

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, August 4, 2026 at 6:00 p.m., with the following members present:

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

A quorum was present.

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

- I. Mayor Guess called the meeting to order. All Council members were present with the arrival of Alderman Seaver at 6:03 p.m.
- II. Invocation by Reverend Bill Schreiber, Deacon, St. Aloysius Roman Catholic Church
- III. Pledge of Allegiance
- IV. Special Presentations

- A. Proclamation for National Health Center Week 2026 – Presented to Kintegra Family Health Community Resource Advocate, Sybil Schneider, and Practice Manager Ben Mace.

Mayor Guess advised he was going to recognize the National Health Center Week for 2026. He asked Kintegra Family Health Community Resource Advocate, Sybil Schneider, Ben Mace, and Kintegra staff to the podium.

A Kintegra representative thanked Mayor Guess and esteemed members of the board. They represented Kintegra Health. They were a part of a Federally qualified health center. They operated throughout North Carolina, but they were their next door neighbors in Hickory. They have primary care as well as behavioral health, dental, chiropractic, and a lot of integrated care for community members. They were in 250 North Carolina schools as behavioral health. It was an honor for them to accept the proclamation and also to serve the community as well.

Mayor Guess welcomed them and thanked them for all the services that they provided. He knew that they had several other healthcare professionals that were in the audience this evening as well, and they would be doing another presentation momentarily to recognize that as well. He read portions of the Proclamation and presented the Proclamation for National Health Center Week 2026 to the Kintegra staff in attendance. Photos were taken.

- B. Presentation of the Business. Well Crafted. Legacy Award to HSM Solutions – Presented by Business Development Director, Dave Leonetti.

Mayor Guess asked Business Development Director, Dave Leonetti to the podium.

Business Development Director, Dave Leonetti was honored to present the Business. Well Crafted. Legacy Award on behalf of the City's Business Development Committee. This award recognized companies that had made enduring positive contributions to Hickory's economic strength and community well-being, and the current honoree was an exceptional example of that legacy. He was proud to recognize HSM Solutions for more than 80 years of leadership, innovation, and service in the Hickory community. Founded in 1944 and headquartered right here in Hickory, HSM was a privately held, family-owned manufacturing company that designed and produced components and solutions for the furniture, transportation, bedding, and industrial markets. Throughout its history, HSM had been guided by its heart values: honesty, execution, accountability, results, and teamwork. Values that continued to shape the company's culture and its relationships with employees, customers, and the community. For over 8 decades, HSM had played a vital role in advancing Hickory's economic development goals. The company had consistently invested in job creation, workforce development, and longstanding partnerships that supported the region's long-term economic vitality. As a multigenerational company rooted in Hickory, HSM continued to invest in its people, its facilities, and collaborations that strengthen the entire region. Beyond its economic impact, HSM was deeply committed to community service and philanthropy. Through its community giving program and employee-driven initiatives, the company supported causes focused on food, shelter, education, and healthy lifestyles. HSM employees and leaders actively supported numerous local nonprofits and maintained strong educational partnerships with local institutions. The company's journey began more than 80 years ago in the community of Brookford, where founder Parks C. Underdown established Hickory Springs Manufacturing Company with an unwavering focus on serving customers and appreciating the employees who make up the company. That commitment remained strong today. HSM's long history, values, driven leadership, and dedication to continued growth made the company a truly deserving recipient of this year's Business. Well Crafted. Legacy Award. He invited Mark Jones, President and CEO of HSM Solutions, and anybody else who he would like to the podium. He knew several members of the Underdown family here as well. He

congratulated HSM and thanked them for their continued contributions to Hickory's growth, vitality, and prosperity, and they looked forward to many years of partnership.

Mr. David Underdown advised it was Parks Underdown, his granddad, that started Hickory Springs 82 years ago now. He was almost a native of Hickory. He moved to Hickory when he was 3 months old. He had been with Hickory Springs or HSM Solutions all his life. This had been the most wonderful town to grow up in, a wonderful town to be in, to work in, and to employ people from. It had been a great journey so far. It was his 43<sup>rd</sup> year here full-time, and hopefully he would keep going, and he knew the company would for another 80-plus years. He thanked them for the award. Photos were taken.

Mayor Guess certainly wanted to thank the entire HSM crew and team and thanked them for their investment in the community. They wished them much continued success in the future and hoped to be partners with them and continue their partnership and relationship. He advised them to let them know if they could help them in any way. Thank you.

- C. Update on Increasing Demand for Health Care – Presented by Guy J. Guarino, Jr., Chief Development Officer, and CEO Dennis Johnson, Catawba Valley Health System.

Mayor Guess asked Guy J. Guarino, Jr., Catawba Valley Health System Chief Development Officer, and CEO Dennis Johnson to the podium.

Catawba Valley Health System, CEO Dennis Johnson appreciated the opportunity to come and share a little bit about one of their two hospitals. While unlike the President and CEO of HSM, he had not been here, but for 3.5 years. He lived about half a mile from City Hall, near Oakwood Elementary School. He commented that this was one of the very best places, in his opinion, in the country, and he had lived all over the South. He thought this was one of the very best places in the entire world to live, right here in Hickory. He thanked them for the opportunity.

Catawba Valley Health System, CEO Dennis Johnson gave a PowerPoint presentation and shared information about their hospital. They were an entity of County government. They were one of the very few County-owned hospitals left, not only in North Carolina, but in the entire country. There were precious few County-owned hospitals left. They had never received, in their almost 60 years of service, not one penny from the County. In fact, they give back to the County. He shared their mission statement. It was pretty simple. They want to do outstanding care. The mission in his words, he had said this for the third time today, they wanted to provide outstanding physical, emotional, and spiritual care to patients and families, whether it was at the main campus or one of their 35 off-campus locations. There were 110 hospitals in North Carolina. Only 9 of them were independent. What they meant by that was they were not a part of a big system. There were a number of big systems, Advocate, Atrium, Wake Forest Baptist. That was the third largest healthcare system in the United States. One-third of their assets were in Illinois, one-third in Wisconsin, and one-third in North Carolina. There was UNC Health that had 16 hospitals across the State of North Carolina. Novant had a number of hospitals in North and South Carolina. They were one of 9 independents. He referred to the PowerPoint slide and noted they were one of only 3 of those 9 in the western part of the State. The hospital in Statesville, Iredell was independent, and then CaroMont down in Gastonia, Gaston County was independent. However, they were the largest hospital by volume in Western North Carolina, not in one of the three, Western Carolina metropolitan statistical areas, that being Charlotte, Winston, and Asheville. Another way to put it, they were about the 22<sup>nd</sup> largest hospital by volume out of the 110 North Carolina hospitals. They provide a significant service to this region of the State. Their service area was really 5 counties. About 60% of their patients come from Catawba County. Forty percent, however, came from Burke, Caldwell, Alexander, and Lincoln Counties. They were one of the largest employers in a 5-county area with 2,900 employees. They now have 650 members of the medical staff, that was up from about 525 members 3 years ago. Tremendous growth. He referred to the PowerPoint and noted some of their other statistics, and some of the services that they provided. By industry standards, they would be considered a mid to large size community hospital. He advised that they see just under 12,000 inpatient admissions, but total outpatient registrations were just under 300,000. Their medical group visits approached 400,000 every year. This was their payer mix. He pointed out the bulk of their patients were Medicare patients. He explained by commercial, they meant United, Cigna, Blue Cross, Aetna, Humana. That was what they meant by commercial business. And that Medicaid population unfortunately would be shrinking because of House Bill 1 that passed last year. There would be fewer Medicaid cases, and those would go into the self-pay bucket, which they were still going to be treating the same patients, but they would be doing it for free when they lose Medicaid coverage because of the bill that was passed last year.

Catawba Valley Health System, CEO Dennis Johnson advised they now have 18 primary care locations. Literally just in the last 3 weeks, they picked up Dr. DeSantis, which was located down the street from City Hall. His practice made the 19<sup>th</sup> primary care location in their network. He referred to the PowerPoint and noted their urgent care locations. They may have heard that they suspended operations at Belle Hollow last week, and that was

because they were reopening Taylorsville, but they still have plans to go back into Belle Hollow. More to come on that. They have a number of other specialty locations. They were adding services in Sherrills Ford where they have rotating specialists in addition to a busy primary care practice and an urgent care at Sherrills Ford. They were planning to do the same thing up in Lenoir, in addition to a vascular surgery practice, they now have a family medicine practice in Lenoir. They may or may not know that they operate the student health center at Lenoir-Rhyne University. They have clinics actually inside of the County Government Center in Newton. He referred to the PowerPoint and pointed out their medical group encounters, and they could see just tremendous growth there.

Catawba Valley Health System, CEO Dennis Johnson advised they had recruited north of 100 physicians in the last 3 years, and with every physician that was employed or added to their medical group, they were adding about, 2 to 3 other support personnel. The majority of these physicians lived in Hickory or surrounding areas, and they were purchasing services in Hickory. They were eating at their restaurants, just like he and his wife do. In fact, some of them he sees on a regular basis at Notions or one of the downtown restaurants that they enjoy going to. They have a significant impact on economic development, not just for Hickory but for the entire County and region. He referred to the PowerPoint and mentioned they now have a presence in Lenoir, Morganton, Taylorsville, and Sherrills Ford. They were trying to build out in those outlying counties where 40% of their patients come from.

Catawba Valley Health System, CEO Dennis Johnson referred to the PowerPoint and mentioned some of their awards. He talked about one of those, LeapFrog, a third-party rating agency that gives scorecards on every one of the 4,500 hospitals in the United States, and the 110 North Carolina hospitals. He advised they have been A-rated for 19 out of the last 20 cycles. That accomplishment puts them in the top 8% of all hospitals nationwide, and they were the only A-rated hospital in the unifiour. They were top quartile on patient, employee, and physician satisfaction. They were proud of that. He referred to the PowerPoint and displayed photos of some of their upgrades and innovations over the past 2 years. They have a new heart center and just opened a second Cath lab last week. They have a newly renovated emergency department. Their ER was the 22<sup>nd</sup> largest ER out of 110 North Carolina hospitals. They were in the process of building a second C-section room, and they delivered about 2,300 babies a year. They have the only Level 3 nursery in Western North Carolina, not in Charlotte, Winston, or Asheville. They have 3 robotic surgery capabilities within their OR. He had heard it said in the 3 and a half years that he had been here that Catawba's high touch, but perhaps they were not high tech. He submitted to them that they were very high tech in addition to being high touch. He referred to the PowerPoint and displayed photos of some of their construction projects.

Catawba Valley Health System, CEO Dennis Johnson reiterated they had just added a family medicine practice in Lenoir that was right next to their vascular surgery practice. They would be moving the GI group, currently in a medical office building across the street from Frye, they would be moving into a building across the street from Graystone Eye. That would happen this fall, and that would enable them to recruit more GI physicians because they need them. They currently have 9, but need about 15, and they were going to go from 3 endo-suites in the practice to 6, and that would enable them to grow. Next to the GI group, they would be moving their general surgery group, and that would enable them to grow because they need more general surgeons. They were going to be reopening the urgent care in Taylorsville later on this month. He mentioned he would not go into a lot of detail today on the Tate and LR property, otherwise known as he called it, the Kudzu Farm, they do have big plans for that site. It was their intention to come back to the Mayor and Council and share more details around that. They still had not chosen a development partner on that yet, but they were proposing a public-private partnership. The part that they would not own would be with a for-profit developer, and that part of the ownership would provide some tax base up until the time that they would buy them out, and that might be 5, 10, 15, they do not know, years down the road. They plan to come back to Council with more details around that in the coming weeks and months.

Catawba Valley Health System, CEO Dennis Johnson advised there were some changes. Many people in their industry call them headwinds. He called them Category 5 hurricanes. And growing up on the Gulf Coast, born and raised in Pensacola, Florida, he had lived all over the South. Love North Carolina, though. There were major headwinds heading their way in their industry that would affect not only Catawba Valley Health System but every one of the 110 hospitals in North Carolina. He thanked them for the opportunity to speak and asked for any questions.

Alderman Wood thanked them. Having access to exceptional healthcare was critical for their residents in Hickory, and it was also such a big draw for people who were considering moving to Hickory. The value of that was just tremendous. He thanked them for everything that they were doing. Mr. Johnson had kind of broached the subject a little bit with the development on LR. He respectfully asked if Mr. Johnson or a member of his team would get in touch with City Manager Warren Wood to discuss how they could partner to balance the growth of their footprint within Hickory and the provision of City services, particularly

fire protection. He would appreciate it if he would put somebody in touch with City Manager Warren Wood and they could talk about that and hash out the details. He would not bore everybody to death with it here, but if he would do him that favor, he would really appreciate that.

Catawba Valley Health System, CEO Dennis Johnson responded absolutely and welcomed that opportunity. He advised that it would be him in the first conversation, he was not going to delegate that. He was passionate about it, and they wanted to partner with the City on that as well. Thank you.

Alderman Wood thanked them for everything they do, and for being present.

Alderwoman Patton thanked them for the services that they provided to the community. It was vital. Then when they recruit people and businesses, they were one of the premier things that they could say they have here. Thank you very much.

Catawba Valley Health System, CEO Dennis Johnson thanked Alderwoman Patton. He commented that it was a lot of fun. He advised that when they were recruiting physicians, if they could get them here, the community would sell itself. He would put that back on all of them. Thank you. What a wonderful asset Hickory is. They we enjoy this. He and his wife Tracy were big outdoors people. They could walk to restaurants because they lived right downtown. They had mountains and beaches, and an international airport, and a baseball team that they visited last week, and a football club that they enjoyed, and they sweated a lot during those matches. This was a great place to live, and if they could get those physicians here, the community sells itself. He thanked Council for what they do to make this a great place to live, work, and play.

Alderwoman Williams wanted to say thank you not only of the medical care they provide, but the connections they were making within the community. They see them everywhere, not just socially, but they attend Chamber meetings and they were taking leadership. She and Mr. Guarino served on a committee together. It had been great to have that partnership, and that was part of what strengthens what they have in this community. It was reminiscent. She came a little over 30 years ago. They were recruited as a physician family, and it was not as attractive at that time. But it was easier to recruit now, but they had enjoyed living here too.

Catawba Valley Health System, CEO Dennis Johnson thanked Alderwoman Williams. He commented that this was a phenomenal community. It was a lot of fun to be here.

Chief Development Officer, Guy Guarino advised that they were very intentional about having their employees serve on boards and serve within the community. They had over 70,000 hours of giving time from their employees last year. They tracked that as well. That was very important to them.

Alderman Freeman thanked Mr. Guarino and Mr. Johnson for coming. He acknowledged the fact that they really appreciated meeting with them, several of the Black leaders, and coming and sharing and taking initiative as it related to presenting possible programs for accessible and affordable healthcare. He wanted to thank them. As a matter of fact, some leaders from the NAACP were present. He asked if he could briefly discuss a couple of things that they spoke about in their meeting.

Catawba Valley Health System, CEO Dennis Johnson thanked Alderman Freeman. They recognized there was a need to reach out to some of the underserved areas of the community, and they were trying to do just that. In fact, one of the things, for example, that they discussed in that subgroup of pastors was they planned to stand up, at the very least, an urgent care at Tate and LR, which that would make within walking distance of some of the underserved population, they would have better access to an urgent care. That was just one of many things that they talked about. There was an email actually sent out this morning regarding a save the date on their next Saturday event. They had a Saturday event a few weeks ago, but they were planning to do that on a regular basis. Thank you, sir.

Alderwoman Dula thanked him for the community-based events. She attended the first one, and it was very good. It was on type 2 diabetes or diabetes in general, very informative. The individuals who presented were very knowledgeable and very personable, and she certainly appreciated that and was looking forward to attending future events.

Catawba Valley Health System, CEO Dennis Johnson thanked Alderwoman Dula.

Alderman Seaver advised if they wanted to hear more from Guy Guarino they could come out to Hickory High football games on Friday night, he was their announcer. He had been doing that for how many years?

Chief Development Officer, Guy Guarino commented a long time.

Alderman Seaver thanked him for that and for what they all do in the community. That was important too.

Mayor Guess thanked Mr. Johnson and Mr. Guarino and commented that they were welcome here anytime. They appreciated the partnership and the updated information. They looked forward to hearing more.

V. Persons Requesting to Be Heard

VI. Approval of Minutes

A. Regular Meeting of July 21, 2026.

Alderman Patton moved, seconded by Alderman Williams that the Minutes of July 21, 2026 be approved. The motion carried unanimously.

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

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

A. Budget Revision Number 1. (First Reading Vote: Unanimous)

B. Consideration of the Rezoning Petition 26-05 for Property Located at 929 9<sup>th</sup> Street Drive NE from Industrial (IND) to High Density Residential (R-4). (First Reading Vote: Unanimous)

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

Alderman Dula requested that Item "A" be removed from the consent agenda.

Alderman Patton moved, seconded by Alderman Seaver approval of the Consent Agenda with the exception of Item "A". The motion carried unanimously.

A. Removed from the Consent Agenda and Discussed under "IX. Items Removed from Consent Agenda." Discussed and Approved the Mutual Termination and Release Agreement for Economic Development Agreement with Microsoft Corporation.

The City of Hickory and Microsoft Corporation entered into an Economic Development Agreement dated November 9, 2022. The Microsoft Corporation has not requested, and the City has not paid any incentives pursuant to the terms of the Economic Development Agreement. Microsoft Corporation now desires to forego the incentives available to the company under the Economic Development Agreement. The City and Microsoft Corporation have reached a mutual understanding and agreement of all things and matters arising out of the Economic Development Agreement and the termination. Council's approval requested of the Mutual Termination and Release Agreement with Microsoft Corporation.

B. Approved the Purchase of a 2027 Mack TE64R Cab/Chassis utilizing the Sourcewell Contract Number 110223-THC in the Amount of \$397,717.

Staff request Council's approval of the purchase of a 2027 Mack TE64R Cab/Chassis, with a Heil DuraPack 40 cubic yard Half Pack Full Eject Refuse Body, per the Sourcewell Contract #110223-THC in the total amount of \$397,717 from Carolina Environmental Systems, Inc., utilizing the Sourcewell contract number 110223-THC. The City uses these front loader trucks for collection of refuse with dumpster service. The Commercial Solid Waste Division's capital budget includes the replacement of a front load refuse truck in FY26-27. Staff recommend approval of the purchase from Carolina Environmental Systems, Inc. in the amount of \$397,717.

C. Approved the Purchase of a 2027 Freightliner M2106 Cab/Chassis utilizing the N.C. Sheriffs Association Bid Number 26-10-0422R in the Amount of \$292,982.

Staff requests Council's approval of the purchase of a 2027 Freightliner M2106 Cab/Chassis with a Pac Mac 25 yard chassis mounted automated leaf collection unit utilizing the N.C. Sheriffs Association bid number 26-10-0422R in the amount of \$292,982 from Carolina Environmental Systems, Inc. The City uses automated leaf trucks for efficient collection of loose leaves within the Recycling Division's yard waste service. The

approved Solid Waste Recycling Division's capital budget includes the purchase of the unit in FY26-27. Staff recommend approval of the purchase from Carolina Environmental Systems, Inc. in the amount of \$292,982.

- D. Approved the Purchase of a 2026 Battle Motors LET2-40 Cab/Chassis utilizing the Heil/Sourcewell Contract Number 110223-THC in the Amount of \$341,981.

Staff requests Council's approval of the purchase of a 2026 Battle Motors LET 2-40 Cab/Chassis with a Heil Dura Pack 5000 25 yard rear loading refuse body, utilizing the Heil/Sourcewell contract number 110223-THC, from Carolina Environmental Systems Inc., in the amount of \$341,981. The City uses rear loading trucks for collection of bulky waste from the curb for residential service. The approved Residential Solid Waste Division's capital budget includes funding for the purchase of the unit in FY26-27. Staff recommend approval of the purchase from Carolina Environmental Systems, Inc. in the amount of \$341,981.

- E. Approved the Purchase of a Hurco 600D Vacuum-Valve Turner Combo Trailer utilizing the NCSA Contract in the Amount of \$127,590.

Staff requests Council's approval of the purchase of a Hurco 600D vacuum-valve turner combo trailer, utilizing the NCSA contract, from Southern Vac in the amount of \$127,590. The City uses various types of equipment in the operation, maintenance, and management of the water distribution system. The proposed Hurco 600D trailer until will supplement the existing unit and provide added valve turning capabilities. This will help increase the speed of emergency response and support efforts to implement a more proactive valve exercising program. The unit purchase was budgeted in the Distribution Division's capital budget. Staff recommend the purchase from Southern Vac in the amount of \$127,590.

- F. Approved the Purchase of a 2026 Mack Dump Truck utilizing the NCDOA State Contract in the Amount of \$125,452.01.

Staff requests Council's approval of the purchase of a 2026 Mack dump truck, utilizing the NCDOA State contract number STC-2158A, from TranSource, in the amount of \$125,452.01. The City uses various types of equipment in the operation, maintenance, and management of the water distribution system. The proposed 2026 Mack dump truck was budgeted in the Distribution Division's capital budget to replace an existing unit that has become ineffective due to mechanical wear and age. Staff recommend the purchase from TranSource in the amount of \$125,462.01.

- G. Approved a Resolution Accepting the Offer of Public Dedication of the Streets within The Falls Residential Community.

Staff request approval of the Resolution accepting the offer of public dedication of lands and improvements within The Falls residential subdivision, including 37<sup>th</sup> Avenue Lane NE and 13<sup>th</sup> Street NE which are described as 50 foot rights-of-ways as recorded in Plat Book 86, Pages 94-99 of the Catawba County Registry. The streets have been completed, inspected, and found to be compliant with City specifications. For public use and maintenance of the street rights-of-ways, City Council must formally accept the offer of public dedication by means of a duly executed Resolution as outlined in the North Carolina General Statutes, as well as the City's Land Development Code. Staff recommend City Council's approval of the Resolution to accept the streets within The Falls residential community.

#### RESOLUTION NO. 26-39

A RESOLUTION OF THE HICKORY CITY COUNCIL ACCEPTING THE OFFER OF PUBLIC DEDICATION OF LANDS AND IMPROVEMENTS KNOWN AS THE FALLS PHASE 1 WHICH INCLUDES 37<sup>TH</sup> AVENUE LANE NE AND 13<sup>TH</sup> STREET NE WHICH ARE DESCRIBED IN EXHIBIT A AS 50 FOOT RIGHTS-OF-WAYS AS RECORDED IN PLAT BOOK 86, PAGES 94-99 OF THE CATAWBA COUNTY REGISTRY.

WHEREAS, NCGS §160A-374 and Article 2, Section 2.3.6 of the Land Development Code provide that City Council may, by resolution, accept offers of public dedication made to the public of lands and facilities for streets, sidewalks, open spaces and public utilities after verification from the City Engineer such properties and improvements are in a manner acceptable for acceptance; and

WHEREAS, the City of Hickory has been provided with an offer of public dedication of lands and improvements known as The Falls Phase 1 which includes 37<sup>th</sup> Avenue Lane NE and 13<sup>th</sup> Street NE which are described in EXHIBIT A as 50 foot rights-of-ways as recorded in Plat Book 86, Pages 94-99 of the Catawba County; and

WHEREAS, the City of Hickory has reviewed the land and improvements placed upon them provided as part of the offer of public dedication, and such land and improvements have been found to be compliant with standards in place for such land and improvements; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of Hickory, North Carolina, the offer of public dedication for The Falls Phase 1 which includes 37<sup>th</sup> Avenue Lane NE and 13<sup>th</sup> Street NE described in EXHIBIT A as 50 foot rights-of-ways as recorded in Plat Book 86, Pages 94-99 of the Catawba County, is accepted, subject to the following terms and conditions:

SECTION 1. Terms and Conditions of Acceptance:

1. The property owners shall guarantee all materials and workmanship for a period of 18 months from the date of official acceptance by the City Council;
2. The acceptance by the City Council shall not be interpreted in any way to relieve any developer, contractor, subcontractor, insurance company, owner, or other person of his individual or several obligations under any ordinance, policy, or contract or to otherwise reduce or eliminate the rights of the city, its agents and employees against any other party connected with or in any way related to the development of the subdivision and facilities. The acceptance shall not be interpreted as a waiver of any defense or immunities that the city, its agencies or employees may assert or be entitled to;
3. All rights, privileges and warranties of whatsoever nature and kind, for equipment, supplies, materials, goods, and services shall be assigned to the city and any and all benefits derived there from shall inure to the city, its agents, and employees. The acceptance of the lands and facilities shall be conditioned upon the owners covenanting and warranting that they are lawfully seized and possessed of all the lands and facilities dedicated to the public; that they have good and lawful authority to dedicate the same to the public for the stated purpose; that the lands and facilities are free and clear of any deed of trust, mortgage, lien or assessments and that the dedicators for their heirs, successors, executors, administrators, and assigns, covenant that they will warrant and defend the dedication of such land and facilities against any and all claims and demands whatsoever; and
4. Acceptance of dedication of lands and facilities shall not obligate the city to construct, install, maintain, repair, replace, extend, improve, build, or operate any public facilities or utilities which are not in existence as of the date of the acceptance of the lands and facilities. Such acceptance shall not obligate the city to construct any main, line, pipe, lateral, or other extension or permit connection to the city's water, sanitary sewer, storm sewer, drainage or other public utilities systems.

SECTION 2. This Resolution shall become effective immediately upon adoption. (Exhibit "A" is on file in the City Clerk's Office and is hereby incorporated by reference and made a part of the minutes)

- H. Approved the Issuance of Pyrotechnic Display Permits to Contracted Pyrotechnics for Fireworks Displays at Lenoir-Rhyne University.

Staff request approval to issue pyrotechnic display permits to Contracted Pyrotechnics for fireworks displays at Lenoir-Rhyne University for August 28, September 5, September 19, October 3, October 17, and November 7, 2026. Mitch Capelle, Senior Associate Athletic Director at Lenoir-Rhyne University submitted a request to obtain permission to conduct public fireworks displays. The North Carolina Fire Code requires an operational permit for the use and handling of pyrotechnic special effects material. The Hickory Fire Department Fire & Life Safety Division shall review all required documentation for the event, including Alcohol Tobacco and Firearm's (ATF) License, Operator and Assistant Operators Permits from North Carolina Office of State Fire Marshal (NCOSFM), Site Plan, and the one-million-dollar liability insurance policy. The Fire & Life Safety Division will also inspect the pyrotechnics display area before the event to ensure compliance with NCOSFM Guidelines, National Fire Protection Association (NFPA) NFPA 1123 Code for Fireworks Display, and NFPA 1126 Use of Pyrotechnics Before a Proximate Audience (if applicable). Staff recommend approval of the above pyrotechnics displays, subject to drought conditions and the Fire Marshal's final approval.

- I. Approved a Microenterprise Grant Agreement with True Jiu-Jitsu and Fitness, LLC in the Amount of \$4,000.

Staff requests approval of a Microenterprise Grant Agreement with True Jiu Jitsu and Fitness, LLC. In its 2025-2029 Consolidated Plan for Housing and Community Development, the City of Hickory identified increasing entrepreneurship opportunities as a high priority need. This includes a program to provide microenterprise grants to businesses

looking for funding necessary to take their business to the next level. The program offers grants of up to \$4,000 for low to moderate income business owners for business property, inventory, necessary fixed assets, marketing and business promotion, or other improvements approved by the Business Development Committee. Applicants are required to submit a business plan and have a counseling session with a local business support organization. Daniel Fredell applied for a Microenterprise Grant to support and enhance his existing small business, True Jiu-Jitsu and Fitness, a martial arts and fitness training business that provides Brazilian Jiu-Jitsu instruction and functional fitness training for both adults and youth. The Business Development Committee reviewed the application and recommended approval of the grant in the amount of \$4,000. Staff recommend City Council’s approval of the Microenterprise Grant agreement with True Jiu Jitsu and Fitness, LLC.

J.       Approved on First Reading Budget Revision Number 2.

ORDINANCE NO. 26-27  
BUDGET REVISION NUMBER 2

BE IT ORDAINED by the Governing Board of the City of Hickory that, pursuant to N.C. General Statutes 159.15 and 159.13.2, the following revision be made to the annual budget ordinance for the fiscal year ending June 30, 2027, and for the duration of the Project Ordinance noted herein.

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

| FUNCTIONAL AREA      | INCREASE | DECREASE |
|----------------------|----------|----------|
| Public Safety        | 68,303   | -        |
| Culture & Recreation | 10,157   | -        |
| TOTAL                | 78,460   | -        |

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

| FUNCTIONAL AREA         | INCREASE | DECREASE |
|-------------------------|----------|----------|
| Other Financing Sources | 68,303   | -        |
| Miscellaneous           | 300      | -        |
| Sales and Services      | 9,857    | -        |
| TOTAL                   | 78,460   | -        |

SECTION 2. Copies of the budget revision shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

IX.       Items Removed from Consent Agenda – Item “A”

Alderwoman Dula had a few questions. She asked if there was any information on what the Community First AI infrastructure plan was that the company had developed?

City Manager Warren Wood advised that they had it on their website. It was their core principles on how they were going to operate as a company.

Alderwoman Dula asked if the cancellation or termination of this agreement had any impact on permitting and building requirements for any infrastructure?

City Manager Warren Wood responded no, they had already gone through that process, so this would not affect anything.

Mayor Guess commented that everything else, to his understanding, stayed the same except for the incentives being removed. Was that correct?

City Manager Warren Wood advised that it was happening in Catawba County, Maiden, and Conover, they were all doing the same thing.

Mayor Guess mentioned that Catawba County had already voted on theirs.

Alderman Freeman commented that they were under the understanding that they were going to be taxed like everybody else.

City Manager Warren Wood replied, yes, their incentives go away.

Alderman Seaver moved approval of Item “A”.

Alderman Wood commented that this was national. Is it not?

City Manager Warren Wood advised they were doing this nationally. As a company policy, the initiative referenced, they were not taking incentives and the incentives that they had in place were unwinding.

Mayor Guess advised Council that they were considering "Item A" now.

Alderman Seaver reiterated the motion to approve "Item A". Alderwoman Patton seconded the motion. The motion carried unanimously.

X. Informational Items

XI. New Business

A. Public Hearings

1. Approved on First Reading Rezoning Petition 26-07 for Property Located at 2536 Startown Road – Presented by Senior Planner Mike Kirby.

Staff requests Council's consideration of rezoning petition 26-07 for property located at 2536 Startown Road, from medium density residential (R-2) to planned development (PD). The property is currently zoned R-2 and is occupied by a single family resident. The property owners have petitioned to rezone the property with the intention of constructing a single-family subdivision requesting approximately four units per acre on 42 lots. The Hickory Regional Planning Commission held a public hearing on July 22, 2026 to consider the petition and voted 6-0 for approval of the petition. Staff concur with the recommendation of the Hickory Regional Planning Commission.

Notice of the public hearing was advertised in a newspaper having general circulation in the Hickory area on July 25, and August 1, 2026.

City Manager Warren Wood asked Senior Planner Mike Kirby to the podium to present Council with rezoning petition 26-07 for property located at 2536 Startown Road.

Senior Planner Mike Kirby gave a PowerPoint presentation for rezoning petition 26-07. The property owners were Matthew T. Varney and Yer Varney. The applicant was Piedmont Companies, LLC. The location of the property was 2536 Startown Road. Current zoning was medium density residential R-2. The property size was 10.91 acres. The applicants were requesting to rezone the property to a planned development. He referred to the PowerPoint and displayed a map which was the Hickory by Choice future land use map. He noted the industrial area. He pointed out the subject property that was outlined. He pointed out the area that was all medium density with low density across the street. He displayed the current zoning map. He pointed out the subject property which was currently R-2. He pointed out to the south Catawba County zoning, and the City's planned development, which was Trivium 1 and 2, Trivium Meadows, with industrial and the Trivium Industrial Park, which was across the street. He displayed an aerial view and noted Trivium 1 and 2 to the north, Trivium Meadows, and Trivium Industrial Park across the street. According to the Hickory by Choice 2030 plan, the property was located in a medium-density residential area. Subject properties were located contiguous to other planned developments with mainly single-family homes. The proposed development would continue this pattern. The proposed development was within a short distance of larger shopping areas along Startown Road and Catawba Valley Boulevard. The development proposal showed approximately 5 acres of the development total area being set aside as open space. Much of this open space was located to the eastern portion of the project site, which would provide the required riparian buffer for the existing stream. Density would remain at approximately 4 units per acre, which was comparable to the current R-2 zoning. He noted that it would be 45, which would still be at 4 units per acre. The recommended action: the Hickory Regional Planning Commission held a hearing on July 22, 2026 to consider the petition. During the hearing, the applicant's engineer spoke in favor of the rezoning petition while no one spoke in opposition. 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 this finding, the Hickory Regional Planning Commission voted 6 to 0 to recommend approval of the petition. Staff concurred with the recommendation of the Hickory Regional Planning Commission. He asked for any questions.

Mayor Guess asked if there were any questions for Mr. Kirby.

Alderman Wood questioned the ingress and egress from this development. He noticed one road that connected from Startown to the property. Would that be the only one?

Senior Planner Mike Kirby commented no, they would have two. They would have one to the north, and one to the south. That was going to be a Department of Transportation (DOT) road. They were going to require a driveway permit on that. But they said they would not require any turn lanes on that one. He advised it was basically the same density as an R-2. They just wanted to push everything to the front because that stream runs along the back side and they had topography issues as well.

Mayor Guess asked for any other questions.

Alderman Freeman commented usually in the report it was mentioned what ward it falls in. Would this be in Alderman Seaver's ward?

Senior Planner Mike Kirby confirmed it would be in Alderman Seaver's ward. He advised it was basically going to be an extension of the existing Trivium residential developments along Startown Road.

Alderwoman Patton commented that planned development gave them more control over what was actually going in.

Senior Planner Mike Kirby replied yes that they already had a pre-application meeting with the developers, but in a planned development, they require them to submit a plan up front with all their dimensions and everything, basically giving them a layout to look at. In a planned development it was the same density as an R-2, but the planned development was usually like a trade-off. The trade-off was, they want the smaller lot sizes to push everything to the front so they could keep a conservation area to the rear of the lot, so they do not grade the whole property.

Alderman Wood questioned if this was currently within the Hickory City limits, or was it in the ETJ?

Senior Planner Mike Kirby advised it was in the City limits. All of that property, when they first did Trivium, it was all annexed in at one time.

Alderman Wood mentioned there was a single-family home.

Senior Planner Mike Kirby thought that was going to be the owners, and he had heard that they were in an amicable split and they were selling the property.

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

Alderwoman Patton moved, seconded by Alderman Freeman approval of Rezoning Petition 26-07 for Property Located at 2536 Startown Road. The motion carried unanimously.

#### ORDINANCE NO. 26-28

AN ORDINANCE OF THE HICKORY CITY COUNCIL AMENDING THE OFFICIAL HICKORY ZONING ATLAS TO REZONE +/- 10.91 ACRES OF PROPERTY LOCATED AT 2536 STARTOWN ROAD, FROM MEDIUM DENSITY RESIDENTIAL (R-2) TO PLANNED DEVELOPMENT (PD).

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 +/- 10.91 acres of property located at 2536 Startown Road, more particularly described on Exhibit A attached hereto, to allow a Planned Development (PD) district; and

WHEREAS, the Hickory Regional Planning Commission considered the proposed rezoning during a public hearing on July 22<sup>nd</sup>, 2026, 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 26-07 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 2536 Startown Road and identified as PIN 3721-19-50-9129.
- 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 vicinity in which the subject properties are located is classified as medium density residential by the Hickory by Choice 2030 Comprehensive Plan.

Given these factors, the rezoning of the property to Planned Development (PD) 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 applicant has provided a planned development master plan for the subject properties. The plan was found to be consistent with the comprehensive plan.
- Preserve and protect land, air, water and environmental resources and property values.  
  
All improvements that are to take place on the property 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 resource and governmental expenditures.

The subject property is located directly off Startown Road, which is a major thoroughfare in the southern part of Hickory. The portion of the corridor that lies within Hickory is largely urbanized and commercial in nature. Public utilities (water and sewer) are also located along Startown Road. Any future development that occurs on the property will be evaluated as to what impacts, if any, will be placed upon nearby public infrastructure. The owner and/or developer of the property will be required to cover any financial costs needed for any required infrastructure improvements identified through the evaluation process.

- Regulate the type and intensity of development; and

This Hickory Land Development Code regulates the type and intensity of development that is located on the subject property. If the request is approved, the planned development master plan submitted as part of the petition will serve as the document that guides development on the property. Additionally, construction plans for the property, once received, will be reviewed in light of the regulations contained within the Hickory Land Development Code.

- 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 residential (R-2) zoning assigned to the property allows for primarily residential uses.

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

Any rezoning has the potential to detrimentally impact properties in the general vicinity. Through proper site planning, buffering, and screening, as required by the City's Land Development Code, any real or perceived detrimental impacts could be mitigated to maximum extent practical.

- 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 or will be in place to service the properties. These include public utilities, transportation infrastructure, as well as police and fire protection.

Startown Road is operated and maintained by the NCDOT. Any improvements required by NCDOT will be required to be put in place during the construction, or its phases(s).

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

The property in question is located within an area where the City's comprehensive plan anticipates as being more urbanized and mixed use in nature. Any future development that occurs of the subject property will be guided by the planned development master plan. Additionally, all development activities on the subject property will 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 Rezoning Petition 26-07 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.

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

## B. Departmental Reports

### 1. Sanitary Sewer Overflows – Presented by City Manager Warren Wood

City Manager Warren Wood gave a PowerPoint presentation. He mentioned that most of their jobs could be unpleasant, dangerous jobs, for example, arresting people that do not want to be arrested, putting fires out, picking trash/sanitation up, and maintaining the water and sewer system. Those were just to name a few. In fact, in his time at Hickory, they had had 2 on-duty fatalities, one in sanitation and one in fire, and multiple people retired on disability, and all were doing the jobs that they were hired to do. He mentioned that he does not do social media. He advised that they report all of their sanitary sewer overflows with the sewer system to a fault. They were meticulous about reporting those.

Mayor Guess interjected that was required by law.

City Manager Warren Wood confirmed that was required. He knew there was chatter in the uninformed making uninformed comments. Tonight he was going to

inform them on how all this works with the sewer system. He advised the City has the 18<sup>th</sup> largest sewer system in the State of North Carolina. They provide a service to 20,000 customers. They treat 2.2 billion gallons of wastewater annually. They have two wastewater treatment plants, one at the north side at the Northeast Plant and one on the south side at the Henry Fork Plant. They operate one in the Town of Catawba with Catawba County. They maintain 467 miles of sewer lines and have 53 pump stations. They have a biosolids processing facility. The depreciated value of the system was \$1 billion. To replace it, it was probably two times that. They have an extensive sewer system, and there were opportunities for points of failure, and then it happens. They were going to go through some of that and some of the causes. As a side note, they gained ownership of the Town of Brookford, Town of Catawba, and Town of Hildebrand's sewer systems. They consider those parts of the Hickory system. They contract for operations, but do not own, Catawba County has a sewer system in the southeast part of the County, Alexander County has one and they have a partial contract with City of Claremont. He advised he was going to discuss their sewer spills, but that did not relate to those last three because those were not their systems. They do the reporting for those when spills occur, but those were not their system. He was going to focus on Hickory-owned sewer system. He referred to the PowerPoint and displayed a map. He pointed out everything that was served by sewer in Hickory. He pointed out the location in the north which was the Northeast plant, and the location on the far south which was the Henry Fork plant. He noted that area on the south side went to the Henry Fork plant, everything on the north side flowed to the Northeast plant. That was pretty much how the sewer flowed in town.

City Manager Warren Wood went back 4 years, for Hickory's specific flow, they had had 65 spills in the last 4 years and a total of 160,000 gallons. The average per-year spill was 40,000 gallons. The average spill itself was about 2,500 gallons. Most of those spills were smaller. Of the 65, 48 were less than 1,000 gallons and the rest were 1,000 up and 4 of the bigger ones they could see in that 10,000 to 30,000 gallon range. He referred to the PowerPoint and displayed a photo of the Bank of America Stadium which could hold 327 million gallons of water annually. They treat enough wastewater to fill that up 7 times. That was how much wastewater they were treating on an annual basis. Filling up the Bank of America Stadium 7 times and they were losing on average 40,000 gallons a year. Their goal was zero loss. But again, there were multiple points with 53 pump stations and almost 500 miles of line. They also identified the causes when these spills occur. Annually they try to prevent spills, because that was where the work was. If they did not do the work that they do, these numbers would be a lot higher, but they do a lot of work to prevent spills. Again, their goal was zero. They do not want to lose one drop. It was not realistic. They were going to lose some drops, and they were going to lose gallons.

City Manager Warren Wood discussed the causes. Regarding the 65 sanitary sewer overflows, (they called them spills), during the last 4 years, debris and grease in the line. He advised that 54% of their spills were debris and grease in the line. How do debris and grease get in the line? From households and businesses. For example, flushable wipes, diapers, grease. He referred to a list on the PowerPoint. All those things eventually, potentially could cause sewer backups. They identified 65 times in total, 54% of those were debris and grease in the line. Annually, they clean about 280,000 feet of line. The last 4 years, 1.1 million feet of line was cleared. Over 8 years, basically the whole system gets cleaned. It does not exactly work that way, but that was the simple math. They were cleaning lines, jetting them and cleaning them every year. They knew where the problem areas were that they focused on. Oftentimes what they would see with the sewer backups, particularly with the wipes and diapers, they would find those near apartment complexes for whatever reason. They see that quite a bit. That was some of the preventive work to prevent the debris and grease backups. Pipe failure. Streambank erosion. The Henry Fork's got a major collection line that runs down the Henry Fork River to the Henry Fork Wastewater Treatment Plant. Helene did a number on the Henry Fork River, so they had some spills there. They do have the streambank restoration project. City Council approved an \$8 million project for streambank stabilization along the Henry Fork. They would have a public hearing at their next meeting to apply for an additional \$5 million to go towards that as well. They had identified that as a major issue and were taking steps to address it. Pump station failure. Utility staff inspect pump stations every week and they have electronic remote monitoring to let them know when something was going sideways and they need to get out there and find out what it is. Those were inspected weekly. That was where they may potentially have some of their bigger spills because there was so much flow that goes through those pump stations. Because the flow was coming down the hill to the pump station, the pump station's pumping it back over the ridge to get to the plant. There was a lot of flow that went through those. Roots in line, that was a major problem. Although they had 3 in the last 4 years, they had also done a lot of work. They knew where the

problem areas were, they do an average of 25,000 feet of root treatment in lines every year. That was over 100,000 feet in the last 4 years. Also, the vegetation on top of sewer lines in the sewer easements. They had worked on keeping those clean to prevent things growing up and roots growing in the line. They did 41,000 feet of that, on average, each year and 166,000 over the last 4 years. There was a lot of preventive work that goes into preventing these spills. He thought some people think that their system just runs itself and then a spill happens, that was not how it works. They were doing a lot of preventive work on trying to mitigate these things. This one's a tough one. The severe natural conditions, you may get 10 inches of rain in whatever time. The sewer lines were only built to manage "X" number of gallons. If it reaches its capacity, it was going to come out in a manhole. Even though it was diluted with all the rain, it was still a spill, and they still report the gallons. Even if it was rainwater, it was reported. They had 5 of those in the last 4 years.

City Manager Warren Wood shared a public service announcement for people. He hoped they were paying attention. Do not flush these items, your sink is not your garbage can. He was going to keep it real. He referred to the PowerPoint and noted that these things do not go down your sink, your kitchen, or your toilet. That was not what it was designed for. He discussed the four Ps: pee, poo, paper, toilet paper, and water to push it along. Those were their 4 P's. That was what goes into the sewer. That was what a sewer system was designed to treat, not all this other stuff. He could not keep it any simpler than that. Over half of them, they really do not have any control over, other than public education. Those other items do not go down your toilet or your sink. Grease and food waste built up in sewer lines was a big cause of the backups. They recommend sewer flow backup devices, backflow preventers for residential and businesses. It was \$2,000 to \$3,000 for each one. If they were putting these things down their sink, they may have a backup in their house. If they had a backflow preventer in and there was a sewer backup, it would not come into their house. It would come out somewhere, but it would not come out in their house. The good news was that grease traps were required for restaurants in North Carolina, and they inspect those. They have a program where they make sure that those were functioning properly.

City Manager Warren Wood advised they were also on the infrastructure side to mitigate these spills. They had issues at the Snow Creek pump station along Snow Creek with flooding that has caused spills. Falling Creek pump station near the Henry Fork plant. He mentioned the Henry Fork steam bank restoration project. Snow Creek also had another project, Snow Creek Forest Main, as well as the Cloninger Mill gravity replacement line. That was a major line replacement investment. AMI (Automated Meter Infrastructure) was going to help them too. It would send radio signals. It worked on the water side primarily, but they could also use it on the sewer side to measure flow to see if there was no flow, then they knew there was a backup upstream somewhere, or if they knew it was going to reach the point of capacity, they were going to have a problem. That AMI system would be utilized, and that was a \$10 million investment. They just started a couple of weeks ago, and they were ramping up installing those. In addition to all the other things he talked about, they have an annual routine repair and replacement budget, just over \$1 million a year, replacing sewer line breaks and lines, stretches of line that they knew need to be replaced. He referred to the PowerPoint slide and gave an example of the most recent backup sewer line overflow they had. He noted the location and pointed out the road on the left-hand side was 127 coming through Brookford going south towards Mountain View. That was the Henry Fork River. They had previously identified the whole section. He noted this was just one map of the whole river that they had sewer line that goes down. This section was a problem area, and that was where the sewer overflow happened. They have the \$8 million project. Actually, in this section, they were replacing all that line. That would hopefully solve that problem. But again, Hurricane Helene did a number on the riverbanks along the Henry Fork, and they had large sewer lines, collection lines, that go down through there that feed the plant. They do not want that to fail, and it had in the past. That project was just an example of an area they had previously identified and applied for and received money and now it was in the design phase.

City Manager Warren Wood advised that one of the things that he heard was why does this only happen in Hickory? Well, it does not only happen in Hickory. This was for the uninformed. They had over the last 4 years about 3,000 incidents of sewer overflows around the State, about 91 million gallons. He commented that Will Hamblin goes to the nth degree to report these and he was honest in his numbers, and they do not cook the books. There was a calculation they could do to determine the flow estimate that had come out. It was interesting, if they looked at some other cities around the State, they had very few overflows, some of which were as big as Hickory was. He would just leave it at that. They could bet that the numbers that they saw were as good as they could. He referred to the PowerPoint

and displayed a map. Hickory was on the far left side, Charlotte was a cluster on the bottom left, Winston/Greensboro was up top, and then to the right Durham, Raleigh, Chapel Hill. He explained each one of those little bubbles were multiple spills. That was the 3,000 spills in the last 4 years. This does not just happen in Hickory. They do not want it to happen, but they have a large system, a lot of moving parts. There was potential for failure here and there. They have a creek crossing where a line goes across the creek and a big oak tree falls on it and breaks. He did not know how they could mitigate that. There were multiple examples of how these spills occurred. One of the questions he had gotten in the past was, is the water safe to drink? Well, if they were drinking it out of where it got discharged into the lake, probably not. Most of their sewer system was downstream of the water intake. Now, if there was a spill upstream in Morganton or somewhere, but as far as their spills, Kevin Greer used to say, "Dilution is the solution to pollution." Lake Hickory holds 40 billion gallons of water. They do take precautions. He knew there was a spill at Wittenberg. It was Alexander County's system that the City had to report. They closed the beach and they did the testing to make sure the E. coli levels were appropriate before they opened it back up. He referred to the PowerPoint and displayed a photo. He explained the background was the end product of what was supposed to happen here. That was their biosolids facility. That gentleman runs their biosolids facility. He asked him what the nickname for those were and he said chocolate Cheetos. They do not want any of that stuff that was not supposed to go in the sewer system getting mixed in because at the plant, they take all the trash out and then they squeeze the water out of the solids and treat the water and discharge it back in. They basically cook the solids to create that product, which was used for agricultural purposes and other things.

Alderwoman Patton commented that when they were implementing the AMI system, they would have the opportunity to look at each household's pipes, correct?

City Manager Warren Wood advised that was the lead pipe program. They were looking to see which homes might have lead pipes to identify them. They were lucky because otherwise they would have had to do that individually, but they just happened to be doing the AMI, touching everybody's meter so they had an opportunity to look at their pipes. Yes, that was on the water side.

Alderman Seaver asked if they would have the AMI in all of the pipes that they owned, plus the others that they maintained for the other systems.

City Manager Warren Wood advised yes, and Alexander County and Catawba County were paying for their portions, yes. Hickory was having the installation done, but they were paying for it.

Alderman Wood advised when he read the comments of the uninformed, as City Manager Warren Wood put it, he thought it was a fantastic advertisement for Neighborhood College. Go to Neighborhood College and learn how these systems work, and how water treatment and all that works. It was huge. One piece of the education that he would like to see introduced to this when they were doing these programs was, this was certainly a portion of the pollution in the lake. He thought it would pale in comparison to runoff. Whether it was chemicals people were putting on their lawns, whatever the case might be, runoff that was getting into their sewer system and putting it in the lake. He thought that would put this in a little bit more perspective of how they were polluting probably one of their most valuable resources that way.

City Manager Warren Wood commented that was a really good point. He knew they had a device that catches trash in the Horseshoe Creek to prevent that. The River Keepers have a river sweep coming up as well. That was after the fact. They were just playing catch up.

Mayor Guess wanted to take responsibility, as he was the guilty party that made City Manager Warren Wood talk about their sewer system.

City Manager Warren Wood joked that he got to say pee, poo, and paper, otherwise he would not have gotten to say that.

Mayor Guess commented that the goal here was to inform folks and educate people and also to be able to ask some questions. He made it very clear that it was in all municipalities, nobody was really exempt from this issue. He made it very clear that they were doing everything they possibly could, it sounded like, to prevent these. Obviously, their goal was to have zero, but he did not know how realistic that particular goal may or may not be. There was this perception out there that the City has deteriorated pipes and infrastructure that was the majority of the

concern about this, and that does not appear to be the case at all. As far as having deteriorated pipes and infrastructure, that does not seem to be a factor.

City Manager Warren Wood commented no, when they looked at the causes, debris and grease, that was not the age of the line. The pipe failure could be some of that, but they still have some line that was terracotta pipe.

Mayor Guess commented so they knew where their oldest pipes were.

City Manager Warren Wood replied yes that they knew what was in their system. In that case, that was an example where they probably were going to wait until those breaks until they replaced it, typically, because otherwise it may last another 50 years. They do not have much of that, but they do have some terracotta pipe. It was not the age of the system. Everybody's system gets a day older every day. Everybody's system ages. They have new parts of the system, and old parts of the system they have identified, and they knew where the problem areas were, just like the one he identified just from an experience. That was not accurate.

Alderman Seaver commented that they had replaced a lot of that too, before they did a lot of the redoing downtown, they noticed a lot of that infrastructure was replaced.

City Manager Warren Wood thought downtown was the oldest part of their system. Before they started on the renovations downtown, they replaced stormwater, water, and sewer. They took that as an opportunity to do that. They replaced everything downtown and did not have any issues downtown.

Alderman Wood commented at the end of the day, it was a mechanical system and mechanical systems break. You could maintain your car as well as possible and things were still going to break. That was the nature of mechanical systems.

City Manager Warren Wood thanked Will Hamblin and his staff for what they did. If they get a call, it was 3 o'clock in the morning, there was a sewer line break, a water line break, it was 10 degrees outside and it was go time. They were tucked away in their beds all cozy. These guys were out. They came to work during the day and then that night and nights after they may get called out and they show up and they keep it going. Thank you to your guys and gals.

Alderman Williams thought this was great. In some ways she felt like he was preaching to the choir in terms of the audience here. She asked if there was any way they could get some of this out on the website.

City Manager Warren Wood would be interested in seeing how Hickory Daily Record framed this.

Mayor Guess joked the 3 Ps; City Manager Warren Wood could do an infomercial.

Alderman Williams commented so much of it too was education for the general public to know what they should not be doing and the extenuating circumstances that were beyond their control. They could do some of the presentation.

Alderman Patton suggested putting something in the Snippets, just the 3 Ps.

Alderman Freeman commented to be honest, they were trying to inform people and be informative who really do not want to be informed. They were really wasting their time. Fact of the matter was they try to do their best. He knew it should be a reminder. They have got to deal with pee, poo, and paper. This was not heaven, but they were doing a great job, he believed. That was his take on it.

City Manager Warren Wood mentioned that another thing was the scale. He did not mean to minimize the spills that they have, but the scale, 2.2 billion, 160,000 gallons over the last 4 years. It was not perfect, but it was pretty good. And they have to report every single spill. At certain levels, they have to do a press release and all that. But they make a record of all of them.

Mayor Guess commented that a large portion of that, was it not, when they have a big rain event?

City Manager Warren Wood advised some of those big rain events would cause it.

Alderman Dula commented that they were talking about the uninformed, but they were also competing against businesses, commercials. Products which say flushable, flushable wipes, stuff that was biodegradable. They were competing against that. People hear and see those commercials day in and day out. They

see it on the packaging. She remembered having conversations with the late Kevin Greer about those flushable wipes. He was just like, ah, no, no, no, no, no, no, no, no. She said, but they said they were flushable. No, do not put those down there. They were competing also against that in that industry. They have a lot of money to promote and push those products, and people believe it.

City Manager Warren Wood noted that another thing was their garbage disposal. Their sink was not for garbage. It was like they were fighting that battle left and right and trying to get it messaged right. But when they look at the numbers, they know what the causes were.

Mayor Guess asked if there was any kind of recourse on the advertisement of things that were supposedly flushable, but they were not?

City Attorney Timothy Swanson responded that he would say no.

Mayor Guess commented that it seems like there should be. He was not talking about just for them but on a national level.

Alderwoman Dula commented that it was not necessarily untruthful. It may be biodegradable, but it may take 50 years for it to degrade.

Mayor Guess thanked City Manager Warren Wood for the presentation. He always liked it especially when there were things out there that may not necessarily be truthful, he liked to educate people and get the facts out. He thought they had accomplished that here this evening.

2. Appointments to Boards and Commissions

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

Alderwoman Patton nominated Brian Riggins as an At-Large Representative on the Business Development Committee

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

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

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

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

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

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

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

|                                                                                                                    |        |
|--------------------------------------------------------------------------------------------------------------------|--------|
| At-Large (Council Appoints)                                                                                        | VACANT |
| At-Large (Council Appoints)                                                                                        | VACANT |
| <u>UNIVERSITY CITY COMMISSION</u>                                                                                  |        |
| (Terms Expiring 6-30; 2-Year Terms) (Appointed by City Council)                                                    |        |
| At-Large Not Including ETJ (Council Appoints)                                                                      | VACANT |
| <u>YOUTH COUNCIL</u>                                                                                               |        |
| (Terms Expiring 6-30; 1-Year Terms) (Appointed by City Council)                                                    |        |
| Homeschool                                                                                                         | VACANT |
| St. Stephens High School                                                                                           | VACANT |
| Alderwoman Patton moved, seconded by Mayor Guess approval of the above nomination. The motion carried unanimously. |        |

- C. Presentation of Petitions and Requests
- XII.

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

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

There being no further business, the meeting adjourned at 7:09 p.m.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk