

MINUTES  
REGULAR MEETING  
CITY COUNCIL

March 1, 2021

Ronnie Thompson, Mayor

Sally W. Sandy, City Manager  
Louis E. Vinay, Jr., City Attorney

Wendy Cato                    )  
Christopher Hawkins ) Council  
Chris Jernigan                )  
Butch McSwain                )

Interpreters  
Danette Steelman-Bridges  
Ernest Williams, IV

I. Call to Order in the Council Chamber at City Hall at 6:00 p.m.

II. Public Comment – The Mayor stated the guidelines for public comment and said speakers were to be called in order of sign-up for those who appeared in person; however, due to COVID-19 the Council was still accepting public comments via email, U.S. mail, or hand-delivered letters.

No speakers signed up, appeared, or sent letters/email.

III. Pledge of Allegiance to the Flag – The Pledge was led by Councilman Hawkins.

IV. Invocation – The invocation was given by City Attorney Louis Vinay.

V. Introduction of Council – The Mayor introduced Council and staff.

VI. Retirement Resolution

•The Mayor read a resolution honoring Ronnie D. South who retired from the City of Morganton on March 1, 2021, with 15 years and 4 month's service. South retired from the Water Resources Department as Senior Distribution & Collection Systems Operator. Councilman McSwain presented the resolution to retiree South.

South reflected on his years of service with the City. He stated his appreciation of support through the years with special thanks to Brad Boris, Ronnie Suttles, Will Ellis, and Trey Price. He also expressed appreciation to Kathy Anthony for her help in the retirement process.

Upon motion by Councilwoman Cato, seconded by Councilman McSwain, and carried unanimously, the Council adopted Resolution #21-09 honoring retiree Ronnie D. South.

VII. Service Pins – The Personnel Committee and City staff have decided to recognize long-term employees for years of service at a Council meeting.

- Billy Costner is employed in the Electric Department as Lead Line Clearing Crew with 20-years' service. Costner was unable to attend the meeting and his supervisor will present Costner with his service pin at a later time.

- Mike Foust is employed in the Recreation Department as Aquatics Supervisor with 20-years' service. Foust was unable to attend the meeting; his supervisor will present his service pin to him at a later time.

VIII. Public Advocacy Issues and Strategies

The City Manager introduced Kate Setzer as the newly named Assistant Finance Director and asked Council to recognize her as Deputy Finance Officer in order to carry out those duties. The Mayor welcomed Kate to her new position.

a. Courthouse Square Project Update – Sharon Jablonski, Director of Cultural and Creative Development, presented an update on the Courthouse Square renovation project. Jablonski shared some photos of the work in progress. Jablonski stated at a recent construction meeting she was told the project is about 30-days behind on the site preparation because of rain and continued wetness. She stated work inside of the building continues. She assured citizens that trees will be replanted on the Square and will be as large as possible; further stating that many of the existing trees were either dead or dying due to age.

b. College Street Redesign Presentation and Notice of Public Meeting – Development and Design Director Phillip Lookadoo stated this project is a Locally Administered Project (LAP) using a grant of \$3.3 million with the City matching 20%. This is a redesign of College Street reaches from North Green to Fleming Drive, eventually tapping into the State properties Broughton, NCSD, and NCSSM. It will also tie into the Greenway system at North Green Street.

A short video by project engineers Gannett Fleming was presented. Lookadoo announced that a Public Input Meeting would be held on Tuesday, March 16, 5:30 p.m., in the Council Chamber at City Hall and that information could be found on the City website. A map of the proposed project is located in the lobby of City Hall, and comments may be attached to it as well.

c. ElectriCities Awards: A pre-recorded video featuring Roy Jones, CEO of ElectriCities, was shown. Jones announced the City was awarded three 2020 Public Power Awards of Excellence. Morganton earned the Value of Public Power Award, Wholesale Power Cost Award, and an award for Workforce Development.

Councilman Hawkins presented the award to Electric Director Brooks Kirby, PIO Ethan Smith, and Production Specialist Chad Medford. Councilman Hawkins thanked them for

their hard work, along with Rus Scherer, Human Resources Director, on the workforce development front. He stated this award exemplifies the teamwork here in our City.

Kirby acknowledged this was the first time the City has received the Workforce Development award. He said without the cooperation of several departments working together it could not have happened. He stated he was humbled and proud to accept the award on behalf of the City of Morganton and the Electric Department employees.

d. The Mayor announced the following upcoming events: ACC Chili Drive-thru, Thursday, March 11th at the Community House; and that Morganton Parks and Recreation will host a "Drive-thru" Easter Bag event, Friday, March 26 at the Collett Street Recreation Center.

IX. North Carolina Municipal Power Agency Number 1 Update – The City Manager stated the Roy Jones video had shared all the current news.

X. Consent Agenda – The City Manager presented the Consent Agenda and asked if any items should be removed from the Consent Agenda. No request was made.

Upon motion by Councilman Jernigan, seconded by Councilman McSwain, and unanimously carried, the Consent Agenda was approved and each individual item adopted as stated, those being as follows:

A. Approved Minutes for a Special Meeting held on January 22, 2021, a Regular Meeting held on February 1, 2021, and a Closed Session held on February 1, 2021 as submitted.

B. Approved the Governmental Entity Certificate of Resolution from TD Bank.

C. Approved the Urban Archery Season for 2021-2022 in accordance with the regulations established by the North Carolina Wildlife Resources Commission and authorized the City to submit a Letter of Intent to participate in the season.

D. Approved award of a contract for audit services to Elliott Davis for FY 2020/2021 at a cost of \$39,750.

E. Approved the "2021 Covid-19 Emergency Leave for Employees Extension" as outlined effective March 1, 2021 through June 30, 2021.

F. Approved the new updated Pay Ranges resulting from Market Review.

G. Approved a budget amendment (Ord. #21-10) in the amount of \$797,160 to separate paving expenses from the general construction expense line item in the Greenway project fund.

H. Approved a budget amendment (Ord. #21-09) in the amount of \$7,250 to appropriate funding from the Public Safety Drug Enforcement committed fund balance to purchase service weapons for MDPS.

XI. Items Removed from Consent Agenda

XII. New Business

A. Public Hearings

1. Public Hearing and Consideration of an Economic Development Agreement and Administrative Costs for Building Re-Use Grant for Project Glides

The Mayor opened the public hearing at 6:42 p.m.

The City Manager stated that a company, identified for confidentiality reasons as "Project Glides", currently owns and operates an industrial facility in the City of Morganton and plans to expand its operation. Project Glides plans to make a capital investment of about \$10,000,000 and to create 80 new jobs.

Burke Development, Inc. requests support from the City of Morganton and the County of Burke for Project Glides. Burke County will apply for a Building Reuse grant to assist with this expansion in the amount of \$500,000. Burke County, the applicant, and the City of Morganton will provide the 5% match of \$12,500 each or a total of \$25,000. A grant administration contract with the Western Piedmont Council of Governments is necessary if a grant award is received. Burke County will execute this contract with WPCOG.

In order to further support this expansion of an existing industry, Burke County and the City of Morganton will consider local economic development incentives equal to the equivalent to 50% of the taxes paid on the new taxable investment for five (5) consecutive years beginning in FY 2022-2023. Increased taxable investment of \$10,000,000 and on Morganton's current tax rate of 57 cents, Morganton's incentives would be about \$28,500 annually or \$142,500 in total.

- John Jokinen stated he and Edward Phifer joined together to form EJ Victor 31 years ago. He explained that their facility is on Wamsutta Mill Road along with Meritor and Ekornes. Jokinen stated he is in favor of expanding industry in Burke County but doesn't want to be totally blocked in for future expansion. He said their property is bordered on the south by government property, belonging to Burke County. He stated he does not want this to impact on the possibility of EJ Victor expanding in the future.

The Mayor asked Phillip Lookadoo to address the expansion area. The City Manager stated the City is always happy to work with EJ Victor and any company on expansion plans and development agreements. Lookadoo stated the plans they have seen would

expand the Project Glides building 150,000 sf toward the Catawba River and would be attached to the existing building.

There being no further public comment, the Mayor closed the public hearing at 6:48 p.m.

Councilman McSwain stated it is exciting to see expansion especially after the year we have had.

Upon motion by Councilman Jernigan, seconded by Councilwoman Cato, and carried unanimously, the Council approved an economic development agreement for Project Glides and approved \$12,500 in administrative costs for the Building Reuse grant.

## B. Other Business

### 1. Consideration of Entering into a CDBG Small Business Loan Agreement with Divinity Donuts & Bakery, LLC

The City Manager stated that every year the City sets aside a certain amount of CDBG money to use for grants/loans for new or expanding small business. The City received a request from Matthew C. and Elizabeth M. Herrington who own Divinity Donuts & Bakery, LLC located at 318 Bouchelle Street in Morganton. Divinity Donuts & Bakery, LLC will offer donuts, cakes, cupcakes, pies, breads, cookies, coffee and eventually lunch items. They have requested a CDBG Small Business Loan (SBL) in the amount of \$30,000 to assist in the purchase of equipment for Divinity Donuts & Bakery, LLC. They will meet the requirement of creating jobs for low and moderate persons by possibly hiring 3 full-time and 4 part-time employees. The SBL requires at least the creation of 1 job for a low to moderate income person and this requirement will be met when the business opens in September 2021.

The City has set aside CDBG Funds for the purpose of encouraging small businesses that meet HUD hiring guidelines as well as City of Morganton Mission 2030 goals. Entrepreneurial development, Downtown revitalization and tourism enhancement were each identified as essential Mission 2030 goals for economic development. This business loan is being recommended by the staff to promote these goals.

Councilwoman Cato stated the Herringtons are committed to Morganton and have built a brand new house near the church. She feels this is a great reuse of the church property.

Upon motion by Councilman McSwain, seconded by Councilman Jernigan, and carried unanimously, the Council approved entering into a \$30,000 CDBG Loan Agreement with Divinity Donuts & Bakery, LLC, guaranteed by the owners, Matthew C. and Elizabeth M. Herrington, to purchase equipment for the new business.

2. Consideration of Appointments to Boards and Commissions

a. Burke County Library Board of Trustees – The City Manager stated that former Councilman John Cantrell has been the Council appointed representative on the Burke County Library Board of Trustees since 2012. His appointment has recently expired.

Jim Wilson, Director of the Burke County Public Library, states that Cantrell has been a consistent member of their board and requests that he be reappointed for another one-year term.

Upon motion by Councilman Hawkins, seconded by Councilman McSwain, and carried unanimously, the Council reappointed John Cantrell as the City representative on the Burke County Library Board of Trustees for a term to expire February 28, 2022.

XIII. Other Items from City Manager and City Council Not on Agenda – The Manager presented a last minute item for Council consideration.

Consideration of Declaring Current Supply of .40-caliber Ammunition Surplus and Authorize Sale to Iredell County Sheriff's Department at State Contract Price

The City Manager stated that with the pending transition to a 9mm weapon platform, Public Safety has 440 boxes of "Speer Lawman TMJ" practice .40-caliber ammunition and 360 boxes of .40 caliber "Speer 165 grain GDHP" duty ammunition. This ammunition was purchased for agency use at a price of \$22.05 per box of duty ammunition and \$15.00 per box of practice ammunition (NC state contract price).

Public Safety staff recommends the following: To surplus 360 boxes of .40 caliber "Speer 165 grain GDHP" ammunition and 440 boxes of "Speer 165 grain TMJ" ammunition.

The value of this ammunition at NC state contract price is \$22.05 per box for Speer GDHP .40 caliber ammunition and \$15.00 per box for Speer Lawman TMJ ammunition.

Public Safety recommends selling all surplus ammunition to Iredell County Sheriff's Department for North Carolina State Contract price: \$22.05 per box Speer GDHP duty ammunition @ 360 boxes (\$7,938) and \$15.00 per box Speer Lawman TMJ @ 440 boxes (\$6,600), for a total sales price of \$14,538.

Upon motion by Councilman Jernigan, seconded by Councilman Hawkins, and carried unanimously, Council declared the current supply of .40-caliber ammunition surplus, and authorized sale to Iredell County Sheriff Department at a price of \$14,538.

XIV. Reports – Reports were distributed to Council.

XV. Adjournment – The Mayor adjourned the meeting at 6:54 p.m.

Preparation of Minutes. These minutes were prepared by Mikela D. Russell, Assistant City Clerk. Copies of all resolutions, ordinances and orders referenced in these minutes are intended to be incorporated into these minutes as if fully set forth herein. Prior to including them into the official minute book, the minutes have been read and approved by the City Manager and the City Attorney, then distributed to each member of the City Council for further review and final approval, at a subsequent Council Meeting.

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Mayor

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Assistant City Clerk