

February 25, 2016

A Special Meeting of the City Council of the City of Hickory was held in the Highland Recreation Center Community Room of the Highland Recreation Center on Thursday, February 25, 2016 at 1:50 p.m., with the following members present:

Brad Lail	Rudy Wright	Hank Guess
	Aldermen	David P. Zagaroli
Danny Seaver		Jill Patton

A quorum was present.

Also present were: City Manager Mick Berry, Assistant City Manager Rodney Miller, Assistant City Manager Andrea Surratt, Governmental Affairs Manager Yaidee Fox, and City Clerk Debbie D. Miller

Staff Present: Parks and Recreation Director Mack McLeod, Public Services Director Chuck Hansen, Planning Director Brian Frazier, Communication Specialist Policy Analyst Sarah Prencipe, Communications, Marketing Manager Dana Kaminske, Human Resources Director Claudia Main, Executive Assistant Cari Burns, Finance Officer Melissa Miller, Budget Analyst Cameron McHargue, Fire Chief Fred Hollar, and Police Chief Tom Adkins

Freese Nichols Present: Charles Archer and Mike Wayts

Bond Implementation Commission Present: Burke Wyatt, Chair, James Tilton and Cliff Moone

Catawba County Economic Development Corporation Present: Scott Millar, President

- I. Mayor Pro Tempore Lail called the meeting to order. All Council members were present except for Alderman Tarlton, with the arrival Mayor Wright at 2:10 p.m. and Alderman Zagaroli at 2:25 p.m.
- II. Discussion of Project Management & Timing of Bond Project

City Manager Mick Berry recognized Bond Implementation Commission members in attendance Burk Wyatt and James Tilton, and Cliff Moone, Hickory Daily Record Reporter K.J. Hiramoto, and Charles Archer and Mike Wayts from Freese Nichols. He advised that Mr. Archer and Mr. Wayts would walk through the projects, layout everything, and give City Council a week to think about their options in proceeding. After a decision is made then they would be moving forward working with the Bond Commission to select a designer.

Mr. Charles Archer displayed charts to Council. He advised that he and Mr. Wayts would discuss with Council the adopted recommendations and how to schedule them –as well as each -project and its moving parts. -. He provided a handout to Council and advised that Mr. Wayts would discuss the projects' schedules from the starting date, to the day of ribbon cutting. The handout reflected - icons on the left which indicated steps in the projects and the purpose, and a table on the right which indicated who would be taking the lead for those particular items. Mr. Archer discussed each of the steps and the purposes-. City Staff Meetings, update City Staff on progress of program following Freese Nichols' meeting with design and construction teams, lead taken by City Staff and Freese Nichols. Chair/Vice Chair Involvement, the Chair and Vice Chair of the appropriate Bond Commission Subcommittee, along with either the Chair or Vice Chair of the Bond Commission (total of 3 Bond Commission members) will be involved in this interview process, lead taken by City Staff, Freese Nichols, and Bond Commission. Grant Deadline, deadline to submit a grant for possible funding, plenty of time will need to be planned for before the deadline to prepare the grant submission. Grant Award Announcement, when it is actually announced who was awarded the grant funding. Design Progress Meeting, design consultants will be required to provide project updates in accordance with a program template. Any project or coordination issues will be discussed at this meeting, including, but not limited to: schedule, budget, regulatory coordination, general direction of design, decisions, issue resolution, etc. All detailed design questions should be handled at the milestone review meetings, lead will be taken by Freese Nichols and design/construction teams. Council/Bond Commission Meeting, to help keep the Bond Commission involved and energized, they will meet directly before the public meetings, lead taken by City Staff, Freese Nichols, Bond Commission, City Council, and design/construction teams. Public Meetings to gather public input on direction of design, lead taken by City Staff, Freese Nichols, design/construction teams and citizens. Groundbreaking to celebrate the start of construction and keep citizens excited about progress of the program, lead taken by City Staff, Freese Nichols, Bond Commission, City Council, design/construction teams, and citizens. Construction Progress Meeting, contractors will be required to provide project updates in accordance with a program template. Any project or coordination issue will be discussed at this meeting, including, but not limited to: schedule, budget, regulatory coordination, submittals, change orders, decisions, issue resolution, etc., lead taken by Freese Nichols and design/construction teams. Ribbon Cutting to celebrate the completion of a project and keep citizens excited about progress of the program, lead taken by City Staff, Freese Nichols, Bond Commission, City Council, design/construction teams, and citizens. Milestone Review, there will be a workshop with City Staff and Freese Nichols to review all comments and combine them into one set of comments for the design consultant. Freese Nichols will then provide the consultant with the final set of comments and answer any questions they may have, lead will be taken by City Staff and Freese Nichols. Council Decision, decisions needing City Council approval usually required to go through two readings for approval, lead taken by City Staff and City Council. Council/Bond Commission Quarterly Update, regular update to keep City Council and Bond Commission informed of program progress, lead taken by City Staff, Freese Nichols, Bond Commission, City Council, and citizens.

February 25, 2016

Alderman Lail asked why Council needed Freese Nichols to add another layer to the design and construction progress.

Mr. Archer advised that Freese Nichols would coordinate with all the designers on all of the projects at the same time.

Mr. Mike Wayts commented for management and oversight.

Alderman Lail questioned Freese Nichols level of involvement and the cost associated.

Mr. Wayts discussed the nine project schedule beginning with the City Walk in detail. The process would begin with hiring a designer, putting out RFQ's which Freese Nichols would take the lead in developing. City Council would be given the design firm's documents for consideration, estimated timeframe of six weeks for evaluation of different proposal for the City Walk. The design firms would then be narrowed to 3 or 4 and those would be interviewed, giving them 1 to 2 weeks to put together a presentation. Those would be scored collaboratively and one selected. Freese Nichols and staff would negotiate appropriate scope and negotiate the fee and a contract. The contract then would be sent to City Council for their approval. The process would be the same for both the Riverwalk and the City Walk. Once a designer is on board there would be a kickoff with the Bond Commission. There would be back to back meeting with each project. There will be issues throughout the design/construction life of the projects. Reports will be available once a month to Council from Freese Nichols, and they will stay on top of it.

Mr. Wayts discussed the milestones. At the 30 percent milestone review they would have the basic sheets, layouts, and unforeseen items. At this point there would be different options. At the 40 percent milestone a request would be made for the input from the Bond Commission. City Council and the Bond Commission would have a meeting and discuss how to present it to the public.

2:10 p.m. Mayor Wright arrived.

Alderman Guess asked at this point, what would be the likelihood that they could still change something.

Mr. Wayts advised that there were three opportunities. At the kickoff meeting Freese Nichols will supply all of the information from the Bond Commission and City Council and advise what the vision is. There will be an opportunity for change at the 40 percent meeting. There will also be specific things at the 40 percent meeting that they will need feedback on. The next milestone will be at 60 percent. At this point they have added additional sheets and design details; enough detail to approach regulatory agencies and utility conflicts at locations in the area. City Staff will also identify other conflicts. At the 80 percent milestone they will come in and present overall progress and the public will review landscaping types, colors, and features. At the 90 percent milestone there will be a complete set of plans and a contract. At the 80 to 90 percent milestone, there will be an engineering workshop; probably a half day workshop. He advised that the permit phase overlaps the design phase. Norfolk Southern will be the most complicated on this project. He advised it would be good to have final permits, if possible, prior to the bid phase. The selection of the contractors would be similar to the design selection. The bids would be submitted, references checked, and appropriate responses checked. Once the contractor is selected, the construction phase would go through the same process as the design phase.

Alderman Lail expressed concerns about the 18 month timeframe for design. He felt that was a long time.

Mr. Wayts advised that the City Walk had a lot of moving parts and so many pieces, utility conflicts and dealing with Norfolk Southern Railroad. They want to show Council realistic schedules, but that will fluctuate. Norfolk Southern Railroad could take as long as a year.

Mr. Archer commented that Norfolk Southern Railroad responds when they want to.

Mr. Wayts advised that they will have to pay a consultant to deal with Norfolk Southern Railroad.

Alderman Guess asked what if they got into it and Norfolk Southern derailed the whole thing.

Mr. Archer advised they had three meetings with them and the railroad would be gaining public safety from this project.

Alderman Lail wanted a shorter design process. He suggested chunking it up, start with Union Square, a concurrent process and everything else staged to come behind it.

2:25 p.m. Alderman Zagaroli arrived.

Mr. Wayts commented that different contractors and designers would be added cost, but they could break ground sooner. He discussed the timeline on the three gateway projects, which was shorter than the City Walk; approximately six weeks for Freese Nichols to review.

Alderman Guess questioned if the City Walk was the largest project.

Mr. Wayts confirmed that it was.

February 25, 2016

Mr. Archer advised Council they had four or five firms contacting Freese Nichols to check on the status of the project.

Mr. Ways commented that a smaller firm could handle the gateway projects.

Alderman Zagaroli questioned the scope of the gateway.

Mr. Ways advised US 70 and Highway 321, US 321 and Clement Boulevard, Lenoir Rhyne Boulevard and Interstate 40. Some elements had been proposed.

Mr. Archer advised that the Inspiring Spaces document contained examples of what the gateways would look like.

Mr. Ways reiterated that this was a realistic schedule as a starting place.

Alderman Seaver commented that they were mapping out the playing field.

Mr. Ways estimated the gateway projects could complete by the end of the second quarter in 2017, starting April 1st, and a six month design window.

Alderman Lail commented that there was not a whole lot to meet about on the gateways.

Mr. Ways advised coordination with the Department of Transportation. The gateways would have different elements, for example the Highway 321 and Clement Boulevard gateway would have a ballfield element. Mr. Ways commented that regarding the Riverwalk, the permitting through Duke could take up to a year. The FERC process and core of engineers could take more than one year. The design consultants would take the lead on the permits.

Alderman Lail questioned why they had to go through the FERC process if Duke Energy controlled the lake.

Mr. Ways advised that if you encroach upon Duke's limits, you have to submit a request through the FERC process.

Mr. Archer interjected that there were 11 agencies that had to be on the same page. Duke has to submit to FERC as part of their license for public projects.

Public Services Director Chuck Hansen advised that it is different than a dock, it is for anything in their license boundary.

Mr. Archer advised that the Town of Cramerton just did a project and they had to go through FERC.

Mr. Ways commented there would also be coordination with the Lackey project and the Department of Transportation (DOT) Highway 321 Bridge project.

Alderman Guess questioned the timeframe of the bridge.

Mr. Ways advised 2020 or 2021. Highway 321 after the bridge is not funded. Groundbreaking approximately 2018.

Mr. Hansen responded 2018, 2019 and 2020 would be right of way acquisitions, and 2021 construction.

Alderman Seaver questioned if the City would have any input on that bridge.

Mr. Ways advised they had meetings with DOT about the bridge, the possibility of parking underneath, and they seemed okay with it.

Alderman Seaver wanted to know the height of the bridge, and what the Riverwalk might look like from that elevation.

Alderman Zagaroli questioned if they would be keeping the old bridge.

Mr. Ways commented that they may agree to the City taking over the maintenance on the old bridge for a pedestrian bridge. He advised the schematic designs were out for public comment.

Mr. Archer advised that the Riverwalk would connect to that pedestrian bridge.

Mr. Ways continued the discussion with P3's and the need for access roads and parking lots.

Mr. Berry commented that the City could look at - P3 opportunities for some type of commercial entity to come in. The City would need to be in that type of process to engage the market. That is not going to happen until the Riverwalk is built. He questioned how the bridge would affect the visual, and the rest of the park. Do you go forward with the Riverwalk straight forward, and stub out for a P3? A P3 passive recreation space? Build up the Riverwalk in terms of connectivity and a few years of public/private partnership might help with scheduling of all of these things. He felt it was more practical from a market driven approach.

Alderman Seaver agreed.

Mr. Berry commented tie into the dealership, part of the trigger to development.

Alderman Lail commented have flexibility.

Mr. Wayts discussed the Lenoir Rhyne Boulevard project which would take coordination with DOT. They had also looked at the TIGER grant as well. The Riverwalk and City Walk connections combined into one would save money with the design process and save time.

Alderman Seaver advised the Bond Commission was pushing connection.

Mr. Wayts advised that on Old Lenoir Road, the Carolina Thread Trail and TIGER grant was also an opportunity.

Mr. Archer commented that the overall program would require lots of meetings, coordination, and thousands of documents. He presented charts to Council and explained the nine projects on the left, each project had the same steps with a timeframe of four years or 48 months. The top grid showed the different types of meetings. He mentioned the significant impact that it would have on everyone's workload. All of the projects starting at once, with the exception of the gateway at Lenoir Rhyne Boulevard and Interstate 40, which was confined by DOT. He advised that starting all of these projects was not realistic. It would be too much to manage and the more stacked the higher the likelihood that something would fall through the tracks. It would be a challenge.

Alderman Zagaroli asked if they had considered priorities.

Mr. Archer advised that a slightly staggered schedule would be four projects in 2016, staggered four the first year, three the second year and two the third year. All nine projects would be in different stages in year two. He stated that was not practical. It speeds it up, but it is a lot to try and accomplish. He did not recommend this option. He discussed three projects in 2016 which would span over the course of five years and the seven or eight other projects that are currently going on: Kiwanis Splash Pad Project, Friends of Hickory Park, parking lot at the tennis courts, Bruce Meisner Park, Lackey Project, wayfinding, and downtown streetscape upgrades. The City Walk would take the longest, and the gateway project would be the shortest, possibly a year from now. The Riverwalk would be staggered back four to five months. He commented three projects, three designers, three contractors, combine and save time. This was their recommendation.

Mr. Wayts commented add a few months to the design process, more pieces, design firms, and contractors.

Mr. Archer advised eight to nine months difference in time, it spreads the workload. He commented that there will be some variations of give and take throughout the process.

Mr. Wayts interjected that a realistic schedule was five years for \$35 million dollars.

Alderman Patton and Alderman Zagaroli liked Freese Nichols recommendation.

Alderman Patton wanted to combine the three together to save time and money.

Alderman Seaver like Mr. Berry's recommendation regarding the P3's.

Mayor Wright questioned what would be out of the ground in 2016.

Mr. Wayts advised Mayor Wright of the projects for 2016 while the design process was going on.

Mr. Berry commented that once they got started that they had to keep on going.

Alderman Guess liked Freese Nichols' recommendation as well.

Council and Staff took a short break at approximately 3:05 p.m. and returned at 3:25 p.m.

The next item of discussion was Non-Bond Projects Cash Flow and Reserves. Mr. Berry presented a PowerPoint Presentation with a list of projects. He asked Parks and Recreation Director Mack McLeod to the podium to discuss the Lackey Project, Kiwanis Splash Pad, Bruce Meisner Park and City Park – Tennis Courts.

Parks and Recreation Director Mack McLeod began his presentation with the Lackey Project. The Lackey family is to donate \$5 to \$7 million dollars for a memorial in Rotary Geitner Park. The plans are to construct a lake house, performance dock, amphitheater, conservatory, canopy walk, gardens, and an overflow parking lot. Discussions are underway with Tunnel-Spangler-Walsh (TSW) to design both the Lackey and City portions of the project. The estimated City cost of \$750,000 is for a driveway, parking lot, restrooms, canoe launch, boat dock and fishing pier. The operation and maintenance costs are unknown at this point. City Council can move forward with appointing their three members to the Conservancy.

Discussion ensued about the process for choosing the City's three representatives on the Conservancy Board. Mr. Berry advised that the Lackey's had four appointments to make to the Board. Alderman Lail suggested possibly a Subcommittee of City Council to bring forth a slate of candidates. Alderman Guess suggested calling Mr. Lackey to see if he had more than four people that he felt was qualified to serve on the Board and perhaps those names could be considered by City Council.

Mr. McLeod continued his presentation with the Kiwanis Park Splash Pad. The splash pad was a public/private partnership with the Hickory Kiwanis Club, the Kiwanis Club of Western Catawba County and the City of Hickory. The City would own and maintain the splash pad as an addition to park operations. City Council had wanted the "Wow" factor like the Zahra Baker Park. City Council approved a project cost not to exceed \$300,000 with the Kiwanis Clubs raising \$100,000. A Memorandum of Understanding was signed with the Kiwanis Clubs. The anticipated completion date of the splash pad is June 2016.

Alderwoman Patton asked how much money that the Kiwanis Club had raised.

Alderman Seaver commented they had \$20,000 to \$25,000 in pledges.

Mayor Wright commented that they had \$20,000 and would exceed the \$100,000.

Mr. McLeod stated that on February 16, 2016 City Council had approved a utility upgrade that was tied into the splash pad project. It would be on for second reading on March 1, 2016. He showed a photo of the splash pad and pointed out the seat wall and the "Wow" factor which was the super splash bucket.

Mr. McLeod continued his presentation with the Bruce Meisner Park. City Council had accepted the updated master site plan and the name change to Bruce Meisner Park at their February 16, 2016 meeting. The original master plan was for 63 acres and was completed in 2009 with a total project cost estimate of \$2.9 million dollars. In 2015, North Carolina Outward Bound donated \$900,000 to the City to add the 10 acre commercial tract back into the park. The original master plan was updated to incorporate the 10 acres into the master plan. On January 12, 2016 the Parks and Recreation Commission accepted the updated plan and City Council accepted the updated plan at their February 16, 2016 meeting. The total project cost estimate was \$3.9 million dollars. Phase 1 development, which is access from Cloninger Mill Road, is estimated at \$2.3 million dollars. The \$900,000 was received from North Carolina Outward Bound and is solely designated for park design and development. The project design work could be done in FY2016-2017. Mr. McLeod showed a map of the updated master plan.

Mayor Wright asked about the sign for the park.

Mr. McLeod advised that he was working on it and they should have a sample next week. He continued his presentation with the City Park Tennis Courts. On April 7, 2015 City Council approved a ten year Priority Use Agreement with Greater Hickory Tennis Association (GHTA). Greater Hickory Tennis Association will contribute a minimum of \$125,000 to the City. Funds raised by GHTA in excess of the minimum commitment level would be applied towards the City's funding commitment. The project will include construction of a 122 space paved parking lot including clearing, grading, paving, striping, curb and gutter, concrete walkways, storm drainage and landscaping; the removal of an existing picnic shelter and restroom facility and construction of a new picnic shelter, restroom, meeting room facility, which would be located adjacent to the tennis courts. Area lighting would be installed by Duke Energy. The original cost estimate was \$574,000, \$125,000 funds from GHTA, and \$449,000 City of Hickory funds. That would increase parking from 20 spaces to 80 spaces, all on one level, with a new picnic shelter, restroom, and meeting room facility located at the tennis courts. Updated cost estimates of \$915,000, \$125,000 GHTA funds, and \$790,000 City of Hickory funds. This would increase parking from 20 spaces to 122 spaces on a tiered layout similar to stadium parking at Winkler Park. Cost estimate new picnic shelter, restroom, meeting room facility were based off bid cost for a similar facility being constructed at Hickory Optimist Park. Construction can be accomplished in two phases: Phase 1, construction of 80 paved parking spaces, associated landscaping, walkways and the picnic shelter, restroom, meeting room facility at a cost estimate of \$773,000. Phase 2, construction of 42 paved parking spaces, associated landscaping and walkways at a cost of \$142,000. Mr. McLeod showed the original site plan pointing out 12th Street Drive NW. He advised that this would be all one level. He showed a revised site plan and pointed out the location of the 60 and 20 parking spaces. He also advised of eight spaces that were wider to allow access to the bikeway. He showed the parking space in Phase 1. He pointed out the 10 foot trail that lead down to the P3 projects. He advised that the intent of the increased parking from the original plan was to assist with required parking needs or demands for both the improvements being made at Rotary Geitner Park by the Lackey Family and the addition of the future Riverwalk.

Alderman Seaver commented that was a lot of grading.

Mr. McLeod advised that is why the cost had gone up.

Alderman Lail advised that he was not inclined to phase this project. He was supportive of the added parking.

Mr. McLeod commented that he was showing this to Council as an option.

Alderman Seaver asked if there was a high demand for the tennis courts.

Mr. McLeod replied that there is a strong tennis program. Since Kathy Kim had become involved the tennis program had exploded. Lenoir-Rhyne had requested to play matches there but they were unable to accommodate them.

Alderman Guess questioned if the estimates included gating and lighting.

February 25, 2016

Mr. McLeod confirmed they did. He advised that the Greater Hickory Tennis Association had made their first installment of \$50,000. He felt like interest would increase.

Planning Director Brian Frazier came to the podium to discuss Streetscapes/Zoning Overlay Consultant. He advised the estimated cost of \$150,000 was for improving nine streetscapes. The goal is to strengthen existing site design standards for private development in the nine corridors where streetscape improvements are planned. . The overlay will assist in the creation of a more aesthetically pleasing design for private development. Coordination on lighting, landscaping, improved signage design and placement, building façade, and more efficient ingress and egress. Staff received five statements from RFQ's and is currently interviewing three design landscape planning firms to design guidelines for overlay districts. He showed an example.

Alderman Lail questioned the funding of the planned corridors.

Mr. Frazier advised that four of them were funded and five were not.

Alderman Lail asked if the Planning Commission was aware of this.

Mr. Frazier advised that they were aware of the interviews with the consultants.

Alderman Lail questioned if there was pushback from areas not getting streetscapes.

Mr. Frazier advised that the areas were new development and redevelopment.

Public Services Director Chuck Hansen came to the podium to discuss the Sandy Ridge Road Roundabouts planned at the intersections of Sandy Ridge Road and 29th Avenue NE and 16th Street NE, 8th Street Drive NE and 21st Avenue NE to relieve traffic congestion. The City received a Congestion Mitigation Air Quality (CMAQ) grant in the amount of \$3,701,126 for fiscal year 2016/2017. This area originally was designed to add lanes at both of these intersections, but due to right of way and utility relocation costs, roundabouts were selected. The estimated project costs is \$4,626,408 with a 20 percent match by the City of \$925,282. Mr. Hansen showed a map of the area pointing out the location of the roundabouts. Installation of the roundabouts will save work along Sandy Ridge Road. There will be some utilities to relocate and intersection improvements. The roundabout at Sandy Ridge Road and 29th Avenue Drive NE will be two lanes. He displayed a chart of the anticipated timeline. Right of way acquisitions should occur in 2016/2017, advertise for contractors in 2017, and construction between 2017/2018. He advised that the final finished design was being done in house by the City's Senior Civil Engineer Rick Patton. We are leveraging City monies against Department of Transportation monies.

Alderman Seaver asked if the area would contain plantings.

Mr. Hansen advised that landscaping would be part of that, but there were limitation on what could be used in the location. The interior area of the roundabouts would have some landscaping.

Alderman Guess questioned if the money had been secured.

Mr. Hansen confirmed that the Department of Transportation money was secured. He showed a chart of the project budget: Roadway Construction Cost: \$1,863,524.20; Right of Way Acquisition Cost: \$1,722,459; Utility Relocation Cost: \$660,824.30; Administration Cost: \$379,600; Project Total: \$4,626,407.50; 80 Percent Grant Funds: \$3,701,126 and 20 Percent City of Hickory's Responsibility: \$925,281.50. The City will be responsible for the relocation of the utilities. He pointed out that the administrative cost was to the Department of Transportation for overseeing the project.

Alderman Guess asked if there would any loss of businesses for this project.

Mr. Hansen advised there would not be, the front yards would just be closer to the businesses.

Assistant City Manager Andrea Surratt came to the podium to discuss wayfinding and gateways. She advised that the wayfinding system of signage is to help people find their way. The Department of Transportation is allowing cities to do this on their own right of ways. The original program has been in place for a number of years, it was developed in 2008. Mrs. Surratt displayed a map of the major gateways in the City and pointed out the entry points that were originally used. They had worked with various organizations to develop what would go on the signage. She showed examples of the signage. The first example listed four public destinations. The signs are varied in height and size. The example of the downtown sign had additional signage to indicate a parking area location. She discussed the variations of the size of the signs and advised there would be a seven foot clearance underneath. The program would install a total of 97 signs. The largest signs would be located closer to the Interstate highway, 20 feet tall with the pole and a 10-12 foot sign face. Most other signs would have a 6-8 foot face. She advised that Frazier Associates had designed the signs, and the design had evolved with the branding. It was very classic, met the sign guidelines, had a round black fluted pole, clam shell base, and a blue back with a leaf on the back. The signs did not say Hickory, because they didn't feel the need for that. They wanted the signs design to be timeless and not look dated.

Mayor Wright asked who had installed the signs in Morganton.

Mr. Hansen advised it was done by various people.

February 25, 2016

Mrs. Surratt advised that the estimated cost of this project was \$800,000 for materials, fabrication, and foundation structure which is a concrete base. The bids should be coming back in April and should be on a City Council agenda in May. The fabrication will be finalized with the Department of Transportation. There will need to be easements, permits and inspections for this project. She showed an example of the sign at a street level scale.

Alderman Lail was concerned that the people using the signs might not know they are in Hickory. He suggested maybe putting that on the trailblazers. He commented that people might not connect the leaf with the Hickory brand.

Mrs. Surratt advised that there were five gateways in the program. Some of the existing signs are being refurbished and are not part of this program. The big gateways are Highway 321 and exit 125 off of Interstate 40.

Assistant City Manager Rodney Miller came to the podium to discuss Capital Projects for 2016. The committed projects included:

Lackey Project, project cost \$7,000,000, estimated City cost \$750,000
Kiwanis Splash Pad, project cost \$300,000, estimated City cost \$200,000
Sandy Ridge Road Roundabouts, project cost \$4,626,408, estimated City cost \$925,282
Bruce Meisner Park, project cost \$3,928,004, estimated City cost \$3,028,004
City Park – Tennis Courts, project cost, \$915,000, estimated City cost \$790,000
Streetscapes/Zoning Overlay Consultant, project cost \$150,000, estimated City cost \$150,000
Wayfinding/Gateway, project cost \$800,000, estimated City cost \$800,000
Other Infrastructure Demands, project cost \$750,000, estimated City cost \$750,000

Total Project Costs: \$18,469,412 Estimated City Cost \$7,393,286

Mr. Miller advised that the change in the City Park Tennis Courts was an extra \$300,000. As of June 30, 2015 the City's unassigned Fund Balance amount was \$1,972,445 or 33 percent. He advised that there were three areas that were committed fund balance which were parking, District Court and miscellaneous capital and two areas in restricted Fund Balance which were Bruce Meisner Park and Kiwanis/GHTA. The total for unassigned, committed and assigned Fund Balance was \$4,102,064. Restricted Fund Balance totaled \$1,125,000. He commented that it is City Council's policy to maintain 25 percent in Fund Balance. Mr. Miller advised that police vehicles and fire trucks were part of the general Capital Reserve and were not included in the totals.

Mayor Wright questioned the estimated cost in 2017.

Mr. Miller referenced the Bruce Meisner Park estimates \$2.9 million versus \$3.9 million in 2016. The ten acres that were not going to be developed added an extra \$1,000,000.

Alderman Lail questioned if Fund Balance would increase for 2016.

Mr. Miller commented that assuming the same revenues it would be between \$1 to \$1.5 million dollars.

Alderwoman Patton felt that they should be conservation about spending the money.

City Manager Mick Berry commented that they were showing this to Council so they could make decisions about the timing of the projects. What do we trade off? What do we postpone? We hope to have some great economic development opportunities along City Walk which will likely require some City participation for projects to work. Is there opportunities for new headquarters, or other economic and redevelopment projects?

Mr. Miller advised that there would be a sizeable decrease in debt in FY2017/2018.

Mayor Wright commented that this was for City Council's consideration for them to mull over.

Alderman Zagaroli commented that they may be able to sale the old fire trucks.

City Manager Mick Berry continued the presentation with "Bringing it all Together; Bonds and Non-Bond Projects". He advised that the City would need sufficient reserves to cover bond costs before the issuance. City Council could tap into General Fund balance two to three percent to equal \$1 to \$1.5 million dollars, which for FY2016/2017 General Fund balance would be 22 to 23 percent. They could anticipate two bond issues, depending on the project timing. The first issue Spring of 2018. Tax increase would be planned in July 2018 (5 cents) to start making payments. The reserves would be down for one year.

Alderman Lail suggested a short term line of credit borrowing versus being exposed to a disaster.

Mr. Berry commented City Council could use the City's cash or someone else's.

Alderman Lail commented that you wouldn't draw it until you have to pay the bill.

Mr. Berry commented depending on how much Fund Balance that is put back they may not go down below the 25 percent. It might happen.

February 25, 2016

Alderman Lail commented that the design fees and Freese Nichols were the two main expenditures for the bonds.

Mr. Miller advised that the City also has the non-bond projects.

Mr. Berry advised that Staff wanted a sense of consensus of City Council. There is going to be things that they do not anticipate and want the planning to be as crisp as it possibly can be. Mr. Berry discussed the next steps that City Council would discuss at their March 3rd workshop: Finalize Project Management and Timing of the Bond projects; Finalize the Non-Bond projects and Funding; Consensus on Cash Flow plan; Bond Counsel; Crafting Hickory Overview, he advised that there would be an advertisement in Sunday's Hickory Daily Record with information on that; and Legislative Issues, which Governmental Affairs Manager Yaidee Fox would update City Council. Mr. Berry discussed upcoming things within the next 60 days: Appropriation of Wayfinding and Zoning Overlay; appointment of Conservancy Board; Appropriation for 1764, with a scheduled joint meeting with Catawba County on March 21st; the City Manager will approve the splash pad installation contract and the TSW contract associated with the Lackey project, which the City cannot control the timing of that, they are the contracted designer for that project and the City can't do their piece until the Lackey's do their piece.

Alderman Seaver questioned if there was anything for City Council to approve at their next meeting.

Mr. Berry advised not on City Council's next agenda.

Catawba County Economic Development President Scott Millar discussed Park 1764, a Class "A" Business Park. He advised that this type of park does not exist between Charlotte and Asheville. It takes a lot of time and effort to design a Class "A" Park. The asking price for property in this type of park could be as much as \$60,000 per acre. The first phase for Park 1764 would be a grand entrance between silos that exist on the piece of property. Currently the property doesn't have any of the "feel good" attributes in making this a Class "A" Business Park. This phase would also include the installation of fencing and landscaping. Mr. Millar showed a drawing of the proposed park and pointed out where berms would be placed on the Startown Road side of the property, which is the marketing side entrance. The berms and landscaping feature would be similar to the property owned by Sarstedt. There would be a buffer to the northeast to protect that area as well. Currently on the Robinwood Road side there is no landscaping at all in that area. They would not develop an interior roadway at this time. They would install sewer to the central part of the park and storm water retention. Mr. Millar showed an estimate summary for Park 1764's entrance, landscaping, berming, wastewater, and storm water improvements. He advised that he had blocked out the widening of Startown road which reduced the overall cost. The request from the City of Hickory was \$1,460,720 and the other half would be leveraged from Catawba County.

Alderman Seaver asked if they were backing away from spec buildings.

Mr. Millar commented that they are not considering that right now.

Alderman Lail questioned the installation of the sewer and the storm water since the land is under option and had not been purchased yet.

Mr. Millar commented that the large basin offers storm water capabilities for everybody.

Alderman Seaver commented makes it attractive to a potential buyer.

Alderman Guess questioned the cost of the sewer installation.

Mr. Berry advised that it follows the creek line.

Mr. Millar advised the cost was \$360,000. He commented that this plan shields residences along Startown Road. He also advised that there was some rental houses and it would take additional money to get those out.

Alderman Zagaroli questioned if there had been any interest in the property.

Mr. Millar commented some interest, more project activity than over the last year. He was hesitant bringing the plan to the City of Hickory before he knew what was happening. There would be a presentation to the County Commissioners on March 21st. He advised that the estimate summary did not include three other items which were interior road network, interior water network, and acquisition of property. They hope to pass the cost on to the buyer. The purchase price was \$25,000 per acre and they hope to sell it for \$60,000 per acre.

Alderman Zagaroli questioned how long the option was for.

Mr. Millar advised it was for another six years.

Mayor Wright thanked Mr. Millar. He commented that the surplus in the Fund Balance was good, and building permits were up in the City of Hickory. He commented right place right time, or plan coming together, encouraging signs.

III. There being no further business, the meeting adjourned at 5:03 p.m.

February 25, 2016

Mayor

City Clerk