel Scoring completed
April 2024	Applicants Notifications
May-June 2024	Complete and Sign grant agreements

The Period of Performance (POP) is up to 36 months, starting on the date of the recipient's award. This process starts with the application referenced below.

Process to Submit Your Application

Application/Submission Information and Instructions

Application deadline 31 January 2024 (5:00PM)

Application to be submitted to NCMLTR.grant@ncdps.gov with subject line "Applicant name – Project name – 2023 DRMF Grant Application"

Application email should include the completed **Application Document** and any additional attachments to support the project. Please make sure that you address each part of the application. The points below are representative of what you will find needed within the application. (Scoring weight in brackets):

- 1) Applicant Name, Address, Contact Information, and Project Name. Nonprofit corporations should also include the "Certificate of Existence from the NC Secretary of State, bylaws, and documentation to support ownership or right for project specific facility. (10)
- 2) General description of the Project (15)
- 3) Describe how the project mitigates future damage or flooding include impact on community. (35)
- 4) Scope of Work (SOW) and cost estimate for the project to achieve #3 above, including an understanding of how the estimate was achieved. (20)
- 5) Timeline from approval of Grant to project completion. (10)
- 6) How and who will manage the project if awarded and their qualifications. Additionally, the applicants should include their experience in managing a grant award. (10)

Competitive proposals likely will include:

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- Clear understanding of how the project mitigates against frequent flooding or mitigates against frequent disruptions to transportation infrastructure from nature disasters, or a clear understanding of need for matching assistance on approved federal mitigation grants.
- Understanding of the benefits for residents, businesses, and other entities within a community including the percent of the community impacted by the project.
- Professional or engineering reports for the project.
- A current estimate of probable cost with an understanding of how this was developed.
- How the project links to previous comprehensive assessments or planning effort or an understanding of how the community prioritizes this project.
- An understanding of likely implementation of a full construction project.

For more information, please send any questions to NCEMLTR.grant@ncdps.gov

Projects that are selected will require applicants to sign a Grant Agreement (MOA) and will be expected to comply with the terms of the agreement, including quarterly reporting and interim and final inspections as necessary or risk timely payment or funding. Also, applicants will be required to submit the below listed OSBM required documents/forms with the signed MOA if awarded a grant under this fund:

- W-9 (09 NCAC 03M .0202)
- Electronic Payment / Vendor Verification Form (09 NCAC 03M .0202)
- Conflict of Interest Policy (G.S. 143C-6-23.(b))
- Sworn (Notarized) No Overdue Tax Debt Certification (G.S. 143C-6-23.(c))

Appendix 2 Scope of Work or Grant Application

The City of Hickory Department of Public Utilities is implementing this project in two phases, in accordance with FEMA guidelines on phased projects. Phase 1 will include surveying, design, permitting, and conducting a new benefit-cost analysis (BCA). Permits will be obtained from all appropriate local, state, and federal agencies for construction activity, stormwater discharges, floodplain management, land disturbance, drainage review and approval, and environmental quality reviews. Upon completion of Phase 1 and approval from FEMA, Phase 2 will consist of project construction (including site preparation), acquisition of equipment and materials, floodplain benching, and relocation of the pump station. Implementation of the project will require staging and construction management at two separate locations. For further details on mitigation activity implementation, see Attachment 5, Preliminary Engineering Report.

Updated Phase 2 Budget Items are listed below:

Item 1 - New Snow Creek Pump Station \$3,215,000 (\$491,450 over the original estimate).

Item 2 - 24" Gravity Sewer Influent Line \$400,300 (\$210,300 over the original estimate).

Item 3 - Demolish Existing Pump Station \$54,500 (\$45,500 decrease from the original estimate).

Item 4 - Snow Creek Streambank Stabilization \$439,200 (\$45,200 over the original estimate).

Total: \$4,314,660

\$736,523 more than the original estimate.

This project is experiencing an unanticipated cost overrun, which requires additional funding of approximately \$736,523. The new total cost of the project is \$5,218,725. Using the original BCA conducted with the BRIC application (using the FEMA BCA Toolkit 6.0), this new total project cost is still well below the total benefits for the project: \$10,940,707. The Benefit Cost Ratio (BCR) with the new project cost is 2.07, so it is still cost effective. The new BCA Report and updated technical memorandum are attached (attachment 7).

Given the status of the project approaching 60% design, there is now far more detail and specification in the project design than was available during the application development process. While several costs decreased, many costs increased. For example, engineers have updated the quantities of materials that will be required for construction, and in most cases, quantities have increased. These quantity increases represent a significant increase in cost. Also, the cost estimate for this project was developed in 2020. Since then, there have been significant disruptions to the supply chain for materials and the cost of construction has increased exponentially. In addition, due to industry wide construction volume and labor shortages, the cost of labor has significantly increased at a pace higher than normal annual increases. These changes to the market are widely known and accepted as the new normal. The new cost estimate was developed by Professional Engineers (PEs) using actual bid responses from construction contractors on projects with similar scope, scale, and complexity. See Attachment 5 for the updated budget.

OPINION OF PROBABLE CONSTRUCTION COSTS

PREPARED FOR: City of Hickory, North Carolina
 PROJECT: Snow Creek Pump Station Replacement
 REVISION: NCDPS Additional Funding
 DATE: 1/29/2024



ITEM #	DESCRIPTION	APPROX QUAN.	UNIT	Original BRIC Approved Budget		2024 Updated Budget			Additional Requested Funds
				UNIT PRICE	TOTAL AMT.	APPROX QUAN.	UNIT PRICE	TOTAL AMT.	
Item 1 - New Snow Creek Pump Station									
a.	Mobilization	1	LS	\$40,000	\$40,000	1	\$90,000	\$90,000	\$50,000
b.	Erosion and Sediment Control	1	LS	\$15,000	\$15,000	1	\$12,000	\$12,000	-\$3,000
c.	Clearing and Grubbing	1	LS	\$10,000	\$10,000	1	\$15,000	\$15,000	\$5,000
d.	Site Grading	250	CY	\$200	\$50,000	250	\$264	\$66,500	\$16,000
e.	Site Paving	150	SY	\$90	\$13,500	600	\$69	\$41,100	\$27,600
f.	Excavation and Backfill	1	LS	\$160,000	\$160,000	1	\$164,000	\$164,000	\$4,000
g.	Sheeting and Shoring	1	LS	\$40,000	\$40,000	1	\$129,000	\$129,000	\$89,000
h.	Dewatering	1	LS	\$20,000	\$20,000	1	\$5,000	\$5,000	-\$15,000
i.	Cast in Place Concrete, Forming, Reinforcement	125	CY	\$1,250	\$156,250	190	\$2,090	\$397,100	\$240,850
j.	Precast Structures	3	EA	\$8,000	\$24,000	0	\$0	\$0	-\$24,000
k.	Miscellaneous Metals	1	LS	\$18,000	\$18,000	1	\$25,000	\$25,000	\$7,000
l.	Painting	1	LS	\$18,000	\$18,000	1	\$12,500	\$12,500	-\$5,500
m.	Electrical	1	LS	\$300,000	\$300,000	1	\$620,000	\$620,000	\$320,000
n.	Instrumentation	1	LS	\$25,000	\$25,000	1	\$25,000	\$25,000	\$0
o.	Pipe and Fittings	1	LS	\$55,000	\$55,000	1	\$346,000	\$346,000	\$291,000
p.	Valves	6	EA	\$9,000	\$54,000	8	\$12,500	\$100,000	\$46,000
q.	Vertical Bar Screen	1	EA	\$275,000	\$275,000	1	\$552,000	\$552,000	\$277,000
r.	Submersible Pumps and Controls	3	EA	\$350,000	\$1,050,000	3	\$116,500	\$349,500	-\$700,500
s.	Emergency Generator	1	EA	\$400,000	\$400,000	1	\$266,000	\$266,000	-\$134,000
				Subtotal:	\$2,723,750			\$3,215,200	\$491,450
Item 2 - 24" Gravity Sewer Inflow Line									
a.	Mobilization	1	LS	\$10,000	\$10,000	1	\$12,000	\$12,000	\$2,000
b.	Erosion and Sediment Control	1	LS	\$10,000	\$10,000	1	\$10,000	\$10,000	\$0
c.	Sheeting and Shoring	150	LF	\$40	\$6,000	170	\$40	\$6,800	\$800
d.	Dewatering	1	LS	\$15,000	\$15,000	1	\$15,000	\$15,000	\$0
e.	Rock Excavation	100	CY	\$150	\$15,000	150	\$190	\$28,500	\$13,500
f.	24" DI Pipe	150	LF	\$400	\$60,000	240	\$900	\$216,000	\$156,000
g.	5 ft Dia. Manhole	3	EA	\$8,000.00	\$24,000	4	\$10,500	\$42,000	\$18,000
h.	24" Creek Crossing	50	LF	\$1,000	\$50,000	70	\$1,000	\$70,000	\$20,000
				Subtotal:	\$790,000			\$400,300	\$210,300
Item 3 - Demolish Existing Pump Station									
a.	Demolition Existing Pump Station	1	LS	\$100,000	\$100,000	1	\$54,500	\$54,500	-\$45,500
				Subtotal:	\$100,000			\$54,500	
Item 4 - Snow Creek Streambank Stabilization									
a.	Mobilization	1	LS	\$30,000	\$30,000	1	\$33,000	\$33,000	\$3,000
b.	Erosion and Sediment Control	1	LS	\$15,000	\$15,000	1	\$20,000	\$20,000	\$5,000
c.	Maintain Stream Flow	1	LS	\$10,000	\$10,000	1	\$15,000	\$15,000	\$5,000
d.	Stream Bank Excavation	2,000	CY	\$50.00	\$100,000	2,000	\$55.00	\$110,000	\$10,000

ITEM #	DESCRIPTION	APPROX QUAN.	UNIT	Original BRIC Approved Budget		2024 Updated Budget			Additional Requested Funds
				UNIT PRICE	TOTAL AMT.	APPROX QUAN.	UNIT PRICE	TOTAL AMT.	
e.	Onsite Soil Disposal	250	CY	\$40.00	\$10,000	250	\$45.00	\$11,250	\$1,250
f.	Off Site Soil Disposal	1,750	CY	\$80.00	\$140,000	1,750	\$85.00	\$148,750	\$8,750
g.	Fabric Encapsulated Soil Lifts	200	SY	\$65.00	\$13,000	200	\$80.00	\$16,000	\$3,000
h.	Single Vane Structures	2	EA	\$2,000.00	\$4,000	2	\$2,200.00	\$4,400	\$400
i.	Fiber Matting	2,400	SY	\$5	\$12,000	2,400	\$7	\$16,800	\$4,800
j.	Reinforced Fiber Matting	3,000	SY	\$10	\$30,000	3,000	\$10	\$30,000	\$0
k.	Topsoil, Planting and Seeding	1	LS	\$30,000	\$30,000	1	\$34,000	\$34,000	\$4,000
				Subtotal:	\$394,000			\$439,200	\$45,200
TOTAL CONSTRUCTION ESTIMATE					\$3,407,750			\$4,109,200	\$701,450
CONSTRUCTION CONTINGENCY				5% LS				\$205,460	\$35,073
TOTAL CONSTRUCTION ESTIMATE					\$3,578,138			\$4,314,660	\$736,523
	Preliminary Engineering	3.0%	LS	\$3,578,137.50	\$127,344			\$127,344	\$0
	Final Design, Permitting and Bidding	5.0%	LS	\$3,578,137.50	\$178,907			\$178,907	\$0
	Agency Coordination and Permitting	2.5%	LS	\$3,578,137.50	\$89,453			\$89,453	\$0
	Bidding, Construction Admin	1.5%	LS	\$3,578,137.50	\$53,672			\$53,672	\$0
	Resident Project Representative	2000	Hrs	\$110.00	\$220,000			\$220,000	\$0
	Environmental, Geotech and Other Sub-consultants	1.0%	LS	\$3,578,137.50	\$35,781			\$35,781	\$0
	Surveying	1	LS	\$30,000.00	\$30,000			\$30,000	\$0
	Legal Fees	1	LS	\$10,000.00	\$10,000			\$10,000	\$0
	Grant Management (5%)	5%	LS	\$3,578,137.50	\$178,907			\$178,907	\$0
TOTAL ESTIMATED NON-CONSTRUCTION COST					\$904,065			\$904,065	\$0
TOTAL ESTIMATED PROJECT COST					\$4,482,202		\$498,087	\$5,218,725	\$736,523

Appendix 3



NC Department of Public Safety
EMERGENCY MANAGEMENT

Roy Cooper, Governor

Eddie M. Buffalo Jr., Secretary
William C. Ray, Director

3 May 2024

Mr. Andrew Foy
Asst. Director of Public Utilities
City of Hickory
76 N. Center St.
Hickory, NC 28601

Dear Mr. Foy,

North Carolina Emergency Management (NCEM) is pleased to inform you that your grant application for the Emergency Management Disaster Relief and Mitigation Fund has been selected for funding up to the amount of \$736,523.

The final approval is conditional on the return of the attached Memorandum of Agreement (MOA), signed by the appropriately authorized representative(s) within 45 days from the date of this letter.

The attached MOA, as well as the following documents below, should be returned to NCEM via email and sent to NCEMLTR_grant@ncdps.gov

- State of NC Substitute W-9 Form
- Supplier Electronic Payment Request Please email the completed form directly to OSC for processing: ncfsepav@osc.nc.gov with copy to NCEMLTR_grant@ncdps.gov
- Conflict of Interest Policy (G.S. 143C-6-23 (b))
- Sworn (Notarized) No Overdue Tax Debt Certification (G.S. 143C-6-23 (c))

This grant shall be effective upon transmittal to the jurisdiction of the executed MOA by NCEM.

By accepting this grant, the recipient agrees that funds will only be expended to complete the approved project, not to exceed the funding amount during the designated period of performance, as well as all applicable terms, conditions, and responsibilities specified in the MOA.

If you have any questions please contact Mr. Jeff Welker, NCEM Long-Term Recovery Grants Manager, directly (984-222-4159 or Jeffrey.Welker@ncdps.gov).

Respectfully,

DocuSigned by:

William C. Ray
William C. Ray

Director & Deputy Homeland Security Advisor
North Carolina Emergency Management



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Appendix 4
Documents for Reimbursement Request

Quarterly Progress Report - Form LTR002/2022

Request for Reimbursement - Form LTR003

Summary of Documentation (SOD) - Form LTR001

Recipient should submit a single pdf with the above forms and all supporting information including invoices, proof of payment, bid documentation and contracts as necessary. PDF file should be ordered as follows:

1. Request for Reimbursement Form
2. Current Quarterly Progress Report Form
3. Summary of Document Form (SOD)
4. Supporting documentation in order as they appear on SOD. Please order invoices and matching checks together within the pdf.
5. Any Insurance documents, permits, or pictures of work progress as necessary or supportive.

**North Carolina Division of Emergency Management
Long Term Recovery Grant Program
QUARTERLY PROGRESS REPORT**

Progress Report Period: _____ to _____
Project Title: _____ MOA #: _____
Applicant: _____
Address: _____ County: _____
Contact Person: _____ Title: _____
Phone #(s): _____ Email Address: _____

Total Project Expenditures to Date: \$ _____

- 1. Date of Project Approval:
- 2. Start Date of the Project:
- 3. Percent of Work Completed to Date: _____ %
- 4. Anticipated Completion Date:
- 5. Actual Completion Date:
- 6. Summary of progress on project for this report period: *(Provide narrative summary on a monthly basis and relate activities to project budget.)*

7. Anticipated cost over-run/under-run: \$

8. Problems encountered:

9. Status: *(Please check pertinent information).*

- | <u>Project Status</u> | <u>Project Cost Status</u> |
|--|---|
| (1) <input type="checkbox"/> Project on schedule | (1) <input type="checkbox"/> Cost unchanged |
| (2) <input type="checkbox"/> Project completed | (2) <input type="checkbox"/> Cost overrun |
| (3) <input type="checkbox"/> Project delayed | (3) Cost <input type="checkbox"/> der-run |
| (4) <input type="checkbox"/> Project canceled | |

Request for Reimbursement (RFR)
Form LTR003

Grantee: _____ Identification Number: _____

Mailing Address: _____ City, Zip: _____

MOA Grant #	Grant Amount \$	Previous Payments \$	Current RFR	SOD and supporting Docs attached (Y/N)*	State Approvals Office Use only (GM approval) Comment	
Total of Current Request						

* SOD and Supporting documentation are required for all Requests for Reimbursements and need attached to the pdf of this request.

I certify that the above expenditures are accurate and in compliance with the associated MOA.

Authorized Representative: _____

Signature: _____

Date: _____

NORTH CAROLINA DIVISION OF EMERGENCY MANAGEMENT			
SUMMARY OF DOCUMENTATION IN SUPPORT OF AMOUNT CLAIMED FOR ELIGIBLE WORK Form LTR001			
(1) Applicant:		(2) MOA Number:	
(3) FIPS/Duns or Tax ID/EIN No.			
(5) Applicant's Check No., Reference No., Warrant, Voucher, Claim, or schedule No.	(6) Delevery Date of articles or performance services	(7) DOCUMENTATION List Documentation (Applicant's payroll, material out of applicant's stock, applicant owned equipment and name of vendor or contractor) by category	(8) Applicant Proposed Eligible Costs
Force Account Labor			
		Total	0.00
Equipment			
		Total	0.00
Materials			
		Total	0.00
Contract			
		Total	0.00
Other			
		Total	0.00
		(9) Grand TOTAL	\$0.00
		(10) -Grant AMOUNT	
		(11) ADJUSTED TOTAL (+ OR -)	\$0.00
Signature:			

E-VERIFY ADDENDUM

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

COUNCIL AGENDA MEMOS

To: City Manager's Office
From: Will Hamblin – Public Utilities Director
Contact Person: Drew Foy – Assistant Public Utilities Director
Date: June 18, 2024
Re: NCEM Disaster Relief and Mitigation (DRMF) Grant – Supplemental to Northeast WWTP FEMA Grant

REQUEST

Staff requests Council approval of Grant Agreement between NCDPS and City of Hickory for supplemental grant funds under the NCEM Disaster Relief and Mitigation grant in the amount of up to \$901,609.00.

BACKGROUND

The City of Hickory previously received a federal grant through the FEMA Building Resilient Infrastructure and Communities (BRIC) program, for Falling Creek at the Northeast Wastewater Treatment Facility, which provided funding to mitigate infrastructure risks to better protect public investment and the environment, in June of 2023. Due to the construction cost being more than the grant amount, the state asked the City to use the NCEM Disaster Relief and Mitigation (DRMF) Grant as a supplemental grant to cover the Northeast WWTP project costs.

ANALYSIS

On January 21, 2024, Public Utilities applied for supplemental grant funding for an Emergency Management Disaster Relief and Mitigation grant through the NC Department of Public Safety. This grant application was intended to assist with cost overruns anticipated due to construction cost increases realized between the FEMA BRIC grant award and projected construction.

NCDPS approved this application and awarded the City of Hickory a grant in the amount of up to \$901,669.00 on May 3, 2024, for flood hardening and streambank restoration along Falling Creek at the Northeast WWTF.

RECOMMENDATION

Staff recommends Council approval of Grant Agreement between NCDPS and City of Hickory for supplemental grant funds under the NCEM Disaster Relief and Mitigation grant in the amount of up to \$901,609.00.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Project: 803309

065-8033-587.29-04

Reviewed by:

<u>Will Hamblin</u> <i>WH</i>	<u>06/06/2024</u>	<u>Deputy City Attorney, A. Dula</u>	<u> </u>
Initiating Department Head	Date		Date
<u>Rodney Miller</u>	<u>6/12/24</u>	<u>Phil Beasley</u>	<u>6/10/24</u>
Asst. City Manager, Rodney Miller	Date	Asst. City Manager, R. Beasley	Date
<u>Kari Dunlap</u>	<u>6-12-24</u>	<u>Cameron McHargue</u>	<u>6-11-24</u>
Finance Officer, Kari Dunlap	Date	Deputy Finance Officer, Cameron McHargue	Date
<u>Yaidee Fox</u>	<u>6/12/24</u>		
Asst. City Manager, Yaidee Fox	Date		

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

Warren Wood

City Manager, Warren Wood

6.12.24

Date



NC Department of Public Safety
EMERGENCY MANAGEMENT

Roy Cooper, Governor

Eddie M. Buffaloe Jr., Secretary

William C. Ray, Director

**Emergency Management Disaster Relief and Mitigation Grant (DRMG)
Memorandum of Agreement (MOA)**
between

Grantor:

State of North Carolina
Department of Public Safety
Emergency Management

Recipient:

City of Hickory
76 N. Center St.
Hickory, NC 28601

MOA# NCEM-DRMG2332

Award amount: \$901,609.00

Period of performance: 1/1/24 to 6/30/2026

1. Purpose

The purpose of this Memorandum of Agreement (MOA) is to establish roles, responsibilities, and procedures to implement the terms and conditions for the above Grant. This MOA is to set forth terms by which Grantor, State of North Carolina through NC Department of Public Safety (NCDPS) / North Carolina Emergency Management (NCEM), shall provide funding to the Recipient to facilitate flood mitigation efforts and more specifically to accomplish the Scope of Work as outlined within the Grant Application (See Appendix 2)

2. Authority

This grant award and MOA are authorized under the provisions of: (1) 2023 Appropriation Act, *S.L. 2023-134, § 5.6(f)(1)*, (2) NC Appropriations Act of 2021, *S.L. 2021-180, Section 5.9(a)(3), and Section 5.9(a)(4)*, (3) N.C.G.S. §166A-19.12(13), and (4) FY 2023 Disaster Relief and Mitigation Fund (NOFO):

The funds awarded under this grant must be used in compliance with all applicable federal, state, local and tribal laws and regulations, including N.C.G.S. §§ 143C-6-21, 143C-6-22, 143C-6-23 and 09 NCAC 03M. By accepting this award, the Recipient agrees to use these funds in a manner consistent with all applicable laws and regulations.

3. Compensation

Payment to Recipient for expenditures under this MOA will be reimbursed after Recipient's (Requests for Reimbursement) is submitted and approved for eligible scope of work activity. Grant funds will be disbursed upon receipt of evidence that funds have been invoiced, products or services received (i.e., invoices, contracts, itemized expenses, etc.), and proof of payment is provided (as outlined in Appendix 4).

Recipient must meet all reimbursement requirements contained herein. Non-compliance may result in denial of reimbursement request(s) or suspension/revocation of grant funds awarded for this project. See also paragraph 7 below regarding compliance.



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4. Conditions

These funds are provided by Grantor (NCEM on behalf of State of North Carolina) The following conditions must be adhered to during the entire duration of the grant program:

A. Recipient must:

- i. Have a DUNS number prior to any funds being released. DUNS numbers may be obtained from either of the following websites: www.dnb.com or <http://fedgov.dnb.com/webform>. After April 4, 2022, Recipient will be required to obtain a Unique Entity Identifier created in the System for Award Management (SAM), if they do not already have one. Current SAM registrants have already been assigned their Unique Entity Identifier and can view it within SAM. The Unique Entity ID is currently located below the DUNS Number on the entity registration record in SAM.
- ii. Ensure their organization is registered with SAM. Every applicant is required to have their name, address, DUNS number and EIN up to date in SAM, and the DUNS number used in SAM must be the same one used to apply for all awards from Grantor. SAM information can be found at <http://www.sam.gov>. After April 4, 2022, the Unique Entity Identifier in SAM becomes the official identifier for doing business with the U.S. Government.

B. Recipient must submit the following documents to Grantor at NCEMLTR.grant@NCDPS.gov upon execution and submission of this MOA:

- i. State of NC Substitute W-9 Form
- ii. Supplier Electronic Payment Request Please email the completed form directly to OSC for processing: ncfsepap@osc.nc.gov with copy to NCEMLTR.grant@ncps.gov
- iii. Conflict of Interest Policy (G.S. 143C-6-23.(b))
- iv. Sworn (Notarized) No Overdue Tax Debt Certification (G.S. 143C-6-23.(c))

C. File Retention

Recipient is required to maintain records and (invoices) of this grant for five years after termination of the grant, or audit if required, or longer where required by law. Recipient must maintain a separate file for each grant award. However, if any litigation, claim or audit has been initiated prior to the expiration of the five-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The following files must be available for review by NCEM staff for site visits, project closeout and audits:

- i. Resolution or other official documentation relating to the acceptance or adoption of the grant award.
- ii. MOA, and supporting appendices.
- iii. Completed appropriate reports with specifications, solicitations, competitive quotes or proposals, basis for selection decisions, purchase orders, contracts, invoices and proof(s) of payment.
- iv. Audit findings and corrective action plans.
- v. Request for Reimbursements and documentation
- vi. Closeout Request and documentation
- vii. Pre and Post photo documentation for all permanent work projects

5. Regulation

Recipient certifies that it understands and agrees that funds will only be expended for the project as outlined in the grant application and incorporated by reference herein. The Recipient and Grantor certify that each understands and agrees to comply with the general and fiscal terms and conditions of the grant including special conditions; to comply with provisions of the applicable laws, rules and policies governing these funds; that all information is correct; that there has been appropriate coordination with affected agencies; that the Grantor is duly authorized to commit the Recipient to these requirements; that costs incurred prior to grant application approval will result in the expenses being absorbed by the Recipient; and that all agencies involved with this project understand that all funds are limited to the period of performance.

6. Supplanting

Grant funds must be used to supplement existing federal, state and local funds for program activities and must not replace (supplant) those funds that have been appropriated for the same purpose. Jurisdictions must provide assurances and certifications as to non-supplanting and the existence of proper administrative/financial procedures as requested.

7. Compliance

Recipient shall comply with applicable federal, state, local and/or tribal statutes, regulations, ordinances, licensing requirements, policies, guidelines, reporting requirements, certifications and other regulatory matters for the conduct of its business and purchase requirements performed under this MOA. Recipient shall be wholly responsible for the purchases made under this MOA and for the supervision of its employees and assistants.

Failure to comply with the specified terms and conditions of this MOA may result in the return of funds and any other remedy for noncompliance and/or termination of the award per 09 NCAC 03M.0801. Additional conditions may also be placed on the Recipient for noncompliance with the specified terms and conditions of this MOA, including, but not limited to, additional monitoring and possible placement of Recipient on the Suspension of Funding List (SOFL) maintained by the State Office of State Budget & Management (OSBM) <https://www.osbm.nc.gov/stewardship-services/grants-management-system/suspension-funding-memos>.

8. Responsibilities

Grantor:

- A. Grantor shall provide the funding described herein to Recipient to perform the activities as described herein.
- B. Grantor shall conduct a review of the project to ensure Recipient is progressing toward completion of the SOW.
- C. Grantor shall verify the completion of the project thru the closeout process.

Recipient:

- A. This MOA must be signed and returned to NCEM within 45 days after Recipient receives notice of this award. The grant shall be effective upon return of the executed Grant Award (MOA) and date of final approval by the Director of Emergency Management.
- B. Recipient shall expend funds in accordance with this MOA.

- C. Recipient shall utilize State of North Carolina and/or local procurement policies and procedures for the expenditure of funds, and conform to applicable state standards identified in N.C.G.S. Chapter 143, Article 3, Purchases & Contracts.

If Recipient utilizes local procurement policies, Recipient is required to submit a copy of the applicable policies they followed and demonstrate that they complied with those policies, including competition as required.

Recipient is required to check the federal System for Awards Management (SAM), <https://sam.gov/content/exclusions> and the State Debarred Vendors Listing, <https://ncadmin.nc.gov/documents/nc-debarred-vendors>, to verify that all vendors and contractors have not been suspended or debarred from doing business with the federal or state government.

- D. Provide quarterly progress reports to NCEM within 10 days from end of the calendar year quarter to the following email: NCEMLTR.grant@ncdps.gov.

- E. Requests for Reimbursement (RFR)

Recipient must submit RFR, with all required documentation attached to NCEM at NCEMLTR.grant@ncdps.gov. Grantor will reimburse Recipient for eligible costs as determined by Grantor. Recipient must take possession of all purchased equipment and receive any grant-eligible service prior to seeking reimbursement from Grantor. Recipient must submit Request for Reimbursement per appendix 4.

- F. Closeout Reporting Requirements

Recipient must submit to Grantor, no later than 90 calendar days after the end date of the period of performance or completion of the project, whichever is sooner, all financial, performance, and other reports as required by the terms and conditions of the grant award, and this MOA.

This includes, at a minimum:

- i. A closeout letter indicating that the project is now 100% complete, that all funds were used for the purpose appropriated and ready for final inspection.
 - ii. A complete accounting of how all grant funds were used thru the Summary of Documentation (SOD)Form which lists all labor, material, equipment, and contract invoices with corresponding checks or other proof of payment making up the total spend for the project.
 - iii. Copies of all invoices and a copy of proof of payment (both front and back of cleared check is required) as listed on the SOD form.
 - iv. Bid documents (solicitation, bid evaluations, etc.), contracts.
 - v. Insurance documentation on equipment or property purchased under this award or letter indicating lack of insurability
 - vi. Pictures prior to the start of the project and when complete for permanent work type grants.
- G. Non-Supplanting Requirement. See paragraph 6 (Supplanting).
- H. Recipient shall have sole responsibility for the ownership, maintenance, insurance, upkeep, and replacement of any equipment procured pursuant to this MOA as follows:
- i. Recipient shall take and maintain a physical inventory of all equipment purchased with funds awarded under this grant. Equipment is defined as tangible, non-expendable

property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Recipient may have property management guidelines that are more restrictive, requiring a unit of equipment with a value of less than \$5,000 to be inventoried. If so, such equipment purchased under this award allocation shall be included on the report submitted to Grantor. The grant summary, cost reports with backup documentation, certificate of title, and any other Recipient reports or inventory reports that include information regarding the grant, vendor, invoice number, cost per item, number of items, description, location, condition and identification number may be used to meet this requirement.

- ii. Recipient must ensure a control system exists to ensure adequate safeguards to prevent loss, damage, or theft. Recipient shall be responsible for replacing or repairing equipment which is willfully or negligently lost, stolen, damaged, or destroyed. Any loss, damage or theft of the property must be investigated and fully documented and made part of the official project records.
 - iii. Recipient or equipment owner must ensure adequate maintenance procedures exist to keep the equipment in good condition.
- I. Property and Equipment. Property and equipment purchased with these funds shall be titled to Recipient, and Recipient shall be responsible for the custody and care of any property and equipment purchased with funds furnished for use in connection with this MOA. Grantor will not be held responsible for any property purchased under this MOA. Recipient must obtain any necessary insurance where said insurance can be reasonably obtain and provide proof of insurance as part of any Reimbursement Request or Closeout.

Recipient must utilize all property and equipment as intended in their project application to Grantor.

Failure to comply with these terms and conditions may result in the return of funds and any other remedy for noncompliance specified paragraph 7, Compliance, above.

- J. Indirect Costs. No indirect or administrative costs will be charged to this award.
- K. Conflict of Interest. Per N.C.G.S. § 143C-6-23(b), Recipient is required to file with Grantor a copy of Recipient's policy addressing conflicts of interest that may arise involving the grantee's management employees and the members of its board of directors or other governing body. The policy shall address situations in which any of these individuals may directly or indirectly benefit, except as the grantee's employees or members of its board or other governing body, from the grantee's disbursing of State funds, and shall include actions to be taken by the grantee or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. The policy shall be filed before Grantor may disburse any grant funds.

In conjunction with providing the conflict of interest policy to Grantor, Recipient must disclose in writing to Grantor, and attempt to avoid, any real or potential conflict of interest that may arise during the administration of this grant award.

This includes Recipient's responsibility to maintain written standards of conduct covering conflicts of interest and governing the actions of their employees engaged in the selection, award, and administration of contracts. No employee, officer, or agent may participate in the selection, award,

or administration of a contract supported by this grant award if he or she has a real or apparent conflict of interest. Such conflicts of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the Recipient may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. Recipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value.

The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the Recipient. All Recipients must disclose in writing to Grantor, and attempt to avoid, any real or potential conflicts of interest with respect to procurement, contracting and subcontracting with funds provided under this grant award. Upon request, Recipient must also provide a copy of their standards of conduct policy covering conflicts of interest with respect to procurement, contracting and subcontracting with funds provided under this grant award.

- L. Recipient must have an acceptable local travel regulation plan or accept the state travel regulations. Expenditures for travel mileage, meals, lodging and other travel expenses incurred in the performance of this Contract shall not exceed state rates and must be supported by documentation. International travel is not eligible under this MOA.

9. **Funding**

Pursuant to N.C.G.S 143C-1-1, the Recipient understands and agrees that agreement funding shall be subject to the availability of appropriated funds. However, in the event of agreement termination due to lack of adequate appropriated funds, Grantor will pay for services and goods acquired and obligated on or before the notice of agreement termination.

10. **Taxes**

Recipient shall be considered to be an independent Recipient and as such shall be responsible for ALL taxes. There shall be no reimbursement for taxes incurred by the Recipient under this grant.

11. **Warranty**

Recipient will hold Grantor harmless for any liability and personal injury that may occur from or in connection with the performance of this MOA to the extent permitted by the North Carolina Tort Claims Act. Nothing in this MOA, express or implied, is intended to confer on any other person any rights or remedies in or by reason of this MOA. This MOA does not give any person or entity other than the parties hereto any legal or equitable claim, right or remedy. This MOA is intended for the sole and exclusive benefit of the parties hereto. This MOA is not made for the benefit of any third person or persons. No third party may enforce any part of this MOA or shall have any rights hereunder. This MOA does not create, and shall not be construed as creating, any rights enforceable by any person not a party to this MOA. Nothing herein shall be construed as a waiver of the sovereign immunity of the State of North Carolina.

12. State of North Carolina Reporting Requirements per NCGS 143C-6-23 and 09 NCAC 03M

North Carolina state law (N.C.G.S. 143C-6-23 and 09 NCAC 03M) requires every non-state entity (including non-profit organizations, counties and local governments) that receives state or federal pass-through grant funds from state agencies to file annual reports on how those grant funds were used no later than three months after the end of the non-state entity's fiscal year.

Refer to "State Grant Compliance Reporting Forms" on the following website for instructions and applicable forms for Recipients to meet these requirements: <https://www.ncdps.gov/our-organization/emergency-management/emergency-management-grants/grants-management-compliance>.

Level I (Less than \$25,000)

A grantee receiving less than \$25,000 (combined) in State or Federal pass through funds must submit:

- Certification Form.
- State Grants Compliance Reporting for Receipts of Less than \$25,000.
- Level I form and reporting instructions are available on the above website.

Level II (\$25,000 - \$499,999)

A grantee that receives between \$25,000 - \$499,999 (combined) in State or Federal pass-through funding must submit:

- Certification Form.
- State Grants Compliance Reporting for Receipts of \$25,000 or More.
- Schedule of Receipts and Expenditures.
- Program Activities and Accomplishments Reports.
- Level II form and reporting instructions are available on the above website.

Level III (\$500,000 - \$749,999)

A grantee that receives a combined \$500,000 or more in State funding or Federal pass-through funding must submit:

- Certification Form.
- State Grants Compliance Reporting for Receipts of \$25,000 or More.
- Program Activities and Accomplishments Reports.
- Level III form and reporting instructions are available on the above website.
- Submit within nine months of the grantee's fiscal year end: Submit to DPS Internal Audit a single audit prepared and completed in accordance with Generally Accepted Government Auditing Standards. See paragraph 15 below for audits.

Level III Continued (\$750,000+)

A grantee that receives a combined \$750,000 or more in funding from all Federal funding sources, even those passed through a state agency must submit:

- Certification Form.

- State Grants Compliance Reporting for Receipts of \$25,000 or More.
- Program Activities and Accomplishments Reports.
- Level III form and reporting instructions are available on the above website.
- Submit within nine months of the grantee's fiscal year end:
- Submit to DPS Internal Audit a single audit prepared and completed in accordance with Generally Accepted Government Auditing Standards.
- Post the single audit to the Federal Audit Clearinghouse (<https://harvester.census.gov/facweb/>).
- Make copies of the single audit available to the public. See paragraph 15 below for audits.

13. Audit Requirements

Per 09 NCAC 03M.0205, a Recipient that receives a combined **\$500,000** or more in **North Carolina state funding or federal funding passed through a state agency** must within 9 months of the Recipient's fiscal year end submit to DPS Internal Audit (AuditGrantsReport@ncdps.gov) a single audit prepared and completed in accordance with Generally Accepted Government Auditing Standards (GAGAS): <https://www.gao.gov/yellowbook>.

If Recipient is a unit of local government in North Carolina, Recipient may also be subject to the audit and reporting requirements in N.C.G.S. 159-34, Local Government Finance Act – Annual Independent Audit, rules and regulations. Such audit and reporting requirements may vary depending upon the amount and source of grant funding received by the Recipient and are subject to change (*see Local Government Commission* for more information).

14. Points of Contact (POC)

To provide consistent and effective communication between Recipient and Grantor, each party shall appoint a Principal Representative(s) to serve as its central point of contact responsible for coordinating and implementing this MOA. Grantor contact shall be the Grants Manager listed on the NoFO or as amended. Recipient POC shall be the person designated by the Recipient. Recipient is required to keep Grantor informed of any changes in POC over the course of the period of performance. All confidential information of either party disclosed to the other party in connection with the services provided hereunder will be treated by the receiving party as confidential and restricted in its use to only those uses contemplated by the terms of this MOA. Any information to be treated as confidential must be clearly marked as confidential prior to transmittal to the other party. Neither party shall disclose to third parties, the other party's confidential information without written authorization to do so from the other party. Specifically excluded from such confidential treatment shall be information that:

- A. As of the date of disclosure and/or delivery, is already known to the party receiving such information.
- B. Is or becomes part of the public domain, through no fault of the receiving party.
- C. Is lawfully disclosed to the receiving party by a third party who is not obligated to retain such information in confidence.

D. Is independently developed at the receiving party by someone not privy to the confidential information.

15. Public Records Access

All information maintained by Grantor in connection with this MOA and grant award is subject to the North Carolina Public Records Act, Chapter 132 of the North Carolina General Statutes and is subject to public records requests through NCDPS.

16. Contracting/Subcontracting

If Recipient contracts/subcontracts any or all purchases or services under this MOA, then Recipient agrees to include in the contract/subcontract that the contractor/subcontractor is bound by the terms and conditions of this MOA. Recipient and any contractor/subcontractor agree to include in the contract/subcontract that the contractor/subcontractor shall hold Grantor harmless against all claims of whatever nature arising out of the contractors/subcontractor's performance of work under this MOA. If Recipient contracts/subcontracts any or all purchases or services required under this MOA, a copy of the executed contract/subcontract agreement must be forwarded to Grantor. A contractual arrangement shall in no way relieve Recipient of its responsibilities to ensure that all funds issued pursuant to this grant be administered in accordance with all state and federal requirements.

17. Situs

This MOA shall be governed by the laws of North Carolina and any claim for breach or enforcement shall be filed in State Court in Wake County, North Carolina.

18. Antitrust Laws

All signatories of this MOA will comply with all applicable state and federal antitrust laws.

19. Other Provisions/Severability

Nothing in this MOA is intended to conflict with current federal, state, local, or tribal laws or regulations. If a term of this MOA is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of this MOA shall remain in full force and effect.

20. Entire Agreement

This MOA and any annexes, exhibits and amendments annexed hereto, and any documents incorporated specifically by reference represent the entire agreement between the parties and supersede all prior oral and written statements or agreements.

21. Modification

This MOA may be amended only by written amendments duly executed by Recipient and Grantor.

22. Termination

Either party, upon sixty (60) days advance written notice to the other, may terminate this MOA.

23. Scope of Work

Recipient shall implement the project as described in the approved project application. That application is hereby incorporated into this MOA in Appendix 2.

24. Execution and Effective Date

This grant shall become effective upon return of this original Grant Award(MOA), properly executed on behalf of the Recipient, and upon execution of all parties to this MOA. The last signature shall be that of the Director of NC Emergency Management.

25. Certification of eligibility - Under the Iran Divestment Act

Pursuant to N.C.G. S§147-86.59, any person identified as engaging in investment activities in Iran, determined by appearing on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. § 147-86.58, is ineligible to contract with the State of North Carolina or any political subdivision of the State. The Iran Divestment Act of 2015, N.C.G.S. § 147-86.55 et seq.* requires that each vendor, prior to contracting with the State certifies, and the undersigned on behalf of the Vendor does hereby certify, to the following:

- A. That the vendor is not identified on the Final Divestment List of entities that the State Treasurer has determined engages in investment activities in Iran
- B. That the vendor shall not utilize on any contract with the State agency any subcontractor that is identified on the Final Divestment List
- C. That the undersigned is authorized by the Vendor to make this Certification

The State Treasurer's Final Divestment List can be found on the State Treasurer's website at the address: <https://www.nctreasurer.com/inside-the-department/OpenGovernment/Pages/Iran-divestment-Act-resources.aspx> and will be updated every 180 days. For questions about the Department of State Treasurer's Iran Divestment Policy, direct questions to (919) 814-3852.

26. Attachments

All attachments to this Agreement are incorporated as if set out fully herein.

- A. In the event of any inconsistency or conflict between the language of this MOA and the attachments hereto, the language of the MOA shall be controlling, but only to the extent of such conflict or inconsistency.
- B. This MOA includes the following attachments or documents incorporated by reference as if fully set out herein:
 - i. Appendix 1 - Notice of Funding Opportunity (NoFO)
 - ii. Appendix 2 - Scope of Work or Grant Application
 - iii. Appendix 3 - Award letter
 - iv. Appendix 4 – Required Documentation for Reimbursement Request.

IN WITNESS WHEREOF, the parties have each executed this MOA and the parties agree that this MOA will be effective upon signature of all parties with the signature of the Director of Emergency Management establishing the effective date.

**NC Department of Public Safety
Division of Emergency Management**

**1636 Gold Star Drive
Raleigh NC 27607**

By: _____

Date: _____

William C. Ray
Director NC Emergency Management

APPROVED AS TO FORM:

By: _____

Date: _____

William Polk
Department of Public Safety
Deputy General Counsel

City of Hickory

**76 N. Center Street
Hickory, NC 28601**

By: _____

Date: _____

Name: _____

Title: _____

By: _____

Date: _____

Name: _____

Title: _____

By: _____

Date: _____

Name: _____

Title: _____

Appendix 1

NOTICE OF FUNDING OPPORTUNITY (NOFO):
North Carolina Emergency Management (NCEM)*Disaster Relief and Mitigation Fund*

North Carolina Emergency Management (NCEM) is now accepting applications for grants funded through the 2023 Appropriations Act, *S.L. 2023-134, § 5.6(f)(1)*, the Emergency Management Disaster Relief and Mitigation Fund.

Eligible applicants are state agencies, units of local government, public authorities, and nonprofit organizations.

Funding can be used for flood mitigation, transportation infrastructure resilience against natural disasters, and assistance with local matching to drawn down federal mitigation funds.

Applications must be received by NCEM no later than Close of Business (5pm) on **31 January 2024**.

Eligible Applicants

State agencies, units of local government, nonprofit organizations, and public authorities, as defined in G.S. 159-7, may submit projects to the Emergency Management Long-Term Recovery Group who will convene a panel to score the projects. Nonprofit organization projects are limited to nonsectarian or nonreligious purposes which address such items in the section below.

Eligible Categories of Work

Funds can be used for the following categories of work:

- (1) Flood mitigation efforts that stabilize areas and reduce future damage.
- (2) Ensuring transportation resilience against natural disasters
- (3) Predevelopment assistance to provide small and underserved communities with technical assistance to identify and design shovel-ready projects related to disaster relief and flood mitigation.
- (4) Financial assistance with local cost share to draw down federal funds on approved federal mitigation grants.

Initial funding for this notice is anticipated to be \$25,000,000.

Projects can be 100% funded with no cost share and are paid on a reimbursement basis. Grant administration costs are not eligible.

Examples of Eligible Projects:

(Not intended to be a full list but may help applicants to identify possible projects)

- Construction of new or improvement of existing stormwater infrastructure
- Engineering expenses related to planning and implementation of flood mitigation projects.
- Elevation of buildings, controls, or other improvements of public infrastructure to mitigate future flood damage.
- Projects to protect public infrastructure from flooding.

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- Projects that update and prepare transportation infrastructure for storms, mudslides, and flooding events taking projections of future risk into consideration.
- Risk assessments for critical transportation routes, building on existing and future reports, such as the I-95 and I-40 Flood Resilience Feasibility Study.
- Creating community-informed flood risk and vulnerability assessments that identify resilience gaps and project opportunities for transportation routes in North Carolina to help maintain vital transportation functions following flooding events.

Applicants applying for local cost share assistance for projects that require a local cost share to access federal funds should provide additional information within the application including 1) any notice of approval for your project from the funding agency, 2) a clear understanding of all additional funding sources for the project, and 3) current requirements of the applicant for local match.

Where to Submit Application Materials

Applications must be submitted to the following email address: NCMLTR.grant@ncdps.gov. Applications will be reviewed for completeness with completed applications scored and ranked.

Key Target Dates:

8-December-2023	NOFO Released
31-January-2024	Application Deadline
15-March-2024	NC Review Panel Scoring completed
April 2024	Applicants Notifications
May-June 2024	Complete and Sign grant agreements

The Period of Performance (POP) is up to 36 months, starting on the date of the recipient’s award. This process starts with the application referenced below.

Process to Submit Your Application

Application/Submission Information and Instructions

Application deadline 31 January 2024 (5:00PM)

Application to be submitted to NCMLTR.grant@ncdps.gov with subject line “Applicant name – Project name – 2023 DRMF Grant Application”

Application email should include the completed **Application Document** and any additional attachments to support the project. Please make sure that you address each part of the application. The points below are representative of what you will find needed within the application. (Scoring weight in brackets):

- 1) Applicant Name, Address, Contact Information, and Project Name. Nonprofit corporations should also include the “Certificate of Existence from the NC Secretary of State, bylaws, and documentation to support ownership or right for project specific facility. (10)
- 2) General description of the Project (15)
- 3) Describe how the project mitigates future damage or flooding include impact on community. (35)
- 4) Scope of Work (SOW) and cost estimate for the project to achieve #3 above, including an understanding of how the estimate was achieved. (20)
- 5) Timeline from approval of Grant to project completion. (10)
- 6) How and who will manage the project if awarded and their qualifications. Additionally, the applicants should include their experience in managing a grant award. (10)

Competitive proposals likely will include:

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- Clear understanding of how the project mitigates against frequent flooding or mitigates against frequent disruptions to transportation infrastructure from nature disasters, or a clear understanding of need for matching assistance on approved federal mitigation grants.
- Understanding of the benefits for residents, businesses, and other entities within a community including the percent of the community impacted by the project.
- Professional or engineering reports for the project.
- A current estimate of probable cost with an understanding of how this was developed.
- How the project links to previous comprehensive assessments or planning effort or an understanding of how the community prioritizes this project.
- An understanding of likely implementation of a full construction project.

For more information, please send any questions to NCEMPLTR.grant@ncdps.gov

Projects that are selected will require applicants to sign a Grant Agreement (MOA) and will be expected to comply with the terms of the agreement, including quarterly reporting and interim and final inspections as necessary or risk timely payment or funding. Also, applicants will be required to submit the below listed OSBM required documents/forms with the signed MOA if awarded a grant under this fund:

- W-9 (09 NCAC 03M .0202)
- Electronic Payment / Vendor Verification Form (09 NCAC 03M .0202)
- Conflict of Interest Policy (G.S. 143C-6-23.(b))
- Sworn (Notarized) No Overdue Tax Debt Certification (G.S. 143C-6-23.(c))

Appendix 2 Scope of Work or Grant Application

The City of Hickory Department of Public Utilities is implementing this project in two phases, in accordance with FEMA guidelines on phased projects. Phase 1 includes the evaluation of construction constraints, surveying, design, and finalization of engineering and permitting. Permits will be obtained from all appropriate local, state, and federal agencies for construction activity, stormwater discharges, floodplain management, land disturbance, drainage review and approval, and environmental quality reviews. Upon completion of Phase 1 deliverables and approval from FEMA, Phase 2 will consist of project construction (including site preparation), acquisition of equipment and materials, floodplain benching and stream erosion control implementation, and berm and floodwall installation. For further details on mitigation activity implementation, see Attachment 6, Preliminary Engineering Report.

Updated Phase 2 Budget Items are listed below:

Item 1 - Influent Pump Station Mitigation \$1,585,000 (\$726,500 above the original estimate)

Item 2 - WWTF 36" Gravity Sewer Effluent Line Stabilization \$283,000 (\$36,000 above the original estimate)

Item 3 Falling Creek Streambank Restoration \$4,304,675 (\$96,175 above the original estimate)

Total: \$6,481,834
\$901,609 more than the original estimate.

This project is experiencing an unanticipated cost overrun, which requires additional funding of approximately \$901,609. The new total cost of the project is \$7,746,274. Using the original BCA conducted with the BRIC application (using the FEMA BCA Toolkit 6.0), this new total project cost is still well below the total benefits for the project: \$19,237,688. The Benefit Cost Ratio (BCR) with the new project cost is 2.48, so it is still cost effective. The new BCA report and updated technical memorandum are attached (Attachment 8).

Given the status of the project approaching 100% design, there is now far more detail and specification in the project design than was available during the application development process. For example, engineers have updated the quantities of materials that will be required for construction, and in most cases, quantities have increased. These quantity increases represent a significant increase in cost. One of the quantity costs particularly, the volume of concrete required for the retaining wall, is significantly larger than the original estimate because the design process revealed that the originally anticipated wall thickness was insufficient to offer the required level of protection. Also, the cost estimate for this project was developed in 2020. Since then, there have been significant disruptions to the supply chain for materials and the cost of construction has increased exponentially. In addition, due to industry wide construction volume and labor shortages, the cost of labor has significantly increased at a pace higher than normal annual increases. These changes to the market are widely known and accepted as the new normal. The new cost estimate was developed by Professional Engineers (PEs) using actual bid responses from construction contractors on projects with similar scope, scale, and complexity. See Attachment 5 for the updated budget.

OPINION OF PROBABLE CONSTRUCTION COSTS

PREPARED FOR: City of Hickory, North Carolina
 PROJECT: Northeast WWTP Flood Mitigation Measures
 REVISION: NCDPS Additional Funding
 DATE: January 29, 2024



ITEM #	DESCRIPTION	APPROX QUAN.	UNIT	Original BRIC Approved Budget		2024 Updated Budget			Additional Requested Funds
				UNIT PRICE	TOTAL AMT.	APPROX QUAN.	UNIT PRICE	TOTAL AMT.	
Item 1 - Influent Pump Station Mitigation									
a.	Mobilization	1	LS	\$45,000	\$45,000	1	\$48,000	\$48,000	\$0
b.	Erosion and Sediment Control	1	LS	\$45,000	\$45,000	1	\$45,000	\$45,000	\$0
c.	Cleaning and Grubbing	2	Acre	\$8,000	\$16,000	2	\$15,000	\$30,000	\$14,000
d.	Storm Drain Piping	200	LF	\$160	\$32,000	200	\$160	\$32,000	\$0
e.	Inlets and Junctions	3	EA	\$7,000	\$21,000	3	\$7,000	\$21,000	\$0
f.	Storm Drain Outlets	2	EA	\$10,000	\$20,000	2	\$10,000	\$20,000	\$0
g.	Borrowed Fill Dirt for Levee	6,000	CY	\$40	\$240,000	6,000	\$40	\$240,000	\$0
h.	Excavation and Backfill	6,000	CY	\$25	\$150,000	6,000	\$25	\$150,000	\$0
i.	Slope Armor - Rip Rap, placed	500	Ton	\$100	\$50,000	500	\$125	\$62,500	\$12,500
j.	Grading	1	LS	\$60,000	\$60,000	1	\$60,000	\$60,000	\$0
k.	Cast in Place Concrete	120	CY	\$1,500	\$180,000	410	\$1,500	\$615,000	\$435,000
l.	Stormwater Pump Station	-	-	-	-	1	\$265,000	\$265,000	\$265,000
				Subtotal:	\$859,000			\$1,585,500	\$726,500
Item 2 - WWTF 36" Gravity Sewer Effluent Line Stabilization									
a.	Mobilization	1	LS	\$50,000	\$50,000	1	\$50,000	\$50,000	\$0
b.	Erosion and Sediment Control	1	LS	\$50,000	\$50,000	1	\$50,000	\$50,000	\$0
c.	Re-bed Existing Effluent Line 36" DIP	300	LF	\$400	\$120,000	300	\$520	\$156,000	\$36,000
d.	Stone Check Dams	10	EA	\$500	\$5,000	10	\$500	\$5,000	\$0
e.	Headwall / End of Line Improvements	1	LS	\$12,000	\$12,000	1	\$12,000	\$12,000	\$0
f.	Miscellaneous	1	LS	\$10,000	\$10,000	1	\$10,000	\$10,000	\$0
				Subtotal:	\$247,000			\$283,000	\$36,000
Item 3 - Falling Creek Streambank Restoration									
a.	Mobilization	1	LS	\$300,000	\$300,000	1	\$300,000	\$300,000	\$0
b.	Erosion and Sediment Control	1	LS	\$100,000	\$100,000	1	\$100,000	\$100,000	\$0
c.	Maintain Stream Flow	1	LS	\$80,000	\$80,000	1	\$80,000	\$80,000	\$0
d.	Stream Bank Excavation	56,000	LF	\$50.00	\$2,800,000	56,000	\$50.00	\$2,800,000	\$0
e.	Onsite Soil Disposal	2,000	CY	\$40.00	\$80,000	2,000	\$45.00	\$90,000	\$10,000
f.	Off Site Soil Disposal	3,000	CY	\$80.00	\$240,000	3,000	\$85.00	\$255,000	\$15,000
g.	Woody Toe Protection	650	LF	\$150.00	\$97,500	650	\$180.00	\$117,000	\$19,500
h.	Stone Toe Protection	350	LF	\$200.00	\$70,000	350	\$215.00	\$75,250	\$5,250
i.	Cross Vane Structures	1	EA	\$10,000	\$10,000	1	\$10,000	\$10,000	\$0
j.	Bendway Weir Structures	13	EA	\$6,000	\$78,000	13	\$7,000	\$91,000	\$13,000
k.	Toe Boulder Bioengineering Structures	735	LF	\$200	\$147,000	735	\$215	\$158,025	\$11,025
l.	Natural Fiber Matting	1,200	SY	\$5	\$6,000	1,200	\$7	\$8,400	\$2,400
m.	Topsoil, Planting and Seeding	4	Acre	\$50,000	\$200,000	4	\$55,000	\$220,000	\$20,000
				Subtotal:	\$4,288,500			\$4,384,675	\$96,175
TOTAL CONSTRUCTION ESTIMATE					\$5,314,500			\$6,173,175	\$858,675
CONSTRUCTION CONTINGENCY				5% LS				\$265,725	\$42,934
TOTAL CONSTRUCTION ESTIMATE					\$5,580,225			\$6,481,834	\$901,609
	Preliminary Engineering	3.0%	LS	\$5,580,225.00	\$167,407			\$167,407	\$0
	Final Design, Permitting and Bidding	5.0%	LS	\$5,580,225.00	\$279,011			\$279,011	\$0
	Agency Coordination and Permitting	2.5%	LS	\$5,580,225.00	\$139,506			\$139,506	\$0
	Bidding, Construction Admin	1.5%	LS	\$5,580,225.00	\$83,703			\$83,703	\$0
	Resident Project Representative	2000	Hrs	\$110.00	\$220,000			\$220,000	\$0
	Environmental, Geotech and Other Sub-consultants	1.0%	LS	\$5,580,225.00	\$55,802			\$55,802	\$0
	Surveying	1	LS	\$30,000.00	\$30,000			\$30,000	\$0
	Legal Fees	1	LS	\$10,000.00	\$10,000			\$10,000	\$0
	Grant Management (5%)	5%	LS	\$5,580,225.00	\$279,011			\$279,011	\$0
TOTAL ESTIMATED NON-CONSTRUCTION COST					\$1,264,441			\$1,264,441	\$0
TOTAL ESTIMATED PROJECT COST					\$6,844,666			\$7,746,274	\$901,609

Appendix 3



NC Department of Public Safety
EMERGENCY MANAGEMENT

Roy Cooper, Governor

Eddie M. Buffaloe Jr., Secretary
William C. Ray, Director

3 May 2024

Mr. Andrew Foy
Asst. Director of Public Utilities
City of Hickory
76 N. Center St.
Hickory, NC 28601

Dear Mr. Foy,

North Carolina Emergency Management (NCEM) is pleased to inform you that your grant application for the Emergency Management Disaster Relief and Mitigation Fund has been selected for funding up to the amount of \$901,609.

The final approval is conditional on the return of the attached Memorandum of Agreement (MOA), signed by the appropriately authorized representative(s) within 45 days from the date of this letter.

The attached MOA, as well as the following documents below, should be returned to NCEM via email and sent to NCEMLTR_grant@ncdps.gov

- State of NC Substitute W-9 Form
- Supplier Electronic Payment Request Please email the completed form directly to OSC for processing: ncsepav@osc.nc.gov with copy to NCEMLTR_grant@ncdps.gov
- Conflict of Interest Policy (G.S. 143C-6-23.(b))
- Sworn (Notarized) No Overdue Tax Debt Certification (G.S. 143C-6-23.(c))

This grant shall be effective upon transmittal to the jurisdiction of the executed MOA by NCEM.

By accepting this grant, the recipient agrees that funds will only be expended to complete the approved project, not to exceed the funding amount during the designated period of performance, as well as all applicable terms, conditions, and responsibilities specified in the MOA.

If you have any questions please contact Mr. Jeff Welker, NCEM Long-Term Recovery Grants Manager, directly (984-222-4159 or Jeffrey.Welker@ncdps.gov).

Respectfully,

Digitally signed by:

William C. Ray

Director & Deputy Homeland Security Advisor
North Carolina Emergency Management



1636 Gold Star Drive Raleigh, NC 27607 | 4236 Mail Service Center Raleigh, NC 27699-4236
Phone: 919-825-2500 Fax: 919-825-2685 | www.ncdps.gov www.readync.gov
An Equal Opportunity Employer

Appendix 4
Documents for Reimbursement Request

Quarterly Progress Report - Form LTR002/2022

Request for Reimbursement - Form LTR003

Summary of Documentation (SOD) - Form LTR001

Recipient should submit a single pdf with the above forms and all supporting information including invoices, proof of payment, bid documentation and contracts as necessary. PDF file should be ordered as follows:

1. Request for Reimbursement Form
2. Current Quarterly Progress Report Form
3. Summary of Document Form (SOD)
4. Supporting documentation in order as they appear on SOD. Please order invoices and matching checks together within the pdf.
5. Any Insurance documents, permits, or pictures of work progress as necessary or supportive.

**North Carolina Division of Emergency Management
 Long Term Recovery Grant Program
 QUARTERLY PROGRESS REPORT**

Progress Report Period: _____ to _____
 Project Title: _____ MOA #: _____
 Applicant: _____
 Address: _____ County: _____
 Contact Person: _____ Title: _____
 Phone #(s): _____ Email Address: _____

Total Project Expenditures to Date: \$ _____

1. Date of Project Approval:
2. Start Date of the Project:
3. Percent of Work Completed to Date: _____ %
4. Anticipated Completion Date:
5. Actual Completion Date:
6. Summary of progress on project for this report period: *(Provide narrative summary on a monthly basis and relate activities to project budget.)*

7. Anticipated cost over-run/under-run: \$

8. Problems encountered:

9. Status: *(Please check pertinent information).*

- | | |
|---|--|
| <p><u>Project Status</u></p> <p>(1) <input type="checkbox"/> Project on schedule</p> <p>(2) <input type="checkbox"/> Project completed</p> <p>(3) <input type="checkbox"/> Project delayed</p> <p>(4) <input type="checkbox"/> Project canceled</p> | <p><u>Project Cost Status</u></p> <p>(1) <input type="checkbox"/> Cost unchanged</p> <p>(2) <input type="checkbox"/> Cost overrun</p> <p>(3) Cost <input type="checkbox"/> der-run</p> |
|---|--|

Request for Reimbursement (RFR)
Form LTR003

Grantee: _____ Identification Number: _____

Mailing Address: _____ City, Zip: _____

MOA Grant #	Grant Amount \$	Previous Payments \$	Current RFR	SOD and supporting Docs attached (Y/N)*	State Approvals Office Use only (GM approval) Comment	
Total of Current Request						

* SOD and Supporting documentation are required for all Requests for Reimbursements and need attached to the pdf of this request.

I certify that the above expenditures are accurate and in compliance with the associated MOA.

Authorized Representative: _____

Signature: _____

Date: _____

NORTH CAROLINA DIVISION OF EMERGENCY MANAGEMENT			
SUMMARY OF DOCUMENTATION IN SUPPORT OF AMOUNT			
CLAIMED FOR ELIGIBLE WORK Form LTR001			
(1) Applicant:		(2) MOA Number:	
(3) FIPS/Duns or Tax ID/EIN No.			
(5) Applicant's Check No., Reference No., Warrant, Voucher, Claim, or schedule No.	(6) Delivery Date of articles or performance services	(7) DOCUMENTATION List Documentation (Applicant's payroll, material out of applicant's stock, applicant owned equipment and name of vendor or contractor) by category	(8) Applicant Proposed Eligible Costs
Force Account Labor			
		Total	0.00
Equipment			
		Total	0.00
Materials			
		Total	0.00
Contract			
		Total	0.00
Other			
		Total	0.00
		(9) Grand TOTAL	\$0.00
		(10) -Grant AMOUNT	
		(11) ADJUSTED TOTAL (+ OR -)	\$0.00
Signature:			

E-VERIFY ADDENDUM

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

BUDGET REVISION # 23

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, 2024 and for the duration of the Project Ordinances noted herein.

SECTION 1. To amend the		General Fund	within the FY 2023-24 Budget Ordinance, the	
expenditures shall be amended as follows:				
	FUNCTIONAL AREA	INCREASE	DECREASE	
	Economic & Community Development		200,000	
	Public Safety	49,100	9,100	
	Other Financing Uses	18,609		
	TOTAL	67,709	209,100	
To provide funding for the above, the				
	General Fund	revenues will be amended as follows:		
	FUNCTIONAL AREA	INCREASE	DECREASE	
	Other Financing Sources	549,609	531,000	
	Restricted Intergovernmental		200,000	
	Sales and Services	40,000		
	TOTAL	589,609	731,000	

SECTION 2. To amend the		Opioid Settlement Fund	within the FY 2023-24 Budget Ordinance, the	
expenditures shall be amended as follows:				
	FUNCTIONAL AREA	INCREASE	DECREASE	
	General Government	171,744		
	TOTAL	171,744	-	
To provide funding for the above, the				
	Opioid Settlement Fund	revenues will be amended as follows:		
	FUNCTIONAL AREA	INCREASE	DECREASE	
	Restricted Intergovernmental	167,728		
	Investment Earnings	4,016		
	TOTAL	171,744	-	

SECTION 3. To amend the		CVCC Innovation Center (#700014)	Capital Project Ordinance, the expenditures	
shall be amended as follows:				
	FUNCTIONAL AREA	INCREASE	DECREASE	
	General Government		531,000	
	General Capital Projects	531,000		
	TOTAL	531,000	531,000	

SECTION 4. To amend the		Snow Creek Pump Station FEMA Grant (#803312)	Capital Project Ordinance, the expenditures	
shall be amended as follows:				
	FUNCTIONAL AREA	INCREASE	DECREASE	
	Water & Sewer Capital Projects	736,523		
	TOTAL	736,523	-	
To provide funding for the above, the				
	Snow Creek Pump Station FEMA Grant (#803312)	revenues will be amended as follows:		
	FUNCTIONAL AREA	INCREASE	DECREASE	
	Restricted Intergovernmental	736,523		
	TOTAL	736,523	-	

SECTION 5. To amend the Northeast Wastewater Treatment Facility FEMA Grant (#803309) Capital Project Ordinance, the expenditures shall be amended as follows:			
FUNCTIONAL AREA		INCREASE	DECREASE
Water & Sewer Capital Projects		901,609	
TOTAL		901,609	-
To provide funding for the above, the Northeast Wastewater Treatment Facility FEMA Grant (#803309) revenues will be amended as follows:			
FUNCTIONAL AREA		INCREASE	DECREASE
Restricted Intergovernmental		901,609	
TOTAL		901,609	-

SECTION 6. To amend the Trivium Corporate Center East (#B1B004) Capital Project Ordinance, the expenditures shall be amended as follows:			
FUNCTIONAL AREA		INCREASE	DECREASE
General Capital Projects		37,219	
TOTAL		37,219	-
To provide funding for the above, the Trivium Corporate Center East (#B1B004) revenues will be amended as follows:			
FUNCTIONAL AREA		INCREASE	DECREASE
Other Financing Sources		18,609	
Restricted Intergovernmental		18,610	
TOTAL		37,219	-

SECTION 7. 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 _____, 2024

Mayor

Clerk

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Dave Leonetti, Business and Community Development Manager

Contact Person: Dave Leonetti, Business and Community Development Manager

Date: December 17, 2020

Re: Approve the sale of City-owned property on Amity Street to SPA Properties, LLC.

REQUEST

Approve the sale of City-owned property on Amity Street to SPA Properties, LLC.

BACKGROUND

The City owns the approximately 39.78-acre property located Amity Street in Fairgrove Business Park. The property is further identified as on the Catawba County Tax Maps as PINs 372116821582 and 372120718859. The City has owned this property since 2002. The property has been marketed for sale on the Catawba County Economic Development Corporation website for the past several years at an asking price of \$25,000 per acre. SPA Properties, LLC has offered \$25,000 per acre to purchase the property for future development.

ANALYSIS

The property is undeveloped and has been owned by the City of Hickory since 2002. Sales to the private sector will place the property back on the property tax roll and allow for future development. The property is zoned Industrial (IND) and could be developed for a variety of distribution and manufacturing uses. North Carolina general statutes require that surplus property be sold competitively. The property would need to be sold subject to the upset bid statute which allows other interested parties to bid on the property after the City Clerk places a public notice in the newspaper.

RECOMMENDATION

Staff recommends that City Council adopt a resolution accepting the offer SPA, LLC and authorize staff to advertise for upset bids.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Reviewed by:

David Leonetti

Initiating Department Head

6-11-24

Date

Amanda M. Dula

Deputy City Attorney, A. Dula

6-12-24

Date

Rodney Miller

Asst. City Manager Rodney Miller

6/12/24

Date

Phil Beasley

Asst. City Manager, R. Beasley

6/12/24

Date

Kari Dunlap

Finance Officer, Kari Dunlap

6-12-24

Date

Cameron McHargue

Deputy Finance Officer,
Cameron McHargue

6-12-24

Date

Yaldee Fox

Asst. City Manager Yaldee Fox

6/12/24

Date

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

W. Wood

City Manager, W. Wood

6.12.24

Date

RESOLUTION NO. 24-___

RESOLUTION AUTHORIZING THE ADVERTISEMENT OF AN OFFER TO PURCHASE CERTAIN PROPERTY

WHEREAS, City Council of the City of Hickory desires to dispose of certain surplus properties of the City of Hickory.

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

1. The following described property is hereby declared to be surplus to the needs of the City of Hickory:

Approximately 39.78-acres Located on Amity Street, Newton, NC in Fairgrove Business Park. Identified as PINs 3721-16-82-1582 and 3721-20-71-8859, Catawba County GIS.

2. City Council has received an offer to purchase for the sum of \$25,000 per acre, for approximately 39.78-acres of property, located on Amity Street, Newton, North Carolina. The person making the offer must deposit the sum equal to five percent (5%) of his or her offer, (\$49,725), to First American Title Insurance Company in accordance with the Real Estate Purchase Agreement.
3. City Council proposes to accept the offer unless a qualifying upset bid shall be made.
4. The City Clerk shall cause a notice of such offer to be published in accordance with G.S. 160A-269.
5. Persons wishing to upset the offer must submit a sealed bid to the City Clerk within ten (10) days after publication of the notice. The person making the bid must deposit with the City Clerk a sum equal to five percent (5%) of his or her offer in the form of cash, cashier's check, or wire funds. At the conclusion of the ten (10) days, the City Clerk shall open the bids, and the highest such bid will become the new offer. If there is more than one bid in the highest amount, the first such bid received will become the new offer.
6. If a qualifying upset bid is received, the City Clerk is directed to re-advertise the offer at the increased upset bid amount, and to continue with this process until a ten (10) day period has passed without receipt of a qualifying upset bid.
7. Upon approval of the final upset bid, total payment for the property must be received by the City of Hickory within 30 days of the bid award.

RESOLUTION NO. 24-___

RESOLUTION AUTHORIZING THE ADVERTISEMENT OF AN OFFER TO PURCHASE CERTAIN PROPERTY

- 8. City Council authorizes the City Manager to execute all documents related to the sale if no upset bids are received after due advertisement.

Adopted this the _____ day of _____, 2024.

THE CITY OF HICKORY a
North Carolina Municipal Corporation

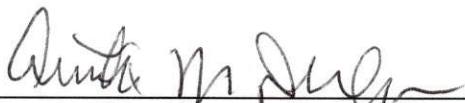
(SEAL)

ATTEST:

By: _____
Hank Guess, Mayor

Debbie D. Miller, City Clerk

Approved as to form this 12th day of June, 2024.



Deputy City Attorney for the City of Hickory

REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (the “Agreement”) is executed and shall be effective as of the date upon which the latter of the parties executes this Agreement (the “Effective Date”), by and between the **CITY OF HICKORY, NORTH CAROLINA** (the “Seller”) and **SPA PROPERTIES, LLC**, an Indiana limited liability company, or its assigns (the “Buyer”) who acknowledge that the following recitals are a material part of this Agreement:

RECITALS:

A. Seller is the owner, in fee simple, of a parcel of real estate containing approximately 39.78 acres of land, including all water and mineral rights and appurtenances, and any improvements located thereon, located along Amity Street, in the City of Hickory, Catawba County, North Carolina (consisting of tax parcel nos. 372116821582 and 372120718859) and as more particularly described in the attached Exhibit A (the “Property”).

B. Buyer desires to purchase the Property and Seller desires to sell the Property.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Buyer and Seller (each a “Party”, or collectively, the “Parties”) agree as follows:

1. Purchase and Sale. Seller agrees to sell, and Buyer agrees to purchase the Property for the price and subject to the terms and conditions hereinafter set forth.

2. Purchase Price. The purchase price for the Property (the “Purchase Price”) shall be determined by multiplying the number of gross acres as shown on the Survey (as defined in Section 6, below) by Twenty-Five Thousand and 00/100 Dollars (25,000.00).

3. Payment of Purchase Price. The Purchase Price shall be paid to Seller as follows:

(a) Pursuant to the North Carolina General Statutes, Buyer shall deposit with the Seller an earnest money deposit in the amount of five percent (5%) of the offer price prior to publication of the offer of notice, that amount being Forty-Nine Thousand Seven Hundred Twenty-Five and No/100 Dollars (\$49,725.00) (the “Deposit”) under this Agreement. In addition, if the Buyer exercises its right to extend the Satisfaction Date (as defined in Section 4, below), the Buyer shall deposit an additional sum of Fifteen Thousand and 00/100 Dollars (\$15,000.00) with First American Title Insurance Company, c/o Steve Zellinger, 200 West Madison, Suite 800, Chicago, IL 60606, szellinger@firstam.com, (312) 917-7257 (the “Title Company”) for each Extension (as defined in Section 4, below) (with each such additional deposit being referred to here as an “Additional Deposit”). The Deposit, and any and all Additional Deposits, if applicable, shall also be referred to herein as the “Earnest Money”. The Earnest Money shall be held, applied, returned or retained in accordance with the terms of this Agreement. The Additional Deposit(s) shall be invested by the Title Company in an interest-bearing account, or as directed by Buyer, and all interest on the Earnest Money shall be applied to the Purchase Price, or if the Closing (as defined in Section 10, below) does not occur, credited to the Party that is entitled to receive the Earnest Money pursuant to the terms of this Agreement. The Additional Deposit(s) shall be deposited with the Title Company pursuant to the terms of a separate escrow agreement, substantially in the specimen form attached hereto as Exhibit B, which shall be executed by Buyer, Seller, and the Title Company.

(b) The remainder of the Purchase Price, plus or minus any prorations and adjustments made pursuant to this Agreement, shall be deposited by Buyer with the Title Company in immediately available funds, for payment to Seller at the Closing.

4. **Feasibility Period.** The Buyer shall have a period of one hundred sixty (160) days after the Effective Date of this Agreement (the “Initial Satisfaction Date”) to determine the feasibility of and any governmental or third party approvals necessary for the Buyer’s planned use and/or development of the Property. The Buyer shall have a unilateral right to extend the Satisfaction Date for two (2) additional and consecutive periods of forty-five (45) days each (herein an “Extension”) if Buyer determines that it requires additional time to attempt to satisfy the feasibility of the Property. If Buyer elects to exercise its rights to any such Extension, then Buyer shall advise Seller, in writing (such notice being referred to as an “Extension Notice”) at any time on or prior to the Initial Satisfaction Date (for the first Extension), at any time prior to the expiration of the then applicable Extension (for the next Extension). The Initial Satisfaction Date, as may be extended by any and all Extensions, shall be referred to herein as the “Satisfaction Date”.

Buyer may terminate this Agreement on or before the Satisfaction Date for any or no reason, in Buyer’s sole discretion by providing written notice to Seller with a copy to the Title Company (a “Termination Notice”). If Buyer timely delivers a Termination Notice to Seller, then this Agreement will terminate, the Deposit will be returned to Buyer, and neither Party shall have any further rights or liability to the other Party, except as otherwise expressly provided in this Agreement. If Buyer exercises its rights to an Extension, and then delivers a Termination Notice (or is deemed to have timely delivered a Termination Notice) on or prior to the Satisfaction Date, then the Deposit will be returned to Buyer and any Additional Deposits will be delivered to Seller (subject to Sections 5, 9, and 15(b)).

If the Buyer determines, on or prior to the Satisfaction Date, that the feasibility is satisfied, in its sole discretion, then the Buyer may, in its sole discretion, agree to proceed with Closing under this Agreement by delivery of a written notice to Seller, with a copy to the Title Company (herein an “Approval Notice”). To be effective, any such Approval Notice must be given on or before the Satisfaction Date. If the Buyer does not deliver such an Approval Notice to the Seller within the time period provided herein, then this Agreement will automatically terminate without the need for any further notice, and any refundable portion of the Earnest Money will be returned to Buyer, any non-refundable portion of the Earnest Money will be delivered to Seller, and neither party shall have any further rights or liability to the other hereunder, except as hereinafter specifically provided in this Agreement. If the Buyer delivers such a Termination Notice to the Seller within the time period provided herein, then this Agreement will terminate, and any refundable portion of the Earnest Money will be returned to Buyer, any non-refundable portion of the Earnest Money will be delivered to Seller, and neither party shall have any further rights or liability to the other hereunder, except as hereinafter specifically provided in this Agreement.

If the Buyer does timely issue an Approval Notice, then the full amount of the Earnest Money will become non-refundable (subject to the provisions of Sections 5, 9 and 15(b), below, or as otherwise expressly provided herein) and all interest or other income earned in relation to the Earnest Money will be applied as a credit against the Purchase Price that is otherwise due under this Agreement.

In the event that the Property is not subdivided or is not a separate tax parcel, and governmental approvals, consents or other documentation with respect to the subdivision of the Property are required in order to permit the conveyance of the Property by Seller and/or in order to permit the development of the Property as contemplated by the Buyer, the Buyer shall, at Buyer’s expense, file such plats and petitions for subdivision approvals as are necessary or appropriate; provided that no final subdivision plat shall be filed or recorded in the public records by Buyer prior to the Closing Date for the Property without Seller’s prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed.

In the event Buyer determines that it requires any approvals, consents or other documentation with respect to the zoning of the Property (including but not limited to rezoning, exception or a special use permit) to permit Buyer's proposed use of the Property, Buyer shall have the right, at Buyer's expense, to file such petitions for such approvals as Buyer deems necessary or appropriate.

Seller agrees to reasonably cooperate with Buyer, including furnishing Buyer with all necessary information, and executing such applications and other documents as may be required, in connection with Buyer's satisfaction of the feasibility of the Property and pursuing any subdivision, rezoning or similar approvals, permits or consents in connection therewith, all at no cost to Seller.

At any time after the Effective Date, Buyer and its agents shall have the right to enter upon the Property and make and conduct any and all tests and inspections that Buyer deems necessary and/or appropriate to satisfy Buyer as to the condition of the Property; provided, however, that Buyer shall promptly restore any damage to the Property resulting from the entry of Buyer or its agents (however, if any tree clearing is required to perform certain inspections permitted pursuant to this Agreement, Buyer's restoration obligations shall not require tree replacement or hauling of any cleared trees or shrubs from the Property), and further provided that in no event shall Buyer be liable for the discovery of any pre-existing condition at the Property or any resulting diminution in value of the Property. All such tests shall be at Buyer's cost and expense.

5. Title.

(a) Buyer shall procure a commitment for an owner's policy of title insurance (the "Title Commitment") issued by the Title Company on the ALTA 2021 Owner's Policy form (or other form acceptable to Buyer), in which the Title Company shall agree to insure, for the full amount of the Purchase Price, merchantable fee simple title to the Property in the name of Buyer, free from the Schedule B standard printed exceptions and all other exceptions except those exceptions which are acceptable to the Buyer, in its sole discretion (the "Permitted Exceptions") after delivery of the Deed (as defined in Section 11) to Buyer from Seller. The Title Commitment shall cover and include any easements and other rights appurtenant to the Property. Such Title Commitment shall have attached thereto complete, legible copies of all instruments noted as exceptions thereto. The Title Commitment shall be updated prior to the Closing to reflect the state of the title not more than ten (10) days prior to the Closing. Buyer shall pay any and all costs and expenses related to the title insurance, including all search fees, closing fees and the premium for the owner's title insurance policy and all endorsements (the "Title Policy") issued pursuant to the Title Commitment.

(b) If: (i) the Title Commitment reflects any exceptions to title which are not acceptable to Buyer, in Buyer's sole discretion; or (ii) the Survey delivered to Buyer pursuant to Section 6, below, discloses any state of fact not acceptable to Buyer, in Buyer's sole discretion; or (iii) at any time prior to the Closing, title to the Property is encumbered by any exception to title not acceptable to Buyer, in Buyer's sole discretion (with any such exception or unacceptable state of fact being referred to herein as a "Title Defect"); then Buyer shall, on or before the Satisfaction Date (or, in the case of a Title Defect not disclosed by the Title Commitment prior to the Satisfaction Date, within fifteen (15) days after Buyer receives notice of such Title Defect, along with a copy of such exception), give Seller written notice of such Title Defect. Seller shall have the right, but not the obligation (except as specifically set forth below), during the thirty (30) day period after receipt of such notice, but not later than Closing, to remove such Title Defect or obtain affirmative title insurance coverage acceptable to Buyer, insuring and defending Buyer against any loss, cost or expense arising out of or related to such Title Defect ("Affirmative Coverage"). If Seller elects to do so, then on or before the Closing Date, Seller shall provide Buyer with reasonable evidence of such removal or provide reasonable evidence that such Title Defect will be removed or that such

Affirmative Coverage shall be obtained. Notwithstanding anything contained herein to the contrary, Seller shall be obligated to expend whatever sums are required to cure or obtain Affirmative Coverage for the following Title Defects prior to, or at, the Closing:

(1) All mortgages, security deeds or other security instruments encumbering the Property (which do not result from acts or omissions on the part of Buyer);

(2) Judgments against the Seller (which do not result from acts or omissions on the part of Buyer) which have attached to and become a lien against the Property; and

(3) All past due *ad valorem* taxes and assessments of any kind, whether or not on record, which constitute, or may constitute, a lien against the Property and any “roll back” or similar taxes that will become due and payable as a result of any change in the use of the Property following the Closing.

(c) In the event Seller is unable or unwilling to cure or obtain Affirmative Coverage for any Title Defect within the time periods set forth above, Buyer shall have the option to either: (i) waive any such Title Defect and proceed to Closing; or (ii) terminate this Agreement and receive a full refund of the Earnest Money, in which case neither Party shall have any further obligations hereunder, except as specifically set forth in this Agreement.

6. **Survey.** Buyer, at its expense, shall procure a survey of the Property (the “Survey”) prepared by a registered land surveyor satisfactory to Buyer. The Survey shall: (i) contain such Table A items as may be requested by Buyer; (ii) have one perimeter legal description of the Property; (iii) show all easements, rights-of-way, set-back lines, encroachments and other matters affecting the use or development of the Property; (iv) disclose on the face thereof the gross acreage of the Property; (v) contain such other matters as are required for the Title Company to delete the standard exceptions on Schedule B to the Title Commitment; (vi) show the location of any and all improvements; and (vii) be certified to Seller, Buyer, the Title Company, and Buyer’s lender (if any).

7. **Cooperation of Seller and Property Information.**

(a) Seller agrees that it shall, within ten (10) days following the Effective Date and at Seller’s expense, deliver to Buyer true, correct and complete copies of the following documents and/or information, to the extent that such documents and/or information are within the Seller’s custody or control: (i) copies of all current or most recent available real estate tax bills applicable to each parcel of the Property; (ii) any utility bills pertaining to the Property; (iii) any plans or specifications pertaining to any Improvements on the Property; (iv) any warranties and/or service contracts pertaining to any Improvements on the Property; (v) any existing surveys, geotechnical reports, maps, or other reports pertaining to the physical condition of the Property, including, without limitation, structural reports, maintenance reports, environmental reports (the “Environmental Reports”), soils reports and similar test or inspection reports; (vi) any permits or approvals pertaining to the Property; (vii) any environmental impact reports, zoning commitments, declarations or similar development restrictions and/or approvals; (viii) any existing title insurance policy(ies); (ix) any management, service and maintenance contracts, or any leases, relating to the Property, including any amendments thereto; (x) any covenant, condition and/or restriction that encumbers the Property; and (xi) any legal notice received by Seller which affects the Property.

(b) Seller agrees that it shall, within ten (10) days following the Effective Date and at no cost to Buyer, complete to its actual knowledge and deliver to Buyer the Environmental Site Assessment Owner’s Disclosure (the “ESA”) in the form attached as Exhibit C. The ESA is a

statement of conditions and information concerning the Property made to the best knowledge of the Seller on the date it is completed, and is not a guaranty or warranty of any kind by the Seller. The ESA is not a substitute for any inspections or tests, and the Buyer is solely responsible for obtaining its own independent professional investigations to determine the condition of the Property.

8. Taxes and Assessments.

(a) At the Closing, Seller will pay all real estate taxes and assessments that are due and payable. All such real estate taxes and assessments for the year of the Closing shall be prorated between the Seller and Buyer to the date of Closing on a calendar year per diem basis, using the most recent tax and assessment records available, with the Seller being responsible for any and all such real estate taxes and assessments that accrued for or with respect to the period of time up to the Closing Date, and the Buyer being responsible for all such real estate taxes and assessments that accrue for or with respect to the period of time from and after the Closing Date.

(b) Notwithstanding any other provision of this Agreement to the contrary, Seller shall be responsible for the amount of any agricultural rollback taxes, or similar taxes imposed as the result of any change from the existing use of the Property, and shall indemnify Buyer against liability for any such taxes.

9. Insurance, Condemnation and Risk of Loss. The Seller's insurance on the Property shall be cancelled as of the Closing Date. In the event that, prior to Closing, all or any portions of the Property, any interests therein, or any rights appurtenant thereto are (i) damaged or destroyed by any fire or other casualty, or (ii) taken or appropriated (either permanently or for temporary periods) under the power of eminent domain or condemnation by any authority having such power, or by virtue of any actions or proceedings in lieu thereof, or if any notice or threat of such taking or appropriation has been given or is pending at the Closing, then Buyer, at its option, may either (a) cancel this Agreement by written notice to Seller, in which event Title Company shall immediately refund the Earnest Money to Buyer and neither Party shall have any further obligation hereunder, except as specifically set forth in this Agreement, or (b) elect to proceed with Closing, in which event the Purchase Price shall be reduced by an amount equal to any sums previously paid or then payable to Seller by the insurance carrier (plus an amount equal to the amount of the deductible feature of the Seller's insurance policy) or by the condemning authority, by reason of any such casualty or by reason of any such taking, appropriation or action or proceeding in lieu thereof, and Seller shall transfer and assign to Buyer at Closing any and all further insurance or condemnation proceeds, claims, demands, actions and choses in action which may exist by virtue of such casualty, taking, appropriation or action or proceeding in lieu thereof; provided, however, that until the earlier of: (y) the Closing Date, or (z) termination of this Agreement, Seller shall not make any voluntary settlement or agreement regarding any casualty loss, taking, appropriation or action or proceeding in lieu thereof with any insurance carrier or any condemning authority, without first obtaining Buyer's written consent to such settlement or agreement.

10. Closing. The closing of the purchase and sale of the Property (the "Closing") shall occur at the offices of the Title Company or another location selected by both Seller and Buyer, upon the date (the "Closing Date") that is fifteen (15) days after the Satisfaction Date, with the exact Closing Date to be specified by Buyer in a written notice delivered to Seller at least five (5) days prior to the closing (or to otherwise be mutually agreed to by Buyer and Seller if such written notice is not provided by Buyer).

Any and all documentary stamps, transfer taxes or conveyance fees due and payable upon the transfer of title contemplated herein shall be the responsibility of and shall be paid by the Seller. Seller will pay for preparation of the Deed, and Buyer will pay for the per page charge for recording the Deed. All

closing costs and prorations shall be as provided in this Agreement, or in the absence of such provision, allocated according to the local custom in Catawba County, North Carolina. All prorations shall be final.

11. Closing Documents. At the Closing, Seller shall execute and deliver to Buyer: (i) a special warranty deed in recordable form conveying fee simple title to the Property to Buyer, using the Survey legal description and subject only to the Permitted Exceptions and otherwise free and clear of all liens and encumbrances except such as have been approved in writing by Buyer (the “Deed”); (ii) any and all applicable transfer tax declarations or other transfer or sale disclosure statements required by applicable law; (iii) a title affidavit in a form satisfactory to the Buyer and the Title Company, suitable to permit the Title Company to delete the standard, pre-printed exceptions (identified in the Title Commitment) from the Title Policy; (iv) a certification of non-foreign status pursuant to Section 1445(b)(2) of the Internal Revenue Code, as amended (the “Code”); (v) an IRS Form 1099-S Disclosure Statement (if required under the Code); (vi) an assignment, in a form satisfactory to the Buyer, of any and all leases, contracts and/or service agreements, if any, pertaining to the Property; (vii) a closing or settlement statement prepared by the Title Company; (viii) an assignment of any warranties pertaining to any Improvements located on the Property; and (ix) such other instruments, certificates or affidavits as may be provided herein or as Buyer or Title Company may reasonably request to effect the intention of the Parties hereunder.

12. Possession. Sole and actual possession of the Property shall be delivered to Buyer on the Closing Date in the same condition as it is on the Effective Date, ordinary wear and tear excepted and subject to Section 9, above, free and clear of any rights or claims of any other party.

13. Notices. All notices required or permitted to be given hereunder shall be in writing and delivered: (a) in person; (b) by certified or registered first class prepaid U.S. Mail, return receipt requested; (c) prepaid by nationally-recognized overnight courier service such as FedEx; or (d) via email, to Seller or Buyer at their respective addresses set forth below, or at such other addresses, notice of which shall previously have been given to the other Party in accordance with this Section 13. Such notices shall be deemed given when: (i) personally delivered; (ii) deposited in the mail or with such courier service; or (iii) sent to the receiving party via email, as applicable. In the event notice is provided pursuant to subsection (d) above, the Party providing such notice shall also provide courtesy copies of such notice to the receiving Party by any means provided under subsections (a) through (c) above within two (2) Business Days thereafter.

Seller:

City of Hickory, North Carolina
 Attn: David Leonetti
 76 N Center Street, 2nd Floor
 Hickory, NC 28601
 Phone: _____
 E-Mail: _____

Buyer:

SPA Properties, LLC
 c/o Scannell Properties
 8801 River Crossing Blvd., Suite 300
 Indianapolis, IN 46240
 Attn: Julie M. Elliott, Counsel
 Phone: (317) 853-1451
 E-mail: julieE@scannellproperties.com

14. Representations and Warranties. Seller hereby warrants and represents to Buyer, as of the Effective Date and as of the Closing Date, and covenants and agrees as follows:

(a) The execution, delivery and performance by Seller of its obligations under this Agreement will not conflict with or result in a breach of, or constitute a default under, any of the provisions of any law, governmental rule, regulations, judgment, decree or order by which the Seller is bound, or by any of the provisions of any contract to which the Seller is bound, or by the organic agreements establishing and regulating the Seller's business affairs, and the Seller has full power and authority to enter into and consummate the transactions contemplated by this Agreement, and all consents and approvals necessary therefor have been obtained.

(b) The Seller has full power and authority to enter into this Agreement and to assume and perform all of its obligations under this Agreement, all consents and approvals necessary therefor have been obtained, and the person executing this Agreement on its behalf has been duly authorized and is empowered to bind it to this Agreement.

(c) Seller is the legal and equitable owner of fee simple title to the Property and has the right to convey such fee simple title by Deed to Buyer on the Closing Date free and clear of all options, rights, covenants, easements, liens and other rights in favor of third parties, other than the Permitted Exceptions. The Property is not subject to any: (i) outstanding agreements of sale, options, liens, or other rights of third parties to acquire any interest(s) therein; (ii) ground leases or other leases or tenancies, including but not limited to equipment or signage leases, or other agreements relating to the ownership of the Property; (iii) real estate, management, supply, promotional, operating, maintenance, security or other service contracts; (iv) any declarations of covenants, conditions and restrictions, or similar encumbrances, affecting the Property; or (v) other encumbrance(s) other than the Permitted Exceptions. Seller shall not encumber or allow the Property to be encumbered by any of the foregoing without Buyer's consent, which may be granted or withheld in Buyer's sole discretion.

(d) Seller does not hold any approvals, licenses, certificates, or permits to own, operate, use and/or maintain the Property, nor is Seller aware that any such approvals, etc., are necessary for Seller's current use of the Property.

(e) No work has been done on the Property, or materials or utilities furnished, that have not been fully paid for, and there is no claim against any portion of the Property or Seller for or on account of work done, materials furnished or utilities supplied to the Property. There are no payback agreements, revenue bonds, utility debt service expenses or other charges or expenses applicable to the Property.

(f) To the best of Seller's knowledge: (i) there are no violations, or threatened or pending violations, of any laws, statutes, ordinances, rules or regulations with respect to the Property open, noticed or existing; and (ii) no litigation, condemnation proceedings, eminent domain proceedings or similar actions or proceedings are now pending or threatened against the Property, or which could result in any judgment lien against the Property; nor does Seller know of or have reasonable grounds to know of any basis for any such violation, action or claim.

(g) To the best of Seller's knowledge there are no unpaid: (i) *ad valorem* real estate taxes or assessments; or (ii) assessments for public improvements pertaining to the Property. To the best of Seller's knowledge: (i) there are no public plans or proposals for changes in road grade, access or other municipal improvements which would affect the Property or result in any assessment; (ii) no ordinance authorizing improvements, the cost of which might be assessed

against Buyer or the Property, is pending; and (iii) there is no appellate tax proceeding pending for the reduction or increase of the assessed real estate tax valuation to the Property or any portion thereof.

(h) To the best of Seller's knowledge, without independent investigation or inquiry, except as otherwise disclosed in the Environmental Reports: (i) there are no underground storage tanks on the Property, (ii) the Property has never been used as a landfill or garbage dump, and (iii) there are no hazardous, toxic or infectious wastes, substances or materials present on the Property in quantities or concentrations or otherwise stored or used in violation of any applicable Environmental Laws (as herein defined). For these purposes, the term "Environmental Laws" shall mean and refer to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 and the Super Fund Amendments and Reauthorization Act (42 U.S.C. § 9601 *et seq.*); the Hazardous Materials Transportation Act (49 U.S.C. § 1801 *et seq.*); the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 *et seq.*); the Federal Water Pollution Control Act (33 U.S.C. § 1251 *et seq.*); the Clean Air Act (42 U.S.C. § 7401 *et seq.*); the Toxic Substances Control Act of 1976 (15 U.S.C. § 2601 *et seq.*); the Safe Drinking Water Act (42 U.S.C. § 300f *et seq.*); the Occupational Safety and Health Act of 1970 (29 U.S.C. § 651 *et seq.*); and the Emergency Planning and Community Right to Know Act (42 U.S.C. § 11001 *et seq.*); each as heretofore and hereafter amended or supplemented, and any future or present local, state or federal statute, rule or regulation pertaining to the regulation and protection of the environment, industrial hygiene, pollution, or environmental effects on health and safety.

(i) Seller is currently in compliance with and shall at all times during the term of this Agreement remain in compliance with the regulations of the Office of Foreign Assets Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto.

The representations and warranties in this Section 14 shall survive the Closing Date for a period of one (1) year. Seller shall indemnify, defend and hold Buyer harmless from and against any and all costs and damages (including, but not limited to, reasonable attorneys' fees) arising or resulting from, or suffered, sustained or incurred by Buyer as a result (direct or indirect) of the a breach of the Seller's representations and warranties or covenants, which indemnity shall survive the Closing Date for such period, and, regarding any such representations and warranties as to which any litigation that was filed within such period is pending, also during the pendency of any such litigation, including appeals, if any.

15. Default and Remedies.

(a) In the event of a default by Buyer under the terms of this Agreement, Seller shall be entitled, as its sole and exclusive remedy hereunder, to terminate this Agreement and receive the Earnest Money as full liquidated damages for such default of Buyer, whereupon the Parties shall have no further rights or obligations hereunder, except for those which expressly survive any such termination. In the event of any such default, the Seller shall give the Buyer written notice of the occurrence of such default (a "Buyer Default Notice") and the Buyer shall have twenty (20) days following its receipt of such Buyer Default Notice in which to cure such default hereunder. It is hereby agreed that Seller's damages in the event of a default by Buyer hereunder are uncertain and difficult to ascertain, and that the Earnest Money constitutes a reasonable liquidation of such damages and is intended not as a penalty, but as full liquidated damages.

(b) In the event of a default by Seller under the terms of this Agreement, Buyer shall be entitled to pursue all remedies available at law or in equity, including, without limitation, the right to terminate this Agreement and receive a full refund of the Earnest Money, or to seek specific performance of Seller's obligations under this Agreement. In the event of any such default, the Buyer shall give the Seller written notice of the occurrence of such default (a "Seller Default Notice") and the Seller shall have twenty (20) days following its receipt of such Seller Default Notice in which to cure such default hereunder.

16. Use of Brokers. Each of Seller and Buyer hereby represent and warrant to the other Party that it does not have any obligation to pay an outside brokerage commission in connection with the transaction contemplated by this Agreement. Each of Buyer and Seller hereby agree to indemnify, defend and hold harmless the other Party from and against any liability, cost or expense, plus all costs of collection, including litigation expenses and attorneys' fees, as a result of a claim for a commission, fee, or other compensation made by any real estate broker, finder, or other person and asserted against the other Party by reason of an arrangement made or alleged to have been made by the indemnifying Party.

17. Attorneys' Fees. In the event that either Party shall bring an action or legal proceeding for an alleged breach of any provision of this Agreement or any representation, warranty, covenant or agreement herein set forth, or to enforce, protect, determine or establish any term, covenant or provision of this Agreement or the rights hereunder of either Party, the prevailing Party shall be entitled to recover from the non-prevailing Party, as a part of such action or proceedings, or in a separate action brought for that purpose, reasonable attorneys' fees and costs, expert witness fees and court costs as may be fixed by the court or jury.

18. Binding Effect. This Agreement is executed by Buyer and submitted to Seller as an offer to purchase the Property. If Seller does not execute and deliver this Agreement, without revision, to Buyer within five (5) business days after the date of Buyer's execution of this Agreement, Buyer may, in its sole discretion, by delivery of written notice to Seller within such period, revoke its offer to purchase; in which case, Buyer shall have no further liability or obligation hereunder.

19. Confidentiality. The terms of this Agreement, Buyer's interest in purchasing the Property, the results of any tests and inspections performed by or on behalf of Buyer, and any information provided by Seller pursuant to Section 7, above, shall be kept and maintained confidential and shall not be disclosed by either Party to any third party without the prior written consent of the other Party. This provision shall not prohibit disclosures on a "need to know" basis to employees, agents, attorneys, brokers, surveyors, title companies, engineers, contractors, lenders, etc., as necessary to obtain financing or governmental permits and approvals, to potential tenants, or as compelled by legal process or required by law. This provision shall survive any termination of this Agreement. Notwithstanding anything contained herein to the contrary, Buyer may market the property for prospective tenants, users or other third parties during the term of this Agreement and Buyer may install advertising signs in connection with such marketing during the term of this Agreement.

20. Section 1031 Exchange. In the event that either Party elects to structure this transaction as a like-kind exchange pursuant to Section 1031 of the Code, the other Party shall reasonably cooperate upon the request of the electing Party, including prompt execution of such documents as may reasonably be required to effectuate such exchange, provided that: (a) the electing Party shall bear all costs in connection with such exchange and shall indemnify and hold the other Party harmless from and against any cost, claims, expenses or liabilities (including attorney's fees) incurred by the other Party solely as a result of structuring the transaction as a like-kind exchange; and (b) the exchange shall have no material effect on the terms of either Party's rights or obligations under this Agreement. Notwithstanding any other provision of this Agreement to the contrary, Seller agrees that Buyer may assign its rights in this Agreement to a third

party as part of any such exchange. Nothing contained herein shall prevent both Parties from electing a like-kind exchange.

21. Assignment. Buyer may assign this Agreement and all of its interests herein without obtaining Seller's consent. Upon any assignment, the assignee shall have and be subject to all the rights, benefits, duties and obligations of Buyer hereunder and Buyer named in this Agreement will be relieved of any rights or obligations hereunder.

22. Miscellaneous Provisions. This Agreement shall be interpreted and enforced according to the laws of the State where the Property is located, without reference to its conflict of laws rules. The venue of any litigation arising out of this Agreement shall lie exclusively with the state or federal court in whose district the Property is located. The captions and section numbers shall not be considered in any way to affect the interpretation of this Agreement. If any term, covenant or condition of this Agreement is held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed in accordance with its intent as if such invalid or unenforceable provision had never been contained herein. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, heirs, and personal representatives. This Agreement is the final expression of the complete and exclusive agreement between Seller and Purchaser. This Agreement shall not be construed with resort to any presumption against the preparer or maker hereof. If, under any provision of this Agreement: (i) the date any act to be done or action to be taken; or (ii) the last day of any time period, including any notice period; falls on a Saturday, Sunday or legal holiday in the state whose law governs this Agreement, then such act or action shall be deemed to have been validly done or taken on, or such time period shall be deemed extended to, the next succeeding day which is not a Saturday, Sunday or legal holiday, and all succeeding time periods shall be deemed extended accordingly. Unless otherwise specified in this Agreement, all references herein to a "day" or "days" shall refer to calendar days. This Agreement, and any amendments hereto, may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. The Parties agree that, except for notices (which are governed by Section 13, above), signatures transmitted by facsimile or scanned and emailed shall have the legal effect of original signatures.

23. THE PARTIES HEREBY WAIVE TRIAL BY JURY IN RESPECT OF ANY ACTION IN CONNECTION WITH THE TRANSACTION HEREUNDER OR THIS AGREEMENT. THIS WAIVER IS KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND WILLINGLY MADE BY THE PARTIES HERETO. THE PARTIES HERETO HEREBY REPRESENT THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY PERSON OR ENTITY TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT. BUYER AND SELLER ARE EACH HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER OF JURY TRIAL. EACH PARTY REPRESENTS THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL. THE PROVISIONS OF THIS SECTION 23 SHALL SURVIVE THE CLOSING.

[REMAINDER OF THIS PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the date(s) specified by their respective signatures.

SELLER:

CITY OF HICKORY, NORTH CAROLINA

By: _____
Printed: _____
Title: _____
Date: _____

BUYER:

SPA PROPERTIES, LLC,
an Indiana limited liability company

By: _____
Marc D. Pflieger, Manager
Date: _____

Index to Exhibits

- Exhibit A – Legal Description/Depiction of the Property
- Exhibit B –Form of Escrow Agreement
- Exhibit C – Form of Environmental Site Assessment Owner’s Disclosure

EXHIBIT A

Description/Depiction of the Land

[The legal description shall be provided by the final Survey.]

Parcel Nos. 372116821582 and 372120718859



EXHIBIT B**Form of Escrow Agreement****ESCROW AGREEMENT**

Escrow Number: _____ **Date:** _____, 2024

Property Address: 38.78 acres, Amity Street, Hickory, North Carolina

Deposit Amount: \$15,000.00

SPA PROPERTIES, LLC, an Indiana limited liability company (the “Buyer”), and the **CITY OF HICKORY, NORTH CAROLINA** (the “Seller”), are parties to that certain Real Estate Purchase Agreement (the “Agreement”) dated as of _____, 2024, with respect to the above referenced property (the “Property”), which is more particularly described in the Agreement. The Buyer has deposited the sum of _____ and No/100 Dollars (\$_____.00) (the “Additional Deposit”) with First American Title Insurance Company (the “Title Company”) to be held under the terms of the Agreement and the terms of this Escrow Agreement (the “Escrow Agreement”). Following the Initial Satisfaction Date, any Additional Deposits (as defined in the Agreement) shall be distributed to Seller and/or Buyer as directed in Section 4 of the Agreement.

Following the Satisfaction Date, the Title Company is hereby expressly authorized to disregard, in its sole discretion, any and all unilateral notices or warnings given by any of the parties hereto, or by any other person or corporation, except as otherwise expressly provided herein, but Title Company is hereby expressly authorized to regard and to comply with and obey any and all orders, judgments or decrees entered or issued by any court with or without jurisdiction, and in case Title Company obeys or complies with any such order, judgment or decree of any court it shall not be liable to any of the parties hereto or any other person, firm or corporation by reason of such compliance, notwithstanding any such order, judgment or decree being entered without jurisdiction or being subsequently reversed, modified, annulled, set aside or vacated. In case of any suit or proceeding regarding this escrow, to which Title Company is or may at any time become a party, it shall have a lien on the contents hereof for any and all costs, attorneys’ fees, whether such attorneys shall be regularly retained or specially employed, and any other expenses which it may have incurred or become liable for on account thereof, and it shall be entitled to reimburse itself therefor out of said deposit, and the undersigned jointly and severally agree to pay Title Company upon demand all such costs, fees and expenses so incurred.

Except as expressly provided herein, in no case shall the above mentioned deposits be surrendered except on an order signed by the parties hereto, their respective legal representatives or assigns, or in obedience of the process or order of court as aforesaid.

Unless directed otherwise in writing by Buyer, all deposits made pursuant to this Escrow Agreement shall be invested on behalf of the Buyer in investments limited to interest-bearing, federally-insured instruments with a national bank or federal savings bank or in a money market fund authorized to invest solely in direct obligations of the United States of America (“Qualified Investments”). The funds invested in this manner shall have a maturity of 30 days or less. Interest and other earnings on any funds invested hereunder shall be added to the funds held on deposit by Title Company hereunder, and losses, if any, incurred from any such investment shall reduce the balance of the funds on deposits hereunder. Buyer shall provide Title Company with a Form W-9 with its taxpayer identification number and such other investment forms as it may reasonably require. Title Company shall, upon request furnish information

concerning its procedures for such investment, but shall not charge or otherwise assess any additional fees for the investment of such funds.

Billing Instructions: Escrow fee in the amount of \$0.00 will be billed as follows: Half to Seller and half to Buyer. NOTE – ESCROW FEES WAIVED IN ANTICIPATION THAT THE TITLE COMPANY WILL BE PROVIDING TITLE INSURANCE UNDERWRITING SERVICES IN CONNECTION WITH THE AGREEMENT FOR WHICH IT WILL BE COMPENSATED AT CLOSING.

Except as to deposits of funds for which Title Company has received express written direction concerning investment to other handling, the parties hereto agree that the Title Company shall be under no duty to invest or reinvest any deposits at any time held by it thereunder; and, further that Title Company may commingle such deposits with other deposits or with its own funds in the manner provided for the administration of funds held as a fiduciary under applicable law, provided, however, nothing herein shall diminish Title Company's obligation to apply the full amount of the deposits in accordance with the terms of the Agreement.

In the event the Title Company is requested to invest deposits hereunder in Qualified Investments pursuant to this agreement, Title Company shall not be held responsible for any loss of principal or interest which may be incurred as a result of making the investments or redeeming said investment for the purposes of these escrow instructions except to the extent that Title Company negligently or willfully fails to follow such investment directions.

This Escrow Agreement is intended to be executed in triplicate, but may be executed in multiple counterparts. Each such counterpart shall be deemed an original, but all of which together shall constitute one and the same document. The parties agree that, except for notice purposes, signatures transmitted by facsimile or scanned and e-mailed shall have the legal effect of original signatures. Upon the request of any party, the parties shall promptly exchange executed original counterparts of this Escrow Agreement.

[Execution page to be added.]

EXHIBIT C

Environmental Site Assessment Owner's Disclosure

[ATTACHED]

The following information is to be completed by the owner of the property.

LANDOWNER	Name:				Contact:			
	Address:							
	City:				State:		Zip Code:	
	Phone:		Fax:		Email:			

Site Address:							
City:				State:		Zip Code:	
Site or Facility Description, Assessor's Parcel No. (if undeveloped land):							

SITE INFORMATION				
Advise the following characteristics of the site:	Yes	No	Unk	Comments / Details
Property acreage:				
Date property developed:				
Garage?				
Garage floor drains?				
Truck wash area?				
Dock / warehouse floor drains?				
Dry wells?				
Sanitary sewer?				
Storm sewers?				
Septic systems?				
Well water systems?				
Public water?				
Sump systems?				
Oil/water separator systems?				
Service pits?				
Asphalt paving?				
Stone paving?				
Oil/gas spills on the site?				
Underground tanks?				
Aboveground tanks?				
Were tanks removed from site?				
Offsite fill used?				
Radon issues?				
Asbestos containing materials?				
Flood plain?				
Wetlands?				
Other environmental concerns with site?				

SITE INFORMATION				
Advise uses and activities performed onsite:				
Current use of property:				
Past use of property:				
	Yes	No	Unk	Comments / Details
Was used oil ever used for dust control?				
Hazardous wastes generated on site?				
Drums or containers stored onsite?				
Other environmental concerns?				

Indicate adjacent uses of property (i.e., industrial, commercial residential, roads, rail, undeveloped, etc.):	
North	
South	
East	
West	

Advise if the following information is available:	Yes	No	Unk	Comments / Details
Real estate appraisal				
Locator map				
Property survey				
Legal description				
Title commitment				
Geotechnical reports				
Environmental assessment or remediation reports				
Facility plans				
Environmental permits				
Inspection reports or notices of violations				
Public complaints about property				
Other information available?				

Completed by (print):			
Signed by:		Date:	

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COUNCIL AGENDA MEMOS

To: City Manager's Office
From: David Leonetti, Business and Community Development Manager
Contact Person: Anna Beth Walker, Community Development Specialist
Date: May 29, 2024
Re: Conduct Public Hearing to Consider Community Development Block Grant 2024 Annual Action Plan

REQUEST

Conduct public hearing to consider the Community Development Block Grant 2024-2025 Annual Action Plan.

BACKGROUND

In program year 2024, the City of Hickory will receive \$340,621 through the U.S. Department of Housing and Urban Development, and approximately \$25,000 in program income from repayments of loans made with CDBG funds for a total of \$365,621. Funds will be used to develop stronger communities by providing decent housing, creating suitable living environments, and expanding economic opportunities, principally for people of low and moderate incomes.

The City of Hickory's 2020-2024 Consolidated Plan is updated on an annual basis through the development of an Annual Action Plan. This plan sets priorities among these needs and sets out the action plan for use of available funds on a yearly basis. This provides for flexibility in determining priorities as the needs of the community change from year to year. The 2024 Annual Action Plan will be submitted to the U.S. Department of Housing and Urban Development upon approval by the Hickory Council. The plan will serve as the City's strategy for administering 2024 federal funds for community development and housing. The proposed budget line items are as follows:

Housing Rehab/Purchase Rehab Program	\$125,000
Public Infrastructure and Facility Improvements	115,000
Small Business Assistance Program	4,000
Public Service Activities	60,000
Contingency	7,921
Program Administration and Fair Housing	53,700
Total CDBG	\$365,621

ANALYSIS

The Citizen's Advisory Committee reviewed the draft action plan at their meeting on June 6, 2024 and recommended approval of the proposed budget. This public hearing was advertised on May 16, 2024, June 6, 2024 and June 18, 2024.

RECOMMENDATION

Staff recommends that City Council conduct a public hearing on June 18, 2024 to consider the Community Development Block Grant 2024 Annual Action Plan.

BUDGET ANALYSIS:

Budgetary Action

Is a Budget Amendment required?

Yes

No

LIST THE EXPENDITURE CODE:

Once approved after the public hearing, the new budget accounts will be created for the FY 2024-2025 CDBG Budget in account 059-1538

Reviewed by:

Dave Leonetti
Initiating Department Head

5/29/2024
Date

Amanda M. Dula
Deputy City Attorney, A. Dula

6-7-24
Date

Rodney Miller
Asst. City Manager Rodney Miller

6/12/24
Date

Rick Beasley
Asst. City Manager, Rick Beasley

6/10/24
Date

Kari Dunlap
Finance Officer, Kari Dunlap

6-12-24
Date

Cameron McHargue
Deputy Finance Officer,
Cameron McHargue

6-11-24
Date

Yaidee Fox
Asst. City Manager Yaidee Fox

6/12/24
Date

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

W. Wood
City Manager, W. Wood

6.12.24
Date