

**TOWN OF VALDESE
TOWN COUNCIL MEETING
JANUARY 9, 2017**

The Town of Valdese Town Council met on Monday, January 9, 2017, at 6:00 p.m., in the Town Council Chambers at Town Hall, 102 Massel Avenue, SW, Valdese, North Carolina. The following were present: Mayor John F. "Chip" Black, Jr., Councilman Keith Ogle, Councilwoman Frances Hildebran, Councilwoman Susan Stevenson, Councilman Gary L. Delp, and Councilman Roy F. Sweezy. Also present were Town Manager Seth Eckard, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: None.

A quorum was present.

Mayor Black called the meeting to order at 6:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

OPEN FORUM/PUBLIC COMMENT:

BIG BROTHERS BIG SISTERS OF BURKE COUNTY PROCLAMATION Mayor Black presented the following proclamation to Cathy Williams and Gene Gaither:

PROCLAMATION HONORING BIG BROTHERS BIG SISTERS OF BURKE COUNTY

WHEREAS, the Town of Valdese, North Carolina, believes that all young people deserve the opportunity to become healthy, happy and productive citizens; and

WHEREAS, we community leaders recognize the value that supportive and committed adult mentors play in the lives of young people, which in turn helps build a strong, sustainable community; and

WHEREAS, the Town of Valdese encourages all adults to play a role in supporting youth mentoring through volunteering, financial support or advocacy about the benefits of mentoring; and

WHEREAS, the Big Brothers Big Sisters Program of Burke County give adults an opportunity to do their part to strengthen our community and our world by providing youth with long-term quality mentoring that is proven to help them reach their full potential; and

WHEREAS, in Valdese there are many young people who would benefit from the mentoring movement.

NOW, THEREFORE, BE IT RESOLVED that I, John F. Black, Jr., Mayor of the Town of Valdese, do hereby proclaim January 2017 as NATIONAL MENTORING MONTH in Valdese, and call upon all citizens, businesses, public and private agencies, as well as religious and educational institutions, to join the mentoring movement and be a part of Big Brothers Big Sisters of Burke County.

IN WITNESS WHEREOF I have hereunto set my hand this 9th day of January 2017.

/s/ John F. Black, Jr., Mayor

CONSENT AGENDA: (enacted by one motion)

APPROVED MINUTES – DECEMBER 5, 2016

SET PUBLIC HEARING DATE OF MONDAY, FEBRUARY 6, 2017, 6:00 P.M., FOR TEXT AMENDMENTS TO THE SUBDIVISION ORDINANCE (4-12-16)

ADOPTED RESOLUTION APPROVING THE GRANTING OF AN OPTION TO WESTERN NC HOUSING PARTNERSHIP, INC., TO PURCHASE TOWN PROPERTY (CROWHILL) PURSUANT TO G.S. 160A-279

**RESOLUTION APPROVING THE GRANTING OF
AN OPTION TO WESTERN NC HOUSING PARTNERSHIP, INC.
TO PURCHASE TOWN PROPERTY PURSUANT TO G.S. 160A-279**

January 9, 2017, MB#31

WHEREAS, the Town of Valdese owns two adjoining lots, a 5.62-acre more or less tract (PIN 2733637157) and a .388-acre more or less tract (PIN 2733639402), said parcels being the parcels on which the Crow Hill Park was located (the property); and

WHEREAS, G.S. 160A-279 authorizes a town to convey real property by private sale to a nonprofit corporation if the town is authorized to appropriate money to that corporation; and

WHEREAS, G.S. 160A-456(b) authorizes a town council to exercise directly those powers that are granted to housing authorities; and

WHEREAS, a basic power granted to housing authorities is the power to prepare, carry out, and operate housing projects; and

WHEREAS, a housing project, as defined in G.S. 157-3(12), includes programs that assist developers of multifamily housing; and

WHEREAS, G.S. 160A-20.1 authorizes towns to appropriate money to private organizations to carry out any activity that a town could carry out directly; and

WHEREAS, the Town of Valdese is therefore authorized to appropriate money to private organizations that develop multifamily housing for persons of low or moderate income; and

WHEREAS, because a town may appropriate money to such organizations, G.S. 160A-279 authorizes the private sale of real property to such organizations; and

WHEREAS, Western NC Housing Partnership, Inc. (WNC) proposes to purchase the property and use the property to provide housing for persons making not more than 60% of the median income of the area; and

WHEREAS, providing affordable housing to such low or moderate income persons would benefit the Town of Valdese and help meet the housing needs of its citizens; and

WHEREAS, WNC has asked the Town of Valdese to grant to WNC an option to purchase the property at a purchase price that is the lesser of the fair market value of the property as determined by appraisal, the sum of \$60,000 or \$10,000 per acre; and

WHEREAS, the proposed option would terminate on July 1, 2018; and

WHEREAS, the town council is of the opinion that providing housing for persons of low and moderate income would be in the best interest of the citizens of the town and that the construction of housing units would increase the town's tax base;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Pursuant to G.S. 160A-279, the mayor of the Town of Valdese is authorized to execute on behalf of the Town of Valdese an option agreement with WNC upon the terms set forth above.
2. If WNC exercises its option to purchase the property, the mayor is authorized pursuant to G. S. 160A-279 to execute on behalf of the Town of Valdese a deed conveying the property to WNC.
3. The town clerk shall publish a notice pursuant to G.S. 160A-267 summarizing the contents of this resolution, and the sale of the property may not be consummated until 10 days after the publication of that notice.

THIS, the 9th day of January, 2017.

TOWN OF VALDESE
By: /s/ John F. Black, Jr., Mayor

ATTEST: /s/ Town Clerk

ACCEPTED GRANT AGREEMENT (CDBG 14-E-2698) FROM NC RURAL ECONOMIC DEVELOPMENT FOR MERIDIAN SPECIALTY YARNS WATER PROJECT Grant in the amount of \$1 million for public water improvements including the back-up generator at the water plan and valve work to benefit the proposed Meridian Specialty Yarns

expansion. The \$900,000 Economic Development Incentives Agreement to be paid over five years serves as the local match for the water project grant.

ACCEPTANCE OF GRANT AGREEMENT (U-465) FROM NC RURAL ECONOMIC DEVELOPMENT FOR MERIDIAN SPECIALTY YARNS SEWER PROJECT Grant in the amount of 898,425 to assist with sewer improvements to benefit operations at Meridian Specialty Yarns. There is a Town match of \$299,475 which will be included in future budgets Capital Improvement Plan.

Councilman Ogle made a motion to approve all items on the Consent Agenda, seconded by Councilwoman Stevenson. The vote was unanimous.

End Consent Agenda

ITEMS REMOVED FROM CONSENT AGENDA None.

DOWNTOWN WI-FI PRESENTATION BY KATALYST REPRESENTATIVE SAM WARNECKE Town Manager Seth Eckard said last September the Town was awarded a \$50,000 Appalachian Regional Commission (ARC) grant for the purpose of installing free downtown Wi-Fi on Main Street from Church Street to Eldred Street. A \$15,000 grant was also awarded from The Rostan Family Foundation for the project. Two bids were received and he introduced Sam Warnecke and Kit Johnston with Katalyst. They offered information on their company which had been in business for 11 years and was located in Hickory, North Carolina, with 60 employees with three offices in addition to Hickory, Charlotte and Spartanburg, South Carolina. They offered a PowerPoint presentation regarding solution, functionality, design access points, and wireless technology.

Mr. Eckard said the other vendors he spoke with did not have the capability to collect data of where high density areas were, high foot traffic, where users were going and when accessing network, and for how long. The network picks up wireless devices without someone physically logging on. A lot of knowledge could be obtained during events.

Councilwoman Hildebran asked who would monitor. Mr. Eckard said Katalyst and the Town Manager and Larry Johnson would also have access.

Access points would be installed on downtown buildings as identified because NCDOT and Duke Energy would not allow additions to their facilities.

Councilman Delp asked who determined how far east and west Wi-Fi would be served. Mr. Eckard said Sherry Long with the Western Piedmont Council of Governments said the amount of funding determined the length to be served. Councilman Delp said the barber shop on the east end of town would not be served.

Mr. Eckard said regarding to equipment added to downtown buildings that staff would recognize the building owners as there would be a small cost of approximately \$15 per year for electricity. Mr. Eckard asked Community Affairs Director Morrissa Angi to update Council on how the building owners would be recognized. Ms. Angi said the merchants would be showcased on the Town's website.

Town Attorney Marc Mitchell asked how long the commitment would be for the building owners and if it was permanent. Mr. Warnecke said as long as the Town had the Wi-Fi network.

Mr. Kit Johnston reviewed Plan A and Plan B. He reviewed a list of buildings for access points. He said the building owner may have their own staff or may prefer their own contracted staff to mount the equipment on the buildings. They could locate a subcontractor to penetrate the roof.

Councilwoman Hildebran asked who would pay to install equipment on the downtown buildings and was staff asking the owners of buildings to upfront costs and was this part of the package.

Councilman Ogle asked if Katalyst would run the cable. Katalyst Representatives said the cable would be done by a contracted cable company.

Councilwoman Hildebran asked if a building owner decided it no longer wanted the equipment on their building what would happen. Mr. Eckard said Katalyst would assist the town in those decisions.

Councilman Ogle asked who would pay for pulling the cable. Katalyst Representatives said as stated in the contract, cabling would be the responsibility of the Town of Valdese. Councilman Ogle said that would not be part of the \$66,000 and it would not be a turnkey.

Councilwoman Stevenson asked if the money available would take care of all the cable. Councilman Ogle said it would not cover running the cable.

Mr. Eckard asked how involved the issue of running cable was. Larry Johnson said Charter would need to run the cable.

Mr. Kit Johnston further explained about running an Ethernet cable.

Councilman Delp said next year the cost would be approximately \$16,000 and where would the funds come from. Mr. Eckard said funds would come from the budget.

AWARD OF BID FOR WI-FI

Councilman Ogle made a motion to approve the award of bid to Katalyst in the amount of \$66,084, seconded by Councilman Delp.

(Other bid: Trificient in the amount of \$70,034; Frontier Communications – no bid received.)

Mr. Eckard said a budget amendment would be presented at the next Council meeting.

Councilwoman Stevenson said she understood that this included everything except the cable.

Mayor Black said the business owners may not understand that they would not have Wi-Fi inside their buildings, only on the street.

Councilwoman Hildebran said there were still unanswered questions. Mr. Eckard said yes, regarding the cable.

Mr. Eckard said staff recommended that Council table this item until the next Council meeting. Larry Johnson said staff should have answers within 30 days as well as notify business owners they would not have Wi-Fi inside their buildings.

After a brief discussion, Councilman Ogle made a motion (which over rides the previous motion) to Table the Award of Bid for Wi-Fi until a later time, seconded by Councilman Delp. The vote was unanimous.

APPROVAL OF MASTER SERVICES AGREEMENT WITH KATALYST TABLED

SMART METER READING PRESENTATION – ANDY HONEYCUTT Mr. Eckard said he and Public Works Director Bryan Duckworth had discussed smart metering and found an independent consultant to assist with the process. He introduced Mr. Honeycutt to offer a presentation.

Mr. Honeycutt offered a presentation on smart metering and said due diligence on the front end would pay tremendous dividends on the back end especially for 4,800 customers impacted and millions of dollars of investment over the next 15 years. He described Automated Meter Reading (AMR) and Advanced Meter Infrastructure (AMI). Their job would be to decide the best fit for the town. He said they would be on site for assessment and data gathering and would talk with IT, finance, billing and collections, and go into the field and ride with meter readers. They perform engineering evaluations, take data and compile into financial analysis, and propose using existing assets.

Councilwoman Hildebran asked about the billing and would we have the equipment. He said once the billing data was accurate they interface to existing software.

Councilman Delp asked if a main water line break could be detected with the system. Mr. Honeycutt said yes.

APPROVAL OF MASTER SERVICES AGREEMENT WITH METERSYS An agreement with MeterSYS to conduct a Smart Meter Feasibility Study in the amount of \$14,595.

Councilwoman Stevenson made a motion to approve the Master Services Agreement with MeterSYS, seconded by Councilman Ogle. The vote was unanimous.

ADOPTION OF CAPITAL PROJECT ORDINANCE FOR NC RURAL ECONOMIC DEVELOPMENT GRANT AGREEMENTS – MERIDIAN WATER AND SEWER PROJECTS Finance Director Jerry LaMaster presented the following ordinance:

**TOWN OF VALDESE
MERIDIAN SPECIALTY YARN GROUP
WATER & SEWER INFRASTRUCTURE PROJECT
CAPITAL PROJECT BUDGET ORDINANCE**

Be it ordained by the Town Council of the Town of Valdese that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following project ordinance is hereby adopted.

Section 1. The project authorized is to provide improvements for the Water and Waste Water Treatment Plants to accommodate Meridian Specialty Yarn Group expansion and is to be financed by Grants and Town of Valdese contributions.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the program ordinance and the budget contained herein.

Section 3. The following revenues are anticipated to be available to contribute to this project:

Town Contributions	\$ 299,475	61.3970.001
Grant – IDF	898,425	61.3970.003
Grant – CDBG	<u>1,000,000</u>	61.3970.004
	<u>\$ 2,197,900</u>	

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

Architectural & Engr	\$ 276,000	61.8111.040
Administration & Environmental	55,000	61.8111.041
Construction	<u>1,866,900</u>	61.8111.150
	<u>\$ 2,197,900</u>	

Section 5. The finance officer is hereby directed to maintain within the Project Fund sufficient specific detailed accounting records to provide the accounting to town council required by the program procedures, loan agreement(s), grant agreement(s) and state regulations.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due.

Section 7. The finance officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total revenues received or claimed.

Section 8. The budget officer is directed to include a detailed analysis of the past and future cost and revenues on this project in every budget submission made to this board.

Section 9. Copies of this project ordinance shall be made available to the budget officer and the finance officer for direction in carrying out this project.

Adopted this 9th day of January, 2017.

/s/ John F. Black, Jr., Mayor

Attest: /s/ Thelda B. Rhoney, Deputy Town Clerk

Councilwoman Hildebran made a motion to adopt the aforementioned Capital Project Ordinance, seconded by Councilman Delp. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS:

Councilman Delp complimented Town staff for the nice job cleaning streets during the recent snow storm.

Councilman Delp thanked the Town for the fruit basket, cards and calls during his recent hospitalization.

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Councilwoman Stevenson asked about changes in the Triathlon. Parks and Recreation Director Doug Knight said the Try-A-Try Program was not available this year as Sonni Dyer was teaching at several colleges. The Triathlon would be held and information was already on the website.

Councilwoman Hildebran thanked Ms. Angi for arranging volunteer work to paint and do minor repairs on the Teachers Cottage. She appreciated staff for painting the steps at Tiger Gym. She said staff response was always quick.

Councilwoman Hildebran asked about the flower boxes on Main Street. Larry Johnson reported that more flower boxes were ordered for spring.

MANAGER'S REPORT:

Mr. Eckard said Town offices would be closed on Monday, January 16, 2017, in observance of Martin Luther King, Jr., Holiday.

He thanked staff for snow removal as this was the first snow event in his career where he did not receive any complaints.

CLOSED SESSION PURSUANT TO NC GENERAL STATUTE 143-318.11 (c) (a) (3) Mayor Black called for a Closed Session to consider and give instructions to the Town Attorney concerning the settlement of claims between the Town of Valdese and Bond Safeguard Insurance Company. He did not anticipate any action after Closed Session.

At 7:16 p.m., Councilman Ogle made a motion to recess into Closed Session Pursuant to NC General Statute 143-318.11 (c) (a) (3) to consider and give instructions to the Town Attorney concerning the settlement of claims between the Town of Valdese and Bond Safeguard Insurance Company. The motion was seconded by Councilwoman Hildebran and the vote was unanimous.

At 7:43 p.m., Councilman Ogle made a motion to return to open session, seconded by Councilwoman Stevenson. The vote was unanimous.

At 7:44 p.m., there being no further business to come before Council, Councilman Ogle made a motion to adjourn, seconded by Councilman Delp. The vote was unanimous.

The next meeting is a regularly scheduled meeting on Monday, February 6, 2016, 6:00 p.m., Valdese Town Hall.

Town Clerk

Mayor

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