

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, May 21, 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, 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.
- II. Invocation by Reverend Tamika Garrison, Director of Faith Community Relations Carolina Caring
- III. Pledge of Allegiance
- IV. Special Presentations
 - A. Presentation of a Proclamation for National American Public Works Week.

Mayor Guess asked Public Works Director Steve Miller, Public Utilities Director Shawn Pennell, and any other public services coworkers in attendance to the podium. He commented that all of their City coworkers were special to them, and they appreciated the job that everyone did in the City of Hickory each and every day. This was recognition of Public Works Week and for public services coworkers. Public services coworkers worked 24/7, they were always on call, and they were vital to what they do in the City. A lot of times, the work that they do may go unnoticed. But as soon as the work that they were responsible for quits working, then everybody notices it right away. He commented on behalf of the Council and the citizens, how much they appreciated the job that they do each and every day. Even though he was sure that they did not tell them enough how much they appreciated the job that they did. This was National American Public Works Week. He read the proclamation and presented it to Public Works Director Steve Miller on behalf of all public works coworkers. He thanked those in attendance. Photos were taken.

- B. Recognition of Retiring Public Utilities Director Shawn Pennell.

Mayor Guess commented that Shawn Pennell was a part of the public works crew, and he had announced his retirement. He only had a few more days to make his 30 years. He had a 30-year career at the City of Hickory. He was the Public Utilities Director at the current time, and at least for a few more days. On behalf of the Council and personally he thanked Shawn and his family. His wife, Andrea was present and the rest of his family. He would let him introduce those folks that were present with him. They wanted to say publicly how much they appreciated his loyal and dedicated service over the past 30 years. Mayor Guess talked to his wife about him staying, and she said no, but if they could talk him into staying, they would certainly do that. She was smiling, and he did not think that was going to work. They really appreciated all that he had done and hated to see him go, but he knew that there was another chapter in his life. He certainly had a supportive family that was present with him, and he understood, like the rest of them, that he had a list that probably continued to develop as they were speaking, but they were going to miss him around here, and he was welcome back here anytime.

City Manager Warren Wood asked Public Utilities Director Shawn Pennell to introduce his family.

Public Utilities Director Shawn Pennell introduced his wife Andrea, his oldest daughter Tegan, and her husband Nelson, his youngest daughter Arianna, his mother Vicki, Reed was his middle daughter, and her boyfriend Tanner, who was a quarterback for Alexander Central.

City Manager Warren Wood referred to Tanner and commented that he ran all over them a couple years ago. They could not figure out how to stop him. He thanked Shawn. He had worked with him since 1994. He had done a tremendous job. He had managed \$100 million worth of projects the last few years with the biosolids facility, the Northeast Plant renovation, the construction of a Catawba Wastewater Treatment Plant, Trivium Corporate Center, Riverwalk, Ridgeview Library, that was in addition to all the things that he did every day running a utility department that served 120,000 people in the Catawba Valley. Shawn took over this role a few years ago. Kevin Greer passed away and he asked Shawn if he would take over the operation there. One of the things that had always stuck with him, and only Shawn could say it in with such sincerity, was Kevin was not supposed to die. It was something that kind of sticks with you. He was right. He was not. But Shawn did not hesitate to step in. They were talking the other day you always want to leave the place better than what you found it. There was not anything broken necessarily, but he thought they were in a better position today than they were even a few years ago. That was a testament to Shawn. He came up through the organization. He wanted to retire last year and do some things for his family, and he begged him not to so his family could blame him for not having

him around the last year, but he agreed to do that. He was proud of Shawn and proud of his friendship. He thanked him for all he had done for the City of Hickory.

Public Utilities Director Shawn Pennell thanked City Manager Warren Wood. He appreciated that.

Alderwoman Patton had thoroughly enjoyed listening to his presentations and knowing what he had contributed to the City of Hickory. She did not think people realized how easy their lives were because of people like him. Turn the water on. It was on. But he had certainly made a difference in this community, and she appreciated it.

Alderman Zagaroli commented they were really going to miss him.

Alderwoman Williams thanked Mr. Pennell. She was joking with him that with all his historical knowledge, they may have to be calling every once in a while, to get his expertise.

Mr. Pennell commented there would be a couple of people.

Alderwoman Williams thanked Mr. Pennell.

Mayor Guess had called him last night, and he was mowing his grass. He was talking to him while he was mowing his grass. That was dedicated right there to answer the phone, and know it was him while he was mowing the grass.

Alderman Wood thanked Shawn for his patience with him. He quickly found out that he had an affinity for the details of things. He liked to understand as much as he could about things, and he had been so patient and taught him so much, and he really appreciated that. He thanked him on top of everything that he had done.

Mr. Pennell appreciated the opportunity they had given him and the trust they had given him. Alderwoman Patton said turn the water on. You know that was not him. Those were the guys that were out there every day. The guys in the ditch, midnight, soaking wet, cold. Those guys were the ones that he would say, run utilities, because they do. That was the bread and butter. The hard workers. The guys that were in the water plant. They just gave him what he needed to do and relayed the information to the Council. Those were the guys that were in and out every day. This was National Public Works Week, so those guys were who he wanted to point out tonight that were really doing the work every day. They got to build stuff and play like they were kids again, and it was fun, but they were the ones that were out there sweating every day. He recognized them, too. He thanked Council for all they had allowed him to do and participated in.

City Manager Warren Wood advised that the day after retirement, Shawn was running a 24-hour road race on foot. His wife and daughter were running for 6 hours. It sounds like a lot of fun.

Mayor Guess commented that they could say Shawn runs things.

Council members thanked Shawn. A standing ovation was given.

V. Persons Requesting to Be Heard

- A. Ms. Jo-Ellen Raver, 98 3rd Avenue SE, Apt. 19, Hickory, in Barclay Falls, which was an apartment complex run by the Hickory HUD Agency. She wanted it put on record, she was making an official complaint of elder emotional, mental, psychological abuse of tenants and employees, and gross neglect of services and living conditions and mismanagement by Alanda Richardson. She was the Director. For the record, she had given her full account to each of the members on the Council. She added that she was getting pressure from this woman. She knew she needed to get into the apartments to see what was going on. She had turned in her last complaint and they fixed everything. Today, she had two men coming to the door wanting to get into her place. Something about a bullet hole and some mildew. She did not make another request. They wanted to come in and take pictures. They wanted her to sign some kind of paper. They had never been asked to sign anything around there other than their contract. She felt she was setting her up to a non-compliance thing because she got an email back from her, right after these guys went back to the office, and she was saying that she was non-compliant, and they could not get in. She did not ask her to come back for anything else. She wanted to get in there. There were other issues. She tried to get her neighbors to come down. She had sent pictures. She had seen the water issues. These people had been trying to get this taken care of, for the three years that she had been there. She was one of the ones that had water issues. The rest of them did not get their stuff. They had complained. She really wanted to put that out there, that there was a problem. She would love for everyone to kind of take a really hard look at this, because it was very serious, she thought. There was other information coming to her that needed to be shared as well, but this was not the place for that. She did not know what else to do.

Mayor Guess thanked Ms. Raver. He asked if anyone else wished to address the Council.

Alderman Freeman knew that Council was not required to respond, but certainly he wanted to say thank you so very much for coming. Anytime someone comes to address the City Council, and certainly the other party was not present to defend herself, but anybody that comes saying that they felt like they had been psychologically, and emotionally abused, he just wanted her to know that she had been heard. He thanked her for coming and sharing.

Mayor Guess asked if anyone else wished to address the Council. No one else appeared.

VI. Approval of Minutes

A. Regular Meeting of May 7, 2024.

Alderman Seaver moved, seconded by Alderwoman Patton that the Minutes of May 7, 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 Alderwoman Williams that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

- A. Budget Revision Number 20. (First Reading Vote: Unanimous)
- B. Consideration of Rezoning Petition 24-05 for Property Owned by Bowman Rentals, LLC, Located at 2063 Startown Road, PIN 3721-13-04-3211. (First Reading Vote: Unanimous)
- C. Consideration of Rezoning Petition 24-07 for Property Owned by Jonathan and Mary Bonelli, Located on 5th Avenue NW, PIN 3703-17-02-8192. (First Reading Vote: Unanimous)
- D. Consideration of Rezoning Petition 24-08 for Property Owned by Donald C. Scronce, Located at 2010 Startown Road, PIN 3721-09-05-4815. (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.

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

A. Approved the Resolution of Support for Active Transportation Infrastructure Investment Program Planning Grant Application and Matching Funds.

Staff requests Council's approval to apply for Active Transportation Infrastructure Investment Program Planning Grant and matching funds of \$3,575. The Federal Highway Administration has developed the Active Transportation Infrastructure Investment Program Planning & Design Grant program. Trails and greenways have a significant impact on the economic viability of the community through increased levels of tourism as well as the ability to attract and retain businesses such as restaurants, outfitters, lodging, and entertainment. Hickory is home to several parks with trails, walking tracks and greenways. Staff would like to continue building on existing trails to increase connectivity throughout Hickory and other municipalities. This grant will fund a study on the feasibility of creating a trail along the Caldwell Railroad that would provide connections to other municipalities in Caldwell County and to the City of Hickory's trail system and agrees to provide matching funds in the amount of \$3,575. Staff recommend approval of the Active Transportation Infrastructure Investment Program Planning Grant application.

RESOLUTION NO. 24-29
A RESOLUTION OF SUPPORT FOR ACTIVE TRANSPORTATION INFRASTRUCTURE
INVESTMENT PROGRAM PLANNING GRANT APPLICATION AND MATCHING
FUNDS

WHEREAS the Federal Highway Administration has developed the Active Transportation Infrastructure Investment Program Planning & Design Grant program; and

WHEREAS trails and greenways have a significant impact on the economic viability of the community through increased levels of tourism as well as the ability to attract and retain businesses such as restaurants, outfitters, lodging, and entertainment; and

WHEREAS trails and greenways offer quality-of-life benefits to all by providing accessible alternative transportation to community destinations and places of work, as sites for social

and cultural activities, as outdoor workshops for education, as tools for economic revitalization, and as resources for healthy recreation; and

WHEREAS, trails and greenways provide key connections to neighborhoods, parks, and schools, bringing people together to exercise, learn, play, and be outdoors; and

WHEREAS Hickory is home to several parks with trails, walking tracks and greenways including Riverwalk, City Walk, Aviation Walk, Historic Ridgeview Walk, and OLLE Art Walk; and

WHEREAS the parks, greenways, trails, and natural areas in our community provide a common ground for people of all ages and abilities to socialize and gain access our natural, cultural, and historic resources; and

NOW, THEREFORE, BE IT RESOLVED that the City of Hickory supports a Planning Grant application to study the feasibility of creating a trail along the Caldwell Railroad that would provide connections to other municipalities in Caldwell County and to the City of Hickory's trail system and agrees to provide matching funds in the amount of \$3,575.

- B. Approved the Resolution and Agreement for the Administration of Minimal and Overpayment of Ad Valorem Taxes and Approval of the Tax Collection Agreement.

Staff requests Council's approval of the Resolution for the administration of minimal and overpayment of Ad Valorem Taxes with Catawba County. In 1981 the City of Hickory requested the County take complete responsibility for billing and collection of all municipality ad valorem property taxes, both current and delinquent, and subsequently motor vehicle taxes, such actions permissible by interlocal cooperation and joint exercise of powers pursuant to Chapters 105, 153A and 160A of the North Carolina General Statutes ("NCGS"); The County is requesting the execution of an updated Agreement. The agreement replaces and supersedes any prior Agreements between Catawba County and the City of Hickory related to tax collection. This agreement is made to be entered into July 1st, 2024, by and between Catawba County and the City of Hickory and shall remain in effect until amended or repealed. Staff recommends Council's approval of the Resolution for the Administration of Minimal and Overpayment of Ad Valorem Taxes with Catawba County and associated agreement.

RESOLUTION NO. 24-30
RESOLUTION FOR THE ADMINISTRATION OF MINIMAL AND OVERPAYMENT OF
AD VALOREM TAXES

WHEREAS, the administrative costs associated with collecting and refunding minimal ad valorem taxes exceeds the value of the taxes owed or refunded; and

WHEREAS, NCGS § 105-321(f) authorizes a local government to adopt a resolution directing the Tax Assessor and Tax Collector not to collect minimal taxes, which are defined as the combined taxes and fees due on a tax receipt that do not exceed \$5.00, charged on the tax records; and

WHEREAS, NCGS § 105-321(f) further provides the Tax Administrator shall not bill for, or otherwise collect, minimal taxes but shall keep a record of all minimal taxes by receipt number and amount and make a report of the amount of these taxes to the governing body at the time of settlement; and

WHEREAS, NCGS § 105-321(g) authorizes a local government to adopt a resolution directing its Tax Administrator not to mail a refund of an overpayment if the refund is less than \$15.00; and

WHEREAS, NCGS § 105-321(g) further provides that upon adoption of a resolution authorizing the Tax Administrator not to make a refund of an overpayment if the refund is less than \$15.00, the Tax Collector shall make a report of the amount of these refunds to the Hickory City Council; implement a system by which payment of the refund may be made to a taxpayer who comes into the office of the Tax Collector seeking the refund; and as to refunds that are not requested in person by the end of the fiscal year, implement a system to apply the minimal refund as a credit against the tax liability of the taxpayer for ad valorem taxes due for the next succeeding year; and

WHEREAS, NCGS §§ 105-321 (f) and (g) do not apply to taxes on registered motor vehicles; and

WHEREAS, NCGS § 105-357(c) permits the Tax Collector to treat small underpayments of taxes as fully paid.

NOW, THEREFORE, BE IT RESOLVED as follows:

- (1) Pursuant to NCGS § 105-321(f), the Hickory City Council directs the Catawba County Tax Administrator and Tax Collector not to collect minimal taxes, which are the combined taxes and fees due on a tax receipt that do not exceed \$5.00, charged on the tax records. The Tax Administrator must implement the processes required by NCGS § 105-321(f).
- (2) Pursuant to NCGS § 105-321(g), the Hickory City Council authorizes the Catawba County Tax Administrator not to mail a refund of any overpayment if the refund is less than \$15.00. The Tax Administrator must implement processes required by NCGS § 105-321(g).
- (3) Pursuant to NCGS § 105-357(c) the Hickory City Council permits the Catawba County Tax Collector to treat small underpayments of taxes as fully paid. A "small underpayment" is a payment made, other than in person, that is no more than one dollar (\$1.00) less than the taxes due on a tax receipt.
- (4) This Resolution shall remain in effect until repealed or amended by resolution of the City of Hickory's City Council

BE IT FURTHER RESOLVED that this Resolution shall be in effect with respect to Fiscal Year 2024-2025 and shall remain in effect until amended or repealed by resolution of the City of Hickory's City Council.

- C. Approved Applying for a Grant to Assist in Funding the Purchase of Bulletproof Vests for Hickory Police Department.

Hickory Police Department requests permission to apply for a grant to assist in funding the purchase of bulletproof vests for police officers. The City of Hickory will receive up to 50% reimbursement for each vest purchased. Since 1999, the Bulletproof Vest Grant program has provided an opportunity for law enforcement agencies to apply for a grant to receive up to 50% funding on the purchase of ballistic vests. In order to be eligible, the agency must have a policy in effect making it mandatory for uniformed officers to wear the vests while on duty. Hickory Police Department has the mandatory wear policy in effect and has been a recipient of this grant for numerous years. Monies are placed in the police department budget uniform line item annually to purchase vests for police officers. The life expectancy of each vest is approximately five years. The Police Department recommends the submission of this grant to receive up to 50% funding to purchase bulletproof vests for police officers.

- D. Called for a Public Hearing to Consider 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. (Authorized Public Hearing for June 4, 2024, at 6:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).

RESOLUTION NO. 24-31
RESOLUTION DIRECTING THE CLERK TO INVESTIGATE A PETITION RECEIVED
UNDER G.S. 160A-31 AND/OR 160A-58.1, AS AMENDED

WHEREAS, a petition from the City of Hickory requesting annexation of an area described in a petition was received on April 24, 2024, by the City Council of the City of Hickory; and

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

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

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

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

CERTIFICATE OF SUFFICIENCY

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

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

Property of the City of Hickory, containing 12.45-acres more or less, located at 2301 21st Avenue NE, Hickory, NC, and identified as PIN 3713-08-97-7949.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory this 24th day of April, 2024.

/s/ Debbie D. Miller, City Clerk

RESOLUTION 24-32
RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION,
PURSUANT TO G.S. 160A-31 OR G.S. 160A-58.1, AS AMENDED

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

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

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

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

Section 1: That a public hearing on the question of annexation of the area described herein will be held at 6:00 p.m. on June 4, 2024, in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

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

Property of the City of Hickory, containing 12.45-acres more or less, located at 2301 21st Avenue NE, Hickory, NC, and identified as PIN 3713-08-97-7949.

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

RESOLUTION NO. 24-33
A RESOLUTION DETERMINING THE INTENT TO ANNEX INTO THE CORPORATE LIMITS OF THE CITY OF HICKORY CERTAIN PROPERTY OWNED BY CITY OF HICKORY AND CALLING FOR A PUBLIC HEARING ON THE SAME

WHEREAS, the City of Hickory is the owner of certain real property as described herein, which property is located at 2301 21st Avenue NE, Hickory NC and identified as PIN 3713-08-97-7949, containing 12.45-acres more or less; and

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

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

NOW, THEREFORE BE IT RESOLVED by the Hickory City Council, sitting in open session this 21st day of May, 2024, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, as follows:

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

Section 2: That a public hearing on the question of annexation of the area described herein will be held at 6:00 p.m. on June 4, 2024, in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 3: The same being that property reflected on map entitled City of Hickory, Voluntary Annexation, Existing Boundary Map 1, subject property outlined in red; City of Hickory, Voluntary Annexation, Existing Zoning, Map 2, subject property outlined in red; City of Hickory, Voluntary Annexation, Aerial Photography, Map 3, subject property outlined in red.

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

- E. Called for a Public Hearing for Consideration of the City Manager's FY2024-2025 Recommended Budget. (Authorized Public Hearing for June 4, 2024, at 6:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).
- F. Approved a Cemetery Deed Transfer from the City of Hickory to Jerry Wayne Isenhour, and wife, Kathryn Marie Huffman Isenhour, Oakwood Cemetery, J9, Section 58, Plots 1 and 2. (Prepared by Deputy City Attorney Arnita M. Dula).
- G. Approved a Cemetery Deed Transfer from Pamela Abernethy Parlier, and husband, Judson Timothy Parlier to Frances S. Fincer, married, Oakwood Cemetery, Section 56, Lot 5, Being Plot G. (Prepared by Attorney John G. Fuller).
- H. Approved Two Locally Administered Projects Program (LAPP) Grant Applications – Surface Transportation Block Grant – Direct Attributable (STBG-DA) to the Hickory Metropolitan Planning Organization.

Staff requests Council's approval of two Locally Administered Projects Program (LAPP) Applications submittals that include Surface transportation Block Grant – Direct Attributable (STBG-DA) funding to the Greater Hickory Metropolitan Planning Organization (MPO). The City plans to submit two supplemental grant applications to the Greater Hickory Metropolitan Planning Organization: (1) Historic Ridgeview Walk Multi-Use Trail - STBG-DA Supplemental – Additional construction funding to supplement EB-5937 to create a connection between City Walk and the Ridgeview Community and to US 70. Estimated Total STBG-DA Supplemental Cost \$1,612,500, 80% Federal Funding - \$1,290,000, 20% Local Match - \$322,500. (2) US 70 and 4th Street Drive SW Intersection Improvements - STGB-DA Supplemental – Additional construction funding to supplement HL-0002 to create a pedestrian crossing at US 70 and 4th Street Drive SW. Estimated Cost \$500,000, 80% Federal Funding - \$400,000, 20% Local Match - \$100,000. Staff requests the Council's approval of the resolution supporting the grant applications and committing the 20% match of \$422,500.

RESOLUTION NO. 24-34
RESOLUTION AUTHORIZING THE CITY OF HICKORY TO SUBMIT APPLICATIONS
TO THE GREATER HICKORY METROPOLITAN PLANNING ORGANIZATION IN THE
AMOUNT OF \$1,690,000 AND PROVIDE A MATCH OF \$422,500 FOR SURFACE
TRANSPORTATION BLOCK GRANT – DIRECT ATTRIBUTABLE (STGB-DA) FUNDS
FOR

Historic Ridgeview Walk (Book Walk) – EB-5937
US 70 and 4th Street Drive SW Intersection Improvements – HL-0002

WHEREAS, On March 27, 2024 the Greater Hickory Metropolitan Planning Organization (GHMPO) issued a call for projects to agencies in its jurisdiction for Surface Transportation Block Grant-Direct Attributable Funding (STBG-DA). Funds are available to award among four different transportation modals: bicycle and pedestrian, intersections, roadway, and transit. Each agency may submit no more than three (3) projects of not less than \$200,000 each for possible reward. The funding requires a minimum 20 percent local match.

The City of Hickory is submitting applications for the following projects:

- Historic Ridgeview Walk Multi-Use Trail - STBG-DA Supplemental – Additional construction funding to supplement EB-5937 to create a connection between City Walk and the Ridgeview Community and to US 70.

Estimated Total STBG-DA Supplemental Cost \$1,612,500

- 80% Federal Funding - \$1,290,000
- 20% Local Match - \$322,500

- US 70 and 4th Street Drive SW Intersection Improvements - STGB-DA Supplemental – Additional construction funding to supplement HL-0002 to create a pedestrian crossing at US 70 and 4th Street Drive SW.

Estimated Cost \$500,000

- 80% Federal Funding - \$400,000
- 20% Local Match - \$100,000

NOW, THEREFORE BE IT RESOLVED, that the City of Hickory is hereby authorized to submit grant applications in the amount of \$1,690,000 and will commit \$422,500 as a match for the two applications.

- I. Approved the Citizens Advisory Committee Recommendations for Assistance through the City of Hickory's Housing Programs.

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 special called meeting on May 9, 2024.

- Polly Neese, 318 31st Avenue NE 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.
- Thomas & Mary Johnson, 1341 32nd Street SE, Conover, 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 their house. Assistance would be in the form of a 0% interest deferred loan.
- Mildred Mauney, 520 2nd Street SW, 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.

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

- J. Approved the Grant Agreement with the Federal Highway Administration for the Safe Streets for All Comprehensive Safety Action Plan in the amount of \$200,000.

Staff requests Council's approval of the Federal Highway Administration Safe Streets for All Grant Agreement. The Bipartisan Infrastructure Law (BIL) established the new Safe Streets and Roads for All (SS4A) discretionary program, with \$5 billion in appropriated funds over 5 years, 2022-2026. The SS4A program funds regional, local, and Tribal initiatives through grants to prevent roadway deaths and serious injuries. The SS4A program supports the U.S. Department of Transportation's National Roadway Safety Strategy and the goal of zero roadway deaths. The City of Hickory has received a grant from the Federal Highway Administration to create a Safe Streets For All Comprehensive Safety Action Plan in the amount of \$200,000 with an 80/20 local match. Planning and Demonstration Grants provide Federal funds to develop, complete, or supplement a comprehensive safety action plan. A Safety Action Plan aims to develop a holistic, well-defined strategy to prevent roadway fatalities and serious injuries in a locality. The City of Hickory will use the Safe Streets for All Planning Grant to develop a comprehensive Safe Streets and Roads Action Plan that includes key components such as goal setting, safety analysis, equity, and engagement and collaboration. Once the City of Hickory has a comprehensive safety action plan, it may then apply for the Safe Streets for All funding for implementation activities to improve safety on roadways and at intersections. Staff recommends that City Council approve the City's grant agreement with the Federal Highway Administration for the Safe Streets for All Comprehensive Safety Action Plan in the amount of \$200,000 with an 80/20 match (\$160,000 federal/\$40,000 local match).

- K. Approved the Purchase of Scott Safety Self-Contained Breathing Apparatus (SCBA), Cylinders, and Facemasks from Rhinehart Fire Services in the amount of \$690,000.

Staff requests approval of the purchase and replacement of Self-Contained Breathing Apparatus (SCBA) for the fire department. The new SCBA will be purchased using the North Carolina Sheriff's Association Contract # Bid 24-01-0524. The Self-Contained Breathing Apparatus is used daily for firefighting and rescue operations by the department. This equipment is standardized by the National Institute for Occupational Safety & Health (NIOSH) and the National Fire Protection Association (NFPA) and periodically receives Edition Updates. The current SCBA being used in the department is meeting the 2013 Edition of NFPA 1981: Standard on Open-Circuit Self Contained Breathing Apparatus. A program was established to replace all SCBA used within the department at the same time to assist with firefighter training and familiarity. An equipment committee was formed and selected the Scott Safety Air Pak based on advancements in technology, improved performance capabilities, and improved safety features. The purchase will replace Seventy (70) Scott Safety Self-Contained Breathing Apparatus (SCBA), forty-two (42) Cylinders, and one-hundred thirty (130) Facemasks. Staff recommends approval of the purchase of the aforementioned equipment from Rhinehart Fire Services in the amount of \$690,000.

- L. Approved on First Reading Budget Revision Number 21.

ORDINANCE NO. 24-21
BUDGET REVISION NUMBER 21

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

FUNCTIONAL AREA	INCREASE	DECREASE
Culture & Recreation	12,487	-
Public Safety	392,500	-
TOTAL	404,987	-

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

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	12,487	-
Other Financing Sources	390,000	-
Restricted Intergovernmental	2,500	-
TOTAL	404,987	-

SECTION 2. 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 1.821-Acres Located at 2326 12th Avenue Drive NE, Hickory, PIN 3723-13-03-2690, Owned by Terry Dean Hollar – Presented by Planning Director Brian Frazier.

Consideration of the voluntary contiguous annexation of 1.821 acres of property located at 2326 12th Avenue Drive NE. identified as PIN 372313032690. The property is currently occupied by a single-family residence and located within the City’s extraterritorial jurisdiction. The property owner is requesting annexation in order to gain access to City utilities. The current tax value of the property is \$158,800. If annexed, the property would generate \$722.54 in additional tax revenues. 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 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 Planning Director Brian Frazier to the podium to present Council with the voluntary contiguous annexation of 1.821 acres of property located at 2326 12th Avenue Drive NE, owned by Terry Dean Hollar.

Planning Director Brian Frazier gave a PowerPoint presentation. He advised this was a voluntary contiguous annexation located in Alderman Seaver’s Ward. The current development was a single-family residence. There would be no future development besides the existing single-family residence. The annexation was being sought to gain access to sanitary sewer. He referred to a map on the PowerPoint presentation and pointed out the property in question, Springs Road NE, McDonald Parkway, and 12th Avenue Drive NE. He pointed out the City extra-territorial jurisdiction (ETJ), and the City municipal boundary proper. He displayed another map and pointed out the subject property, the R-1, and R-4 districts, which were highest density, CC-2 commercial corridor, and R-3 medium density residential. He displayed another map and pointed out the specific project site Springs Road, McDonald Parkway, and 12th Avenue Drive NE. He discussed the staff’s findings and recommendations. The voluntary annexation petition complied with all applicable State annexation statutes. There were adequate public services

currently available and in sufficient quantities, and the annexation of the property would not cause available public services to fall below acceptable levels. Based upon these findings, staff recommended approval of the requested annexation. He asked for questions.

Mayor Guess asked for any questions for Mr. Frazier. He thanked 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 Zagaroli approval of the voluntary contiguous annexation of 2326 12th Avenue Drive NE. The motion carried unanimously.

ANNEXATION ORDINANCE NO. 503
VOLUNTARY ANNEXATION ORDINANCE (CONTIGUOUS)
Terry Dean Hollar

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 21st day of May, 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 31st day of May, 2024:

Contiguous Annexation
by the City of Hickory
of the property known as
Terry Hollar Property

That certain parcel or tract of land lying and being about 2.9 miles east northeast of the center of the City of Hickory. Bounded on the north by the right-of-way of 12th Avenue Drive NE (S.R. 1441); on the east by the lands of Jeffrey A. Stephens as described in Deed Book 3672 at Page 219; on the south by the 60' right-of-way of 11th Avenue NE; on the west by the lands of Alexis A. Valverde as described in Deed Book 2247 at Page 1073, Richard Jolly, Jr. as described in Deed Book 3544 at Page 1325 and more particularly described as follows, to wit.

Beginning at an iron rod on the south right-of-way of 12th Avenue NE, said rod being located a N.C. grid bearing and distance of South 81 degrees 39 minutes 04 seconds East 3,486.02 feet (NAO 83/2001) from NCGS Monument "Fisher", said monument having N.C. grid coordinates (NAO 83/2001) of N 734,324.35, E 1,316,872.17, the northeast corner of the lands of Richard Jolly, Jr. as described in Deed Book 3544 at Page 1325 and running thence as new City of Hickory city limits lines the following calls: North 29 degrees 31 minutes 18 seconds East 37.1 feet to a point in the centerline of 12th Avenue Drive NE; thence, with the centerline 12th Avenue Drive NE, South 86 degrees 22 minutes 38 seconds East 181.74 feet to a point in the centerline of 12th Avenue Drive NE; thence, leaving said centerline, South 29 degrees 07 minutes 05 seconds West 49.4 feet to an iron pipe on the south right-of-way of 12th Avenue Drive NE, the northwest corner of the lands of Jeffrey A. Stephens as described in Deed Book 3672 at Page 219; thence with the west line of Stephens the same bearing, a distance of 207.90 feet to an iron pipe in the west line of Stephens; thence, continuing with the west line of Stephens the same bearing, a distance of 317.41 feet to a railroad spike in 11th Avenue NE, the southwest corner of Stephens; thence, the same bearing, 6.9 feet to a point in the centerline of 11th Avenue NE; thence, with the centerline of 11th Avenue NE, North 05 degrees 55 minutes 46 seconds West 169.95 feet to a point in the centerline of 11th Avenue NE; thence, leaving said centerline, North 29 degrees 31 minutes 18 seconds East 5.3 feet to an iron rod, the southeast corner of the lands of Alexis A. Valverde as described in Deed Book 2247 at Page 1073; thence, with the east line of Valverde and Jolly the same bearing, a distance of 216.62 feet to an iron pipe in the east line of Jolly; thence, continuing with the east line of Jolly the same bearing, a distance of 215.00 feet to the point of beginning. Containing 2.085 acres more or less.

This description was drawn from a plat by David S. Clark, PLS L-2829, titled "Satellite Annexation by the City of Hickory known as the Terry Hollar Property" and dated March 20, 2024.

Section 2. Upon and after the 31st day of May 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. 3 of the City of Hickory.

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

2. Approved the Economic Development Agreement with Steel Warehouse of North Carolina, LLC as well as the Associated Agreements with the North Carolina Department of Commerce, and the Western Piedmont Council of Governments – Presentation by Business and Community Development Manager Dave Leonetti.

Staff requests Council's consideration of the Economic Development Agreement with Steel Warehouse of North Carolina, LLC, and approval of agreements with NC Department of Commerce, Steel Warehouse of North Carolina, LLC, and the Western Piedmont Council of Governments to accept and administer a Building Reuse Grant for 2441 and 2511 Highland Avenue NE. Steel Warehouse plans to redevelop a complex of buildings located at 2441 Highland Avenue NE. They plan to invest at least \$27,000,000 and create a minimum of 58 new jobs by the end of 2027. The company plans to use the property as a steel processing facility. Steel Warehouse proposes to create 58 jobs that pay above the median wage for Catawba County. The Building Reuse Grant is offered by the North Carolina Department of Commerce to provide funding to businesses looking to occupy existing buildings. They are eligible for and have been awarded \$240,000 in building reuse grant funding from the NC Department of Commerce. The grant

requires a five percent match from the City of Hickory and Catawba County, which amounts to \$12,000 (\$6,000 each). Staff requests City Council's approval of an Economic Development Agreement with Steel Warehouse of North Carolina, LLC and agreements with NC Department of Commerce, Steel Warehouse of North Carolina, LLC, and the Western Piedmont Council of Governments to accept and administer a Building Reuse Grant for 2441 and 2511 Highland Avenue NE.

The public hearing was advertised in a newspaper having general circulation in the Hickory area on May 9, 2024.

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

City Manager Warren Wood asked Business and Community Development Manager Dave Leonetti to the podium to present Council with an Economic Development Agreement with Steel Warehouse of North Carolina, LLC and associated agreements with the North Carolina Department of Commerce, and Western Piedmont Council of Governments.

Business and Community Development Manager Dave Leonetti gave a PowerPoint presentation. He discussed an economic development project that was a pretty exciting redevelopment project in the eastern part of the City along the rail corridor. The company he would discuss was Steel Warehouse. Steel Warehouse of North Carolina was the company that all these agreements were with. Their parent company was a 75-year-old privately held steel service center based in South Bend, Indiana. They had facilities across the United States, Mexico, and Brazil. They processed over 2 million tons of steel annually and employed about 2,500 folks. Their goal was to enhance their presence in the southeast and especially the North Carolina market. They do a lot of supply to John Deere, Caterpillar, Bobcat, and they hoped that this facility would enable them to better cater to the southeast region. He noted this was located along Highland Avenue, just east of McDonald Parkway. He referred to the PowerPoint and pointed out the location of Sherrill Furniture. The site was 27 acres approximately. It was the former Appalachian Hardwoods facility. This would be a redevelopment of an existing building complex. There were multiple buildings on the site, about 50,000 square feet of which were ready to be repurposed. They were also planning a rail spur that would cross Highland Avenue. He pointed out the location on the PowerPoint slide. This would cross Highland Avenue and create an at-grade rail crossing to enable them to transport the steel either the incoming steel for processing, or then after processing, transport that via rail. They have enough space there, especially on the north side of the property, there was enough space there for additional space, up to about 300,000 total square feet of space.

Mr. Leonetti discussed the terms of the investment and jobs. They were looking at a \$27 million investment over these first five years, with approximately 58 jobs, and an average wage of roughly \$59,500. That was above the County's average wage, which was right around \$54,000. From a tax incentive standpoint, the agreement that Council would be considering tonight, would be a 50% grant of the tax base increase above what was currently there as of January 1, 2024, for five years. The maximum incentive would be around \$336,000. Incentives, it was important to note, were only paid after the property taxes were paid in full. And there were also additional clawbacks if the company did not meet their job and investment thresholds.

Mr. Leonetti mentioned the North Carolina Department of Commerce Building Reuse Grant. The State was also awarding a \$240,000, up to maximum, based on the creation of 30 jobs at \$8,000 per job. The reason that number was lower was because the Building Reuse Grant had a time threshold of two years, and they were looking at five years for the other tax incentive agreement. That was why they were planning on creating 30 jobs within the first two years of the project. This grant would be paid after the jobs were created and maintained for at least six months. There was a 5% match required, and they would be splitting that with Catawba County. That was satisfied by the fourth agreement in Council agenda packets, which was a Grant Administration Agreement with the Western Piedmont Council of Governments, which they would assist with all of their grant reporting and administration requirements.

Mr. Leonetti discussed the four items for the Council's consideration. The first was conducting the public hearing to approve the Economic Development Agreement for the tax incentive piece. Then there was a State agreement for the Building Reuse Grant with the State of North Carolina through the Department of Commerce. There was a City Agreement related to the building reuse grant that described the timeline where the City would payout the grant funds. There were some different possibilities with the State grant, but the way the City had always done it was they do not pay any funds out until jobs are created and maintained

for the six months required by the grant. That way there was no potential clawback because the City and the company would not have received any of the funds. That grant agreement, though they would allow one partial payment if they created 15 jobs and maintained them for six months, they would pay out up to whatever they had created up to that point. Then the fourth was the aforementioned grant administration contract with the Western Piedmont Council of Governments. He asked for questions.

Alderman Patton asked who would keep track of the accounting of that. Was that Western Piedmont that was going to do that?

Mr. Leonetti advised the Western Piedmont Council of Governments, for the Building Reuse Grant, they would receive the North Carolina unemployment insurance, the NCU 101 forms that showed how many employees that they have, and it was based on when the grant was announced by the State, how many folks that they had employed in the State of North Carolina, and then the increases after that grant announcement date.

Alderman Williams asked if he had an approximate timeline from inception to the finished product.

Mr. Leonetti did not, but he believed they plan on getting up and running with the first phase more quickly, hopefully, maybe within the next twelve months.

Alderman Wood asked if Highland Avenue was Department of Transportation (DOT) maintained or was that the City.

Mr. Leonetti advised it was a DOT street.

Mayor Guess asked for any other questions for Mr. Leonetti. He discussed the procedures for the public hearing. He declared the public hearing open and asked if there was anyone present that would like to speak in opposition of this economic development agreement with Steel Warehouse. No one appeared. He asked if anyone would like to speak in favor. No one appeared. He declared the public hearing closed and asked if there was a motion or discussion.

Alderman Patton moved, seconded by Alderman Seaver approval of the Economic Development Agreement with Steel Warehouse of North Carolina, LLC. The motion carried unanimously.

Mayor Guess moved, seconded by Alderman Patton approval of the Building reuse Grant Agreement with the North Carolina Department of Commerce, the City Building Reuse Agreement, and the Grant Administration Contract with the Western Piedmont Council of Governments. The motion carried unanimously.

B. Departmental Reports

1. Approved the Resolution to Oppose the City of Charlotte Inter-basin Transfer Request – Discussion by City Manager Warren Wood.

The North Carolina Environmental Management officials are currently reviewing a request from the City of Charlotte to modify their certificate to increase their current transfer of 33 million gallons per day to 63 million gallons of water per day from the Catawba River Basin to the Rocky River Basin. The 2015 Water Supply Master Plan for the Catawba River projected Charlotte's current IBT would be sufficient through 2065 and that Charlotte should not increase its IBT for its growth needs over the next 30 years. Staff recommends the Council's approval of the Resolution to oppose the City of City of Charlotte inter-basin transfer request.

City Manager Warren Wood gave a PowerPoint presentation. He advised the departmental report was related to the approval of a Resolution opposing the City of Charlotte inter-basin transfer request to the NCDEQ. They were familiar with this issue. The jurisdictions in the region, the majority, had adopted resolutions opposing the Charlotte request for an inter-basin transfer. Hickory was in the Catawba Wateree water basin. It was not a huge water basin. The City of Charlotte was in two basins. They were in the Catawba Wateree and the Yadkin Pee Dee, and also a sub basin of the Rocky River sub basin. Charlotte was not really split in half it was split probably 66% of the Catawba and the rest in the Yadkin Pee Dee. They were requesting an inter-basin transfer to take water that they were currently taking out of the Catawba, so they could continue to grow on the east side to put that water in the Yadkin Pee Dee. That was what they were opposing.

City Manager Warren Wood discussed some points of interest. They made the request of the North Carolina Department of Environmental Quality. They currently

have a 33 million gallon a day inter-basin transfer (IBT). They were asking for another 30 million gallons a day. That would put them at 63 million gallons a day. A few years ago, Hickory contested the Concord/Kannapolis IBT request, and they ended up getting 10 million. That comes from Charlotte water. It was requested by Concord/Kannapolis. That would be 73 million gallons of water a day. If this were approved, that would be coming out of the Catawba and not going back into the Catawba. People think, well we are upstream, it does not matter. That was not the way it works. All the lake levels were balanced. Lake James and Lake Norman were the two biggest lakes. Lake Hickory was not necessarily one of the largest lakes, but all the water was balanced by Duke Energy as a system. This really comes into play during drought periods, which they were not experiencing right now, so they were kind of spoiled. But remember the horrible droughts they had during the first IBT conversation. He discussed the magnitude of this request. The jurisdictions that have water plants that take water out of the Catawba were Morganton, Valdese, Hickory, Granite Falls, and Lenoir. The amount of water that those five jurisdictions, five water plants draw out of the water to be treated was about what they were asking for in 30 million gallons. That was how large that number was compared to what our region uses. Their position was either one of two things, the City of Charlotte should provide the financial means to take water out of the Yadkin and put it back in the Yadkin. But if it takes water out of the Catawba, they should make the investment and make sure the water goes back into the Catawba after it was treated at the wastewater side of it. That was the financial piece of it. Or mother nature was telling them you have reached your limit on growth because that takes the water from everybody else, particularly over time, it impacts everybody else. All the other jurisdictions along the Catawba were subsidizing the City of Charlotte being able to continue to grow. If they remembered, last year, they approved their system development fees. Those were fees that jurisdictions, State law required if they have a system development fee, they have to go through an accounting/environmental process to determine what their fee should be. Everybody sets theirs to accommodate for future growth. As growth came on, they were taking capacity away from the existing system. They pay a system development fee to replace the capacity that they were consuming. Those numbers to make the financial investment, either building a new water plant or expanding one, or pumping the water back, that should be built into their system development fees. It would do one of two things. It would stop growth because the numbers were going to be too high, or they would throw a lot of money off that would allow them to do something other than an IBT because that was the easiest thing. That was the cheapest thing. They had heard all this, and there was not much new with any of that. It was Charlotte Water now as the department that operates their water and sewer system. The City of Charlotte got their initial 33 million gallons a day inter-basin transfer in 2002, and it really went under the radar, there was not a whole lot of discussion about it. Then Concord/Kannapolis came forward and were asking for 36 million gallons a day out of the Catawba into the Rocky River Basin, which feeds into the Yadkin Pee Dee. That was what the fight was about. The settlement was for 10 million gallons a day. But those 10 million gallons comes from the City of Charlotte, but Concord/Kannapolis were tagged with it by the State. That was a long process and a horrible drought. During drought conditions, that really comes more into play because there was less water in the basin for everybody. He referred to the PowerPoint and displayed some historic pictures of the Oxford hydro station, and Oxford dam being built. He asked for questions. The item before the Council was a Resolution opposing Charlotte's request for an inter-basin transfer. They were on the front end of this process. They were in the data gathering, information gathering mode, and eventually a commission of the Department of the DEQ would decide the merits of their request. That would go through the process, and they had a number of things that they needed to do. They would join a list of folks in their region who had already adopted a resolution opposing that transfer.

Alderman Zagaroli asked if this meant a lawsuit.

City Manager Warren Wood commented it depends.

Mayor Guess commented it was premature at this point.

City Manager Warren Wood thought that would be part of the process. That was the way it worked last time. But he did not know. It just depended on factors that came into play.

Alderman Zagaroli commented they were not just going to read the Resolution and say, "oh, okay, that's fine".

City Manager Warren Wood doubted it.

Mayor Guess asked for any other questions. Mayor Guess moved, seconded by Alderwoman Patton, to approve the Resolution to oppose the City of Charlotte Inter-basin Transfer request as described by City Manager Warren Wood. The motion carried unanimously.

RESOLUTION NO. 24-35
RESOLUTION TO OPPOSE THE CITY OF CHARLOTTE INTER-BASIN
TRANSFER REQUEST

WHEREAS, North Carolina Environmental Management officials are currently reviewing a request from the City of Charlotte to modify their certificate increase their current transfer of 33 million gallons per day to 63 million gallons of water per day from the Catawba River Basin to the Rocky River Basin; and

WHEREAS, this latest request is a trend of additional inter-basin transfer water usage from the Catawba River as evidenced by the following:

Charlotte/Mecklenburg's previously approved certificate of 33 million gallons per day inter-basin transfer to the Rocky River in 2002; and

Concord and Kannapolis's previously approved certificate of 10 million gallons per day inter-basin transfer to the Rocky River in 2007; and

WHEREAS, the net effect of the aforementioned actions will result in a total increased usage of 73 million gallons per day from the Catawba River Basin to the Rocky River Basin; and

WHEREAS, the Catawba River and its tributaries are not an unlimited supply of water as evidenced by previous years of drought conditions experienced most notably by the Upper Catawba Basin and the entire State of North Carolina; and

WHEREAS, City of Hickory and the Western Piedmont Region is considered a growth area for the North Carolina with additional water needs in the future; and that there's a valid concern that inter-basin transfers of this magnitude may effectively subsidize growth in receiving areas using the limited water resources of the Catawba River Basin; and

WHEREAS, issues of equity and sustainability are in question, as it involves one region bearing the environmental and infrastructural costs of supporting growth in another region, and it is essential to consider the long-term implications and fairness of such resource allocations; and

WHEREAS, reducing the flow of the Catawba River by transferring water could lead to greater concentrations of pollutants in the river, a reduced flow rate diminishing the river's natural ability to dilute and transport pollutants, and have detrimental effects on aquatic ecosystems, recreational activities, and public health within the Catawba River Basin; and

WHEREAS, the Hickory City Council is concerned the proposed inter-basin transfer will limit the amount of water available for withdraw to support growth in our area due to regulation limits under state and federal laws; and

WHEREAS, the Hickory City Council does hereby express its concern about the long-term availability of water within the Catawba River Basin and believes transferring water from the Catawba River Basin to the Rocky River Basin could indeed limit future growth opportunities for local communities in the Catawba River Basin; and

WHEREAS, the Catawba Wateree Water Resource Management Group is actively working to update its water supply master plan for the entire river basin and Charlotte should wait until that process is complete; and

WHEREAS, previous studies for the Catawba River called for the elimination of inter-basin transfers as a strategy to protect the river and water supplies during drought conditions and an IBT should be a temporary measure to accommodate growth and not a permanent solution; and

WHEREAS, the 2015 Water Supply Master Plan for the Catawba River projected Charlotte's current IBT would be sufficient through 2065 and that Charlotte should not increase its IBT for its growth needs over the next 30 years; and

WHEREAS, Charlotte should instead use that time to implement water infrastructure and policies to eliminate its current IBT certificate issued in 2002; and

WHEREAS, water availability is crucial for sustaining economic development, agriculture, and quality of life in growing communities and if water is diverted elsewhere, it may constrain the ability of communities within the Catawba River Basin to support their own development and population growth; and

WHEREAS, our region should not be forced to give up its potential growth opportunities to subsidize Charlotte growth with our water resources; and

NOW, THEREFORE, BE IT RESOLVED that the Hickory City Council requests that the North Carolina Environmental Management Commission deny the City of Charlotte inter-basin transfer request to modify their certificate to transfer 63 million gallons of water per day from the Catawba River Basin to the Rocky River Basin.

2. Appointments to Boards and Commissions

COMMUNITY APPEARANCE COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
At-Large (Outside City but within HRP) (Council Appoints) VACANT

COMMUNITY RELATIONS COUNCIL

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Caucasian (Council Appoints) Cliff Moone Resigned VACANT
Caucasian (Council Appoints) Macgregor Vanbeurden Resigned VACANT
Other Minority (Council Appoints) VACANT
Other Minority (Council Appoints) VACANT

Alderman Zagaroli Nominated Jacob Beaver as a Caucasian Representative on the Community Relations Council.

HICKORY REGIONAL PLANNING COMMISSION

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

HISTORIC PRESERVATION COMMISSION

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

Alderman Zagaroli moved seconded by Alderwoman Patton approval of the above nomination. The motion carried unanimously.

C. Presentation of Petitions and Requests

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

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

Mayor Guess wished Alderwoman Williams a Happy Birthday. Today was her birthday, and instead of taking the evening off, she was here conducting duty and business. He thanked her and wished her a Happy Birthday.

City Manager Warren Wood mentioned that Council had their budget presented in front of them, and they would do the public hearing on that at their next meeting. If they have any questions, just let them know. The statute required that they distribute copies to the City Council and the Clerk before they called for the public hearing, so they did that.

City Manager Warren Wood recognized Marlecia Walker, an Lenoir-Rhyne student interning for the legal department this summer. He welcomed her aboard. They were glad to have her. She would

May 21, 2024

be under the tutelage of Ms. Dula. They were glad to have a local Lenoir-Rhyne student joining the team this summer. Welcome.

XIV. There being no further business, the meeting adjourned at 6:42 p.m.

Mayor

City Clerk