

**TOWN OF HILDEBRAN
WESTERN PIEDMONT
COUNCIL OF
GOVERNMENTS
CONF ROOM A1**

**APRIL 25, 2016
7:00 P.M.**

**REGULAR MEETING
MINUTES**

**CALL TO ORDER AND
INVOCATION**

Mayor Cook called the regular meeting of the Town Council to order at 7:00 p.m. Larry Abernathy led a prayer.

**PLEDGE OF
ALLEGIANCE**

Ms. Sanders led the pledge of allegiance to the United States flag.

COUNCIL PRESENT

The following members of the Board were present: Mayor Virginia Cook, Council Members Brenda Banks, Barbara Lowman, Lee Lowman and Jody York. There is one vacant seat.

STAFF PRESENT

The following staff members were present: Attorney Redmond Dill, Town Administrator Tom Drum, Town Clerk Alice Sanders, Finance Officer Fredrick Rankins, and Town Planner Erin Schotte.

**CITIZENS & MEDIA
PRESENT**

See attached sheet.

**ADOPTION OF
AGENDA**

A proposed amended agenda was presented to Council to reflect the requests from Council from the April 22, 2016 budget workshop. The amendments included:

1. Add "Special Presentation from the N.C. State Auditors" after the adoption of the agenda.
2. Add "Determine Payment Method (Finance or Cash)" to the existing "Report on Property Acquisition" line item under old business.
3. Add "Budget Amendment Approval" (for Tree Removal at the Park) to the existing "Contracts to be Awarded" line item under old business.
4. Add "Approval of New Town Lease Rates" to the existing "Review of Town Contracts and Town Leases" line item under old business.
5. Add "Budget Amendment for Fire-Related Expenditures-Approval" under new business.

Council Member B. Lowman made a motion to adopt the agenda as amended. All voted in favor.

**SPECIAL
PRESENTATION**

Mayor Cook presented a United States flag to the Clinton Lowman family in memory of Mr. Lowman. The flag was flown on the United States Capital Building on February 21, 2105 and was flown briefly at Town Hall.

SPECIAL
PRESENTATION

Mayor Cook turned the floor over to two representatives from the North Carolina State Auditor's Office. Jennifer Myers, Assistant State Auditor, addressed the Board. Ms. Myers stated that the State Auditor's Office had received a tip on their hotline about the Town of Hildebran and that she and Stephen Hunike will come to the Town offices on April 26, 2016 and ask for some documents and talk to the staff. She stated that a tip on their hotline does not mean there is any validity to the tip and that she and Mr. Hunike will investigate the allegations.

APPROVAL OF
MINUTES

Council Member Banks made a motion to approve the March 18, 2016 special meeting minutes and the March 28, 2016 regular meeting and closed session minutes. All voted in favor.

OLD BUSINESS:
REPORT ON PROPERTY
ACQUISITION/
DETERMINE CASH OR
FINANCING

Attorney Dill stated that he had received an acknowledgement from the law firm that represents First Citizens Bank that he should receive the signed contract from First Citizens by April 27, 2016. The Town will then have 75 days to perform its due diligence. The closing date would be no later than August 25, 2016. The consensus of the Board from the April 22, 2016 budget meeting was to finance the purchase of the bank. An appraisal will not be performed. Once the contract is received, he will contact architects, a structural engineer and arrange for environmental testing. The Board needs to submit what it would like to see for the retrofit so that he can give plans to the architect.

Council Member York stated that she wanted to address the fact that there was never a motion from the Board to purchase the bank building. She made a motion that the Town not purchase the First Citizens bank building. Council Member York voted in favor of the motion. Council Members Banks, B. Lowman and L. Lowman voted against the motion. The motion did not carry.

Council Member L. Lowman made a motion to approve entering into a contract with First Citizens bank to purchase the First Citizens bank building and to authorize the Mayor to sign the contract on behalf of the Town. Council Member Banks, B. Lowman and L. Lowman voted in favor. Council Member York voted against the motion. The motion carried.

Mayor Cook informed the Board that a decision needs to be made to either finance or pay cash to purchase the bank. Town Administrator Drum reported that there will be a penalty to pay the loan off before the 59 months that could be as much as 1% of the outstanding balance of the loan. Council Member L.

Lowman made a motion to finance the purchase of the bank building. Council Members Banks, B. Lowman and L. Lowman voted in favor of the motion. Council Member York voted against the motion. The motion carried.

CONTRACTS TO BE
AWARDED:
COPIER LEASE

Mr. Drum reviewed the revised copier lease. SHARP has offered an additional option to purchase a five-year insurance policy, with the first year free, which would be \$240.00 per year for four years. Council Member York asked if there was a lot of maintenance required on the copier. Mr. Drum stated that the copier has a maintenance agreement other than the additional \$240.00 per year option. The extra option is in case rewiring or extra workstations were needed. Council Member L. Lowman asked when the copier was going to be delivered. Ms. Sanders reported that the contract would not be entered into until July 1, 2016 and that there is nowhere to put the machine at the Western Piedmont Council of Governments (WPCOG.) Attorney Dill suggested that the copier not be delivered or setup until the staff moves into the bank building. Council Member L. Lowman asked if the initial setup was covered under the contract and if so, then the extra maintenance agreement would not be needed since there would not be a move that required a technician to come out. Mr. Drum and Ms. Sanders confirmed.

Council Member Banks made a motion to rescind the motion to approve the contact with SHARP that was made at the March 28, 2016 regular meeting. All voted in favor.

Council Member York made a motion to approve the revised copier contract with SHARP, as presented, in the amount of \$337.90 per month for 60 months, without the extra insurance. All voted in favor.

TREE REMOVAL AT
PARK AND BUDGET
AMENDMENT

Council reviewed the quotes for tree removal at the park and it was the consensus to choose The Grounds Keeper LLC. It was suggested that the approval of the contract be subject to proper insurance verification. Council Member York made a motion to approve the contract with The Grounds Keeper LLC to prune and remove trees, debris, grind stumps and spread mulch in the amount of \$6,000.00 subject to proper verification of insurance and to approve a budget amendment in the amount of \$6,000.00. All voted in favor. A copy of the budget amendment is hereby referenced and made a part of these minutes (Attachment A.)

Other bids submitted include: Stitt's Tree Maintenance in the amount of \$6,750.00; Ace Tree Service in the amount of 6,775.00; and Rocky Top Tree Service in the amount of \$7,200.00.

TOWN FACILITIES
RENTAL FEES AND
POLICIES

Town Administrator Drum reviewed with Council that the town facilities rental fees were discussed at the April 22, 2016 budget workshop. Council needs to decide if it wants to provide a discount for nonprofits and military. It was the consensus to use the current discount. Mr. Drum will present a final rental fee policy for approval in June. It was also the consensus to not provide a discount for residents.

REVIEW OF TOWN
CONTRACTS AND
TOWN LEASES UP FOR
RENEWAL JUNE 1, 2016

Mr. Drum stated that quotes will be provided to the Board for snow removal, town street maintenance, park service, and restroom cleaning at the park in June.

Council Member Banks made a motion to approve a \$2.00 per square foot lease fee for the yearly leases of town property as discussed at the April 22, 2016 budget workshop. Council Member York stated that she had figures that Hildebran Heritage Development Association (HHDA) had made improvements to the Town and donated money in the tune of \$20,501.00 and that the \$2 per square foot charge would increase HHDA's rent from \$1,800 to \$6,194 per year and she felt that was too excessive. Mayor Cook reviewed the current lease rates for all spaces that ranges from \$.58 to \$7.50 per square foot and stated that \$2.00 per square foot for everyone would make it affordable for everyone. Council Member York asked if the suggested increase for HHDA would be affordable to them. Council Member L. Lowman asked if it was fair that East Burke Christian Ministries (EBCM) was paying \$2,400 and HHDA was paying \$1,800 being that EBCM is helping people. He stated that he did not think that was fair.

Mayor Cook stated that the business at hand was the approval of the base rate for annual property leases for everyone at \$2.00 per square foot, not individual leases. Mr. Drum reminded the Board that the rate was based off of current commercial lease rates ranging from \$4.00 to \$7.00 per square foot with a discounted rate to \$2.00 per square foot since the Town property cannot be compared to commercial property. Council Member York asked if the current tenants could not afford to pay the proposed rate, what would the Town do with that property. Mr. Drum stated that that would be a risk the Town would take. Council Member York asked how long the current rates have applied. Mayor Cook stated eight to ten years. Council Member York stated that it has worked out for that long

but now it is not. She stated that she felt the increase is too much for HHDA based on the services they provide for the community. Mayor Cook reminded the Board there is a motion on the floor to approve the \$2.00 per square foot for all yearly lease property. Council Members Banks, B. Lowman and L. Lowman voted in favor of the motion. Council Member York voted against the motion. The motion carried.

Mr. Drum informed the Board that Burke County has submitted a request to the Town to receive a refund for their lease payments for the months of March and April 2016 in the amount of \$800.00 since the building is not able to be occupied due to the fire at the Town Hall complex. Council Member B. Lowman made a motion to refund \$800.00 to Burke County, as requested. All voted in favor.

UPDATE ON
PROPERTIES AT 209A/B
SOUTH CENTER STREET

Town Planner Schotte reported that she had called Ms. Livert to give her an update after the March meeting. The property has now changed hands to Jacomine Properties. Ms. Schotte has spoken to Jeff Jacomine and his intention is to demolish both buildings this week as soon as the natural gas is cut off.

Mr. Drum wanted to clarify that the Board has not decided at this point of any discounts on the annual leases. The only authorized discounts is for the daily rentals.

NEW BUSINESS:
WESTERN PIEDMONT
COUNCIL OF
GOVERNMENTS
TECHNICAL PLANNING
ASSISTANCE
CONTRACT-APPROVAL

The yearly contract with the WPCOG for technical planning assistance was submitted to the Board for approval. Council Member B. Lowman made a motion to approve the contract for the 2016-2017 fiscal year in the amount of \$21,320.00. All voted in favor.

BURKE COUNTY
GRANT MATCH
REIMBURSEMENT
(RICHELIEU)

Mayor Cook reported that the Burke County grant match for Richelieu by the Town needs to be approved. Council Member L. Lowman made a motion to approve the Town's match for the grant in the amount of \$12,500.00. All voted in favor.

FACILITIES REPORT

No report at this time.

MARCH TAX REPORT

Ms. Sanders reviewed the March tax report. A copy of the report is hereby incorporated by reference and made a part of these minutes (Attachment B.)

DEPUTY REPORT
GARY TOWERY

Deputy Towery provided his report for the month of March.

COMMITTEE REPORTS
& UPDATES

Transportation Advisory Committee (COG) – Mayor Cook reported that the committee approved the Inside Planning Work program. The committee made an amendment to the CTP for the City of Morganton in which a road was removed. In regards to the Metropolitan Transportation Plan, monies were approved for a large road project in Claremont.

WPCOG Policy Board –No report at this time.

Burke Economic Development Representative – Mayor Cook reported that the meeting was held in closed session. There are three businesses that might be coming to the County, one on the West end and two on the East end.

Recreation and Tourism Committee – No report at this time.

VEDIC – Mayor Cook reported that the committee thanked Hildebran for its support this year. It closed \$681,000 in loans the past year which resulted in the creation of 313 full-time jobs and 141 part-time jobs.

Water Resource Committee – No report at this time.

BUDGET AMENDMENT
FOR FIRE-RELATED
EXPENDITURES

Mr. Drum reported that there are invoices submitted in regards to fire cleanup and security that totals \$208,529.42. A budget amendment was submitted for \$210,000.00. The large invoices are for cleanup at Town Hall, security and for the elevator repair. The Town will need to pay for the invoices and then the insurance company will reimburse the Town. Council Member Banks made a motion to approve the budget amendment in the amount of \$210,000. All voted in favor. A copy of the budget amendment is hereby incorporated by reference and made a part of these minutes (Attachment C.)

Mr. Drum asked which invoices the Board wished to pay immediately. Council Member York asked if there was an advantage to paying now. Mr. Drum stated that if you pay on time, you do not risk a lawsuit and suggested that the invoices be paid for reimbursement. He stated that not all expenses will be reimbursed. Council Member York made a motion to pay all the invoices. All voted in favor.

OTHER BUSINESS

Attorney Dill stated that in the event that The Grounds Keeper cannot provide the proper insurance to remove the trees in the park, the Board can direct staff to contact the second lowest bidder with the proper insurance. Council Member York amended the motion by the Board to direct staff to award the tree removal at the park contract to the second lowest bidder,

providing proper insurance coverage, if The Grounds Keeper cannot fulfill the insurance requirement. All voted in favor.

ANNOUNCEMENTS

Council Member Banks recognized and thanked Heidi Punt, Pastor at Christ United Lutheran Church in Granite Falls. She arrived late and was unable to lead the prayer.

PUBLIC COMMENT

Richard Bell submitted an application for the vacant Town Council seat, reviewed his background, and gave his views of the operations of the Town.

Elsie Childres stated that the Board is acting without getting input from the residents.

Wendell Hildebrand asked for the public comment to be moved to the beginning of the meeting. He expressed his displeasure with the Board purchasing the bank building and not funding the pool.

Troy Smart spoke about HHDA and the old school building. He stated that the potential rent increase to HHDA is unfair.

Shana G. Packer read a list of contributions that HHDA has provided to the Town and other community services over the years and expressed her views of the Town's spending.

Stephanie Higdon discussed her feelings about the Board not listening to residents regarding the old school building and does not want the Board to purchase the bank.

Ben Honeycutt requested that his comments be entered into the minutes, Council took no action. He asked that the Board start listening to the citizens' wishes and stop trying to bankrupt the Town.

Charlie Abernathy stated that he had bought a piece of property to start a small car lot. Ms. Schotte stated that the potential business is in an area that does not allow businesses. The Board instructed this issue to be brought before the Planning Board.

ADJOURNMENT

All business being concluded, Council Member Banks made a motion to adjourn at 8:18 p.m. All voted in favor.

I attest these are the approved minutes of the Board.

Alice Sanders, Town Clerk

Virginia Cook, Mayor