

**TOWN OF VALDESE  
TOWN COUNCIL REGULAR MEETING  
July 11, 2022**

The Town of Valdese Town Council met on Monday, July 11, 2022, 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 Charles Watts, Councilwoman Rexanna Lowman, Councilman J. Andrew Thompson, Councilwoman Frances Hildebran, Councilman Paul Mears, and Councilman Keith Ogle. Also present were: Town Attorney Tim Swanson, Town Manager Seth Eckard, Town Clerk Jessica Lail, and various Department Heads.

Absent: None

A quorum was present.

Mayor Watts called the meeting to order at 6:00 p.m. He offered the invocation and led the Pledge of Allegiance to the flag.

**OPEN FORUM/PUBLIC COMMENT:** Mayor Pro Tem Frances Hildebran read the Rules & Procedures for Public Comment:

Rule 5. Public Comment

Any individual or group who wishes to address the council shall inform the town clerk, any time prior to the start of the meeting, and provide their name, address and subject matter about which they wish to speak. Comments should be limited to five minutes per speaker. If the speaker's comments needs to be addressed, upon the direction of the Council, someone from the management team will be in touch with you later.

Mayor Watts presented the following Designation:

**Designation of July as Park and Recreation Month**

WHEREAS parks and recreation is an integral part of communities throughout this country, including the Town of Valdese; and

WHEREAS parks and recreation promotes health and wellness, improving the physical and mental health of people who live near parks; and

WHEREAS parks and recreation promotes time spent in nature, which positively impacts mental health by increasing cognitive performance and well-being, and alleviating illnesses such as depression, attention deficit disorders, and Alzheimers; and

WHEREAS parks and recreation encourages physical activities by providing space for popular sports, hiking trails, swimming pools and many other activities designed to promote active lifestyles; and

WHEREAS parks and recreation is a leading provider of healthy meals, nutrition services and education; and

WHEREAS park and recreation programming and education activities, such as out- of-school time programming, youth sports and environmental education, are critical to childhood development; and

WHEREAS parks and recreation increases a community's economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction; and

WHEREAS parks and recreation is fundamental to the environmental well-being of our community; and

WHEREAS parks and recreation is essential and adaptable infrastructure that makes our communities resilient in the face of natural disasters and climate change; and

July 11, 2022, MB#32

WHEREAS our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors; and

WHEREAS the U.S. House of Representatives has designated July as Parks and Recreation Month; and

WHEREAS the Town of Valdese recognizes the benefits derived from parks and recreation resources.

NOW THEREFORE, BE IT RESOLVED BY the Valdese Town Council that July is recognized as Park and Recreation Month in the Town of Valdese.

This 11<sup>th</sup> day of July 2022.

/s/ Charles Watts, Mayor

Parks & Recreation Director David Andersen recognized the 10 & under Valdese Tigers Baseball Champions. The team and coaches were present at the meeting and took a picture with Mayor Watts.

**COMMUNITY FACILITIES – GLENN HARVEY, 801 MICOL AVE NE., VALDESE:** Mr. Harvey read the following comments and provided a copy to the Town Clerk and Mayor:

VALDESE TOWN COUNCIL MEETING – 11 JULY 2022 – Glenn Harvey

I want to commend the town staff on several accomplishments described in the Morganton News Herald and raise related questions of the Council. I must read straight through this to stay within the time limit, but I hope that you will provide some answers at the end.

The June 21, News-Herald reported extensive renovations to the 100 years old – Old Rock School along with a photo showing the front parking lot being replaced by grass. Has the Council approved this project or is it simply a staff project? I am asking because I cannot find any discussion about the project in recent council minutes and do not see it on today's agenda.

Today's News-Herald expands upon two projects that are on today's agenda.

**FIRST** – Over the past fifteen years, I have heard complaints about the condition of the 80+ years old recreation center. The News-Herald reports that the town has received about \$230,000 of donations and the council will consider another \$111,000 in tonight's agenda. Citizens have pitched in – perhaps more than many realize? For example:

- Hundreds of us have donated funds for Lakeside park, and some of those funds were donated to the Town for this project.
- LPDA, one of the Town's oldest nonprofit institutions, has donated funds to the Town for this project.

Without a doubt, the Recreation Center needs to be renovated. Let's hope that the council will move forward with the renovation. Are there detailed plans and specifications? Will the project be let on a competitive bidding process?

**SECOND** - \$36,000 seems like a lot of money to install fans in Tiger Gym and leads to several questions. Has there been a valid engineering study done to verify that those \$36,000 fans will fix the problem? How much has the Town spent on repairs, renovations and utilities on that building since taking it over decades ago, only to have it declared unsafe and closed to the public in recent years? Is that \$36,000 proposal an example of throwing good money after bad?

But here's the bottom line question for the Mayor and Council Members, whom we elected to serve citizens' present and future needs. Do you not recognize the irony in these three staff initiatives?

Citizens are asking why we and nonprofit organizations are being called upon to maintain the Town's old public buildings? Why does the staff exercise the initiative and creativity to raise funds to update old facilities that serve citizens; yet, over the past 4 years, the staff has stonewalled the possibility of renovating one public building that does not serve any citizens?

At the March Town Council meeting, you voted 3:2 to move forward with a showcase public safety building which, at the last estimate would cost at least \$7.8 million, requiring a \$7 million USDA loan, with payments for the next 40 years, adding to over \$10 M. That building and that debt-load will not improve public safety. It will not serve citizens but instead will house a handful of employees.

The construction costs that were rising out of control last year, continue to escalate. The USDA interest rate of 2 1/4% on which the financing plan was based, became 2 1/2% in April? The USDA rate is scheduled for another increase this month, and most likely again in September and December. What is the financial plan if USDA rates double to 4 1/2% by the time this project has a firm construction price?

**IN SUMMARY**

The bottom line to the bottom-line question is, who is making the Town's decisions on behalf of us citizens – is it really the Town Council?

Thank you – do you wish to share the responses to any of those questions with Valdese Citizens?

**CONSENT AGENDA:** (enacted by one motion)

**APPROVED REGULAR MEETING MINUTES OF JUNE 6, 2022**

**APPROVED WORKSHOP MINUTES OF JUNE 16, 2022**

**APPROVED PARK & RECREATION COMMISSION BOARD APPOINTMENT** The Valdese Town Council approved the appointment of Lin Ward to the Park & Recreation Commission Board. Mr. Ward will fill the unexpired term of Grayson Turner, who resigned. The term expires on December 31, 2023.

Councilwoman Hildebran made a motion to approve the aforementioned items on the Consent Agenda, seconded by Councilman Mears. The vote was unanimous.

***End Consent Agenda***

**ITEMS REMOVED FROM CONSENT AGENDA:** None

**INTRODUCTION OF NEW EMPLOYEES:** Water Resources Director Greg Padgett introduced Water Plant Operator Jacob Craig and Wastewater Plant Operators John Thao and James Martin.

**PRESENTATION OF VALDESE WEAVERS MILL HOUSING:** Don Tise of Tise-Kiester Architects presented the impending historic adaptive reuse in downtown Valdese to create the sixty (60) units of affordable workforce housing known as the Valdese Weavers Mill. Mr. Tise shared pictures of past Mill renovations that Tise-Kiester Architects has completed and plans for the Valdese Weavers Mill Housing. Town Manager Seth Eckard asked when the renovation would begin. Mr. Tise shared that the structural engineer is finishing the structural plans to get the building shored up as quickly as possible. Mr. Kiser shared that the architectural plans are mostly completed.

**APPROVED RESOLUTION FOR HOUSING AUTHORITY – VALDESE WALDENSIAN MILL REVENUE BONDS:** Bond and Issuer’s Counselor Kristen Kirby, Esq. with McGuireWoods LLP, presented the following Resolution:

RESOLUTION APPROVING IN PRINCIPLE THE ISSUANCE OF NOT TO EXCEED \$6,500,000 OF VALDESE HOUSING AUTHORITY MULTIFAMILY HOUSING REVENUE BONDS FOR THE BENEFIT OF BLUE RIDGE HOUSING OF BURKE, LLC

WHEREAS, the Town Council (the “Town Council”) of the Town of Valdese, North Carolina (the “Town”) met in Valdese, North Carolina, at 6:00 p.m. on the 11th day of July, 2022; and

WHEREAS, the Valdese Housing Authority (the “Authority”) has tentatively agreed to issue its multifamily housing revenue bonds in one or more series in an aggregate amount not to exceed \$6,500,000 (the “Bonds”), for the purpose of financing the acquisition of the historic Weavers Mill and the renovating and equipping therein by Blue Ridge Housing of Burke, LLC, a North Carolina limited liability company, or an affiliated or related entity (the “Company”), of a 60-unit multifamily housing development to be known as Historic Valdese Weavers Mill and located at 108 Praley Street SW, Valdese, North Carolina (the “Development”); and

WHEREAS, the proceeds of the Bonds will be loaned to the Company and used to (a) acquire, rehabilitate and equip the Development and (b) pay certain costs of issuing the Bonds; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), requires that any bonds issued by the Authority for the Development may only be issued as tax-exempt bonds if the plan of financing is approved by the Town Council following a public hearing with respect to such plan; and

WHEREAS, on June 2, 2022, the Authority held a public hearing with respect to the issuance of the Bonds to finance the Development, as evidenced by the Certificate and Summary of Public Hearing

attached hereto and has requested the Town approve the issuance of the Bonds as required by the Code; and

WHEREAS, the Bonds shall not be deemed to constitute a debt of the Town or a pledge of the faith and credit of the Town, but shall be limited obligations of the Authority payable solely from the loan repayments to be made by the Company, and shall contain on the face thereof a statement to the effect that neither the faith and credit nor the taxing power of the Town is pledged to the payment of the principal of or interest on the Bonds; and

WHEREAS, because no taxes or other revenues of the Town are pledged to pay the Bonds, the staff of the Town has made no financial analysis of the Bonds, the Town or the Development; and

WHEREAS, the Town Council has determined that approval of the issuance of the Bonds is solely to satisfy the requirements of Section 147(f) of the Code and shall in no event constitute an endorsement of the Bonds or the Development or the creditworthiness of the Company, nor shall such approval in any event be construed to obligate the Town for the payment of the principal of or premium or interest on the Bonds or for the performance of any pledge, mortgage or obligation or agreement of any kind whatsoever which may be undertaken by the Authority, or to constitute the Bonds or any of the agreements or obligations of the Authority an indebtedness of the Town, within the meaning of any constitutional or statutory provision whatsoever;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF VALDESE, NORTH CAROLINA:

1. The proposed financing of the acquisition, rehabilitation and equipping of the Development described above in the Town of Valdese, North Carolina, and the issuance of the Authority's multifamily housing revenue bonds, in one or more series, in an amount not to exceed \$6,500,000, therefor are hereby approved for purposes of Section 147(f) of the Code.
2. This resolution shall take effect immediately.

THE TOWN OF VALDESE,  
a North Carolina Municipal Corporation

/s/ Charles Watts, Mayor

I, Jessica Lail, Town Clerk for the Town of Valdese, North Carolina DO HEREBY CERTIFY that the foregoing is a true and complete copy of so much of the proceedings of the Town Council for the Town at a regular meeting duly called and held on July 11, 2022, as it relates in any way to the resolution hereinabove set forth, and that said proceedings are recorded in the minutes of the Town Council. Pursuant to N.C.G.S. § 143-318.12, a current copy of a schedule of regular meetings of the Town Council is on file in the office of the Clerk.

WITNESS my hand and the common seal of said Town, this \_\_\_\_ day of July, 2022.

ATTEST: /s/ Town Clerk

Ms. Wood explained that this would not create debt for the Town of Valdese or the Valdese Housing Authority. The developers would be responsible for paying the bonds. Ms. Kirby shared that under the federal tax code, for the bonds to be tax-exempt, they must be issued by a government entity and through the local Housing Authority.

Councilwoman Lowman made a motion to approve the aforementioned Resolution as presented, seconded by Councilman Thompson. The vote was unanimous.

**APPROVED VALDESE COMMUNITY CENTER GYMNASIUM PROJECT** Parks & Recreation Director David Andersen reminded Council of what was approved for the gymnasium project at the May 2, 2022, Council meeting. Mr. Andersen went over the following project's needs: roof repairs/furnace chimney cap, painting, purchase & installation of a scoreboard, electrical for goals, curtain, and bleachers, and engineering for truss reinforcement. Councilwoman Lowman asked if we were still looking at the installation of an HVAC unit. Mr. Andersen shared that he received two quotes, one was \$64,000 (plus electrical hookup), and the other was \$220,000. Councilwoman Lowman feels that if we do all this work on the gymnasium, we should look at more figures for the HVAC system. Councilwoman Hildebran asked if an HVAC system could be added later. Mr. Andersen said it could be a possibility, but it may affect the new flooring and other renovations we are completing now.

The image shows two presentation slides. The left slide is titled "Valdese Community Center Gymnasium-Wayne Owens Renovation" and is dated "Town Council Presentation - July 11, 2022". The right slide is titled "Previous Approval: Council Approved - May 2, 2022" and lists items included in a contract with The Sports Flooring Group, such as Hardwood Beech Flooring, Retractable Bleachers, and Basketball Goals, with a total cost of \$209,077.

The slide is titled "Seeking Approval: Project Ordinance Amendment for Council - July 11, 2022". It lists several items: Roof Repairs/Furnace Chimney Cap, Painting Gymnasium Ceiling and Walls, Scoreboard Purchase, Scoreboard Installation, Electrical for Goals, Curtain, Bleachers, and Engineering for Truss Reinforcement. It also includes financial information: Project Cost: \$343,954 (including \$209,077), Town FY21-22: \$50,000, Private Donations: \$182,489, and Fund Balance Required: \$111,465. There are four small photos showing interior views of the gymnasium.

Councilwoman Hildebran made a motion to approve the repairs of the Valdese Community Center gymnasium for roof repairs/furnace chimney cap, painting, purchase & installation of a scoreboard, electrical for goals, curtain, and bleachers, and engineering for truss reinforcement, seconded by Councilwoman Lowman. The vote was unanimous.

**APPROVED TIGER GYMNASIUM VENTILATION** Parks & Recreation Director David Andersen reminded Council of the current issue at Tiger Gym with all the windows being sealed up and no airflow. Mr. Andersen received a quote from Houck Construction, LLC, to install two wall fans and two louvers with motorized dampers in the amount of \$35,863. Councilwoman Lowman asked if we did this, would we be able to use the facility for volleyball, indoor soccer, and basketball right away. Mr. Andersen said that that would be the idea. Councilwoman Hildebran asked if this would clear up the issue. Mr. Andersen shared that opening up the space would create better environmental conditions. Mr. Andersen shared that the basement of the gym has some issues with water accumulating after hard rains. Mayor Watts asked what the gym was currently being used for. Mr. Andersen said it is used for basketball and indoor soccer programs, and the rotary club has used it for food packing. Mr. Andersen would like to add volleyball as well. Mayor Watts asked if it would hurt our programs if we did not have the gym for use. Mr. Andersen feels that it would cause an issue but with the steps Council is taking to renovate the Community Center, we could accommodate the needs there. Councilman Mears feels that Tiger Gym is an important asset to the community and feels the Recreation Department would benefit from having the gym.



**Houck Contracting LLC**

34 Shipwatch Dr  
 Hickory, NC 28601  
 Ph: (828) 495-8595  
 Fax: (828) 495-8592

**Estimate**



DATE	ESTIMATE ...
5/7/2022	9265

NAME / ADDRESS
Tiger Gym/ Moisture Issues Revised Atten: David

			PROJECT
DESCRIPTION	QTY	COST	TOTAL
To supply and install 2 new side wall fans and 2 wall louvers with motorized dampers in the gym Includes: Cutting holes for the installations Power wiring permits all labor and materials Labor and materials	1	35,863.00	35,863.00
Thank you for the opportunity to quote this project for you.		<b>TOTAL</b>	\$35,863.00

## Valdese Tiger Gym Ventilation

- Problem: Tiger Gym is sealed with no air flow, which decreases air quality in the space
- Solution: Introduce a fan and louver system to allow for fresh outside air to be introduced, as well as to move air inside the gymnasium.
- Cost: \$35,863

**July 11, 2022, MB#32**

Councilman Thompson made a motion to repair the Valdese Tiger Gym ventilation with Houck Construction, LLC, in the amount of \$35,863, seconded by Councilwoman Lowman. The vote was unanimous.

**APPROVED BUDGET AMENDMENT:** Finance Director Bo Weichel presented the following budget amendment:

Valdese Town Council Meeting

Monday, July 11, 2022

Budget Amendment #

1

Subject:

Tiger Gym air circulation

Description:

To help control moisture and lack of moving air, this amendment provide two side wall fans along with two louvers with motorized dampers in the gym area.

Proposed Action:

BE IT ORDAINED by the Council of the Town of Valdese that, pursuant to Section 15 of Chapter 159 of the General Statutes of North Carolina, the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2023:

Section I:

The following revenues available to the Town will be increased:

Account	Description	Decrease/ Debit	Increase/ Credit
10.3990.000	General Fund Balance Appropriated		35,863
Total		\$0	\$35,863

Amounts appropriated for expenditure are hereby amended as follows:

Account	Description	Increase/ Debit	Decrease/ Credit
10.6200.150	Building Maintenance	35,863	
Total		\$35,863	\$0

Section II:

Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Councilwoman Lowman made a motion to approve the aforementioned Budget Amendment, seconded by Councilman Mears. The vote was unanimous.

**APPROVED PROJECT ORDINANCE AMENDMENT:** Finance Director Bo Weichel presented the following Project Ordinance Amendment:

Valdese Town Council Meeting

Monday, July 11, 2022

Capital Project Ordinance Amendment # 1-37

Subject: Community Center Gymnasium Renovation

Description: This amends the project ordinance from November 2021 to accurately reflect the itemized cost of the project.

**Proposed Action:**

BE IT ORDAINED by the Council of the Town of Valdese that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the capital project ordinance for various capital projects funded from a variety of sources is hereby amended as follows.

**Section I:**

Revenues available to the Town to complete the projects are hereby amended as follows:

Account	Description	Decrease/ Debit	Increase/ Credit
37.3970.001	Private Donations		57,489
37.3970.003	Rostan Family Foundation Donation		75,000
37.3970.004	Transfer from General Fund Balance		111,465
Total		\$0	\$243,954

Amounts appropriated for capital projects are hereby amended as follows:

Account	Description	Increase/ Debit	Decrease/ Credit
37.6200.150	Renovations	213,950	
37.6200.900	Contingency	30,004	
Total		\$243,954	\$0

**Section II:**

Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Mr. Weichel reminded Council that one thing that is not included in this is the truss reinforcement, but that would come before Council later.

Councilman Mears made a motion to approve the aforementioned Project Ordinance Amendment, seconded by Councilwoman Hildebran. The vote was unanimous.

**MANAGER'S REPORT:** Town Manager Seth Eckard made the following announcements:

Ribbon Cutting for the McGalliard Creek Bridge, Wednesday, July 13, 2022, 9:30 a.m. Refreshments at McGalliard Falls, 10:30 a.m. Ceremony at the McGalliard Creek Bridge

Coffee with the Chief, Thursday, July 14, 2022, 9:00 a.m. at Old World Baking Company

Old Colony Players Presents: From This Day Forward, July 15-August 13, Fridays and Saturdays, 8:00 p.m. at the Fred B. Cranford Amphitheatre

**MAYOR AND COUNCIL COMMENTS:** Councilwoman Hildebran thanked Code Enforcement/Animal Control Officer Michael Hicks for all his work in her Ward and for Valdese.



July 11, 2022, MB#32

Councilman Ogle shared that he has decided to step down as Councilman for Ward 5, effective immediately, for health reasons. Each member of the Council thanked Mr. Ogle for all his knowledge, service, dedication, and mentorship he has given to them and the citizens of Valdese. Town Manager Seth Eckard said Mr. Ogle would be recognized at the next Council meeting.

Mayor Watts was impressed with the July 4<sup>th</sup> celebration and felt it was the biggest we have ever had and thanked the Town employees for their hard work. Mayor Watts shared that the Levee Brewery has started serving food. Mayor Watts also thanked the Recreation staff for selling drinks and snacks at the celebration.

**ADJOURNMENT:** At 7:01 p.m., there being no further business to come before Council, Councilman Hildebran made a motion to adjourn, seconded by Councilwoman Lowman. The vote was unanimous.

The next meeting is a regularly scheduled meeting on Monday, August 1, 2022, 6:00 p.m.

\_\_\_\_\_  
Town Clerk  
jl

\_\_\_\_\_  
Mayor