

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 17<sup>th</sup> Street NW Extension.

Staff requests Council's acceptance of the bid and award of the contract for construction of the Project TIP # HL-0004 – 17<sup>th</sup> 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 17<sup>th</sup> Street NW Extension, including a multi-use path, from 9<sup>th</sup> 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 17<sup>th</sup> 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 – 17<sup>th</sup> 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 17<sup>TH</sup> 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 – 17<sup>th</sup> 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 – 17<sup>th</sup> 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 17<sup>th</sup> 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 17<sup>th</sup> 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 21<sup>st</sup> 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 21<sup>st</sup> 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 21<sup>st</sup> 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 29<sup>th</sup> 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 21<sup>st</sup> 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 21<sup>st</sup> 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 21<sup>st</sup> 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 21<sup>st</sup> 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 21<sup>st</sup> 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 29<sup>th</sup> 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 21<sup>st</sup> 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 21<sup>ST</sup> 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 21<sup>st</sup> 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 24<sup>th</sup> 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 9<sup>th</sup> Avenue NW – Presented by Public Works Director Steve Miller.

The City Clerk received a petition from the owner of the property along 9<sup>th</sup> 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 9<sup>th</sup> 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 9<sup>th</sup> 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 9<sup>th</sup> 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 12<sup>th</sup> day of April, 2024, the property owners of 525 9<sup>th</sup> 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 9<sup>th</sup> 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 4<sup>th</sup> 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 17<sup>th</sup> 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
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<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.

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Mayor

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City Clerk