

**TOWN OF VALDESE
TOWN COUNCIL PRE - AGENDA MEETING
FEBRUARY 24, 2025**

The Town of Valdese Town Council met on Monday, February 24, 2025, at 6:00 p.m., in the Town Council Chambers at Town Hall, 102 Massel Avenue SW, Valdese, North Carolina. The Council meeting was live-streamed on YouTube @townofvaldese. The following were present: Mayor Charles Watts, Mayor Pro Tem Gary Ogle, Councilwoman Rexanna Lowman, Councilwoman Heather Ward, Councilwoman Melinda Zimmerman, and Councilman Glenn Harvey. Also present were: Interim Town Manager Bo Weichel, Town Attorney Tim Swanson, Town Clerk Jessica Lail, and various Department Heads.

Absent:

A quorum was present.

Mayor Watts called the meeting to order at 6:00 p.m., he offered the invocation and led in the Pledge of Allegiance to the Flag.

REVIEW AND DISCUSSION OF MARCH 3, 2025 PRELIMINARY AGENDA:

CONSENT AGENDA: Mayor Watts asked the Council if they had any questions on the Consent Agenda. Councilman Harvey requested that the *Request from Old Colony Players to Sell Alcohol* be moved under New Business. Councilman Harvey raised a question regarding host liquor liability, specifically whether the Town's insurance provides full coverage in the event of an incident involving alcohol consumption leading to injury and a resulting lawsuit. Interim Town Manager Bo Weichel will report back at the March 3, 2025 regular Council meeting. All other items will remain on the Consent Agenda.

APPROVAL OF PRE-AGENDA MEETING MINUTES OF JANUARY 27, 2025

APPROVAL OF CLOSED SESSION MINUTES OF JANUARY 27, 2025

APPROVAL OF REGULAR MEETING MINUTES OF FEBRUARY 3, 2025

APPROVAL OF CLOSED SESSION MINUTES OF FEBRUARY 3, 2025

REQUEST FROM OLD COLONY PLAYERS TO SELL ALCOHOL – MOVED WITHOUT OBJECTION TO THE NEXT MEETING UNDER NEW BUSINESS ON MARCH 3, 2025, AT 6:00 P.M.

LEASE AGREEMENT AT THE OLD ROCK SCHOOL WITH DR. KYLE BARNES

NEW BUSINESS:

APPROVAL OF COMMUNITY CENTER ADA CONSTRUCTION Discussion was held regarding ADA improvements at the Community Center, including demolition, ramp, and rail installations. Clarification was sought on project compliance and funding amounts. It was noted that the work will proceed following Council approval of the agreement and will be funded by a grant.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING ON MARCH 3, 2025, AT 6:00 P.M.

APPROVAL OF RESOLUTION ADOPTING UNIFOUR REGIONAL HAZARD MITIGATION PLAN Interim Town Manager Bo Weichel explained that the mitigation plan is updated every five years and is funded by the North Carolina Emergency Management. The plan includes Alexander, Burke, and other counties. The update process is required for compliance, and the state prepares the document, which is reviewed by the Fire Chief and Mayor.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING ON MARCH 3, 2025, AT 6:00 P.M.

APPOINTMENTS TO BOARDS/COMMISSIONS/COMMITTEES Mayor Watts reviewed upcoming board appointments to be addressed at the Council meeting, including the reappointment of all members of the Drug and Homeless Task Force and Mr. Heilman's reappointment to the ABC Board.

- i. Drug and Homeless Task Force
- ii. Valdese ABC Board

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING ON MARCH 3, 2025, AT 6:00 P.M.

APPROVAL OF RESOLUTION WITHDRAWING LOVELADY RD SIDEWALK PHASE I PROJECT APPLICATION Mr. Weichel noted that the Resolution to Withdraw the Lovelady Road Sidewalk Phase One project application was a carryover from the previous meeting. No further discussion was needed as Council was already familiar with the project.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING ON MARCH 3, 2025, AT 6:00 P.M.

APPROVAL OF CAPITAL PROJECT ORDINANCE AMENDMENT – BERRYTOWN WATERLINE Mr. Weichel explained that the Capital Project Ordinance Amendment for the Berrytown Waterline Project is a housekeeping measure. The original grant award of \$800,000 for the CDBG Neighborhood Revitalization portion was increased by \$200,000 to a total of \$1 million, and the amendment reflects this change.

RESULT: PLACED ON THE CONSENT AGENDA AT THE NEXT MEETING ON MARCH 3, 2025, AT 6:00 P.M.

APPROVAL OF CAPITAL PROJECT ORDINANCE AMENDMENT – WATER PLANT UPGRADES Mr. Weichel explained that the Capital Project Ordinance for the Water Plant Upgrades is a housekeeping item. The original \$7 million project included a 3% NCDEQ administration fee, which has since been reduced to 1.5%. This adjustment frees up \$105,000, which will now be allocated to construction of the project.

RESULT: PLACED ON THE CONSENT AGENDA AT THE NEXT MEETING ON MARCH 3, 2025, AT 6:00 P.M.

APPROVAL OF BUDGET AMENDMENT – COMMUNITY CENTER COMPROMISED WATER PIPE REPLACEMENT AND REPAIRS Mr. Weichel provided an overview of the budget amendment for the Community Center's compromised water pipe replacement and repairs. On January 27, a galvanized water line in the mechanical area developed a hole, causing significant flooding. The repair project involves replacing all galvanized piping with copper, as commercial building codes require metal piping. The total budget amendment is \$32,000, with approximately \$10,000 reimbursed by insurance for damaged mechanical equipment, resulting in a net cost of about \$22,000.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING ON MARCH 3, 2025, AT 6:00 P.M.

FINANCIAL PERFORMANCE INDICATOR OF CONCERN (FPIC) Mr. Weichel reported that during the Local Government Commission (LGC) audit, one financial performance indicator of concern was noted: the Capital Assets Condition Ratio, which fell slightly below the 0.5 threshold at 0.45. This ratio measures the useful life of depreciable assets, indicating aging infrastructure. While this is a common issue statewide, the recommended remedy is continued investment in new infrastructure. No action is required beyond Council's acknowledgment, and a form will be signed and submitted to the LGC. Upcoming capital projects, including new sewer and water infrastructure, that will be discussed in the budget process, should help improve this ratio.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING ON MARCH 3, 2025, AT 6:00 P.M.

POOL STRUCTURE DESIGN-BUILD DISCUSSION Mr. Weichel presented the option of utilizing a design-build process for the pool structure as an alternative to the traditional bidding process. The previous bids for the construction portion exceeded \$1.8 million. The design-build approach, similar to the process used for the Public Safety project, would involve selecting a general contractor through the RFQ process, allowing for potential cost savings and efficiencies.

Council discussed the potential timeline, with a contract likely in place by September or October, leading to an estimated four-month construction period. Regardless of the approach, the pool would be unavailable for winter swimming during the upcoming season.

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Mr. Weichel said another alternative was the replacement of the existing dome structure. Updated pricing from Yeadon Domes was received, indicating potential savings of approximately \$1.2 million compared to the aluminum-frame structure initially planned. However, the current grant funding only allows for an aluminum-frame structure, meaning the Town would either forgo the grant or explore the possibility of amending its terms.

Key points regarding the dome option:

- The dome requires an annual setup and takedown, estimated at \$55,000 per year.
- The potential savings from choosing the dome could be used to offset this annual cost, or redirected to other projects such as the Public Safety facility.
- The dome purchase would not require an RFQ process, as it qualifies under a cooperative purchasing agreement.
- If approved quickly, the dome could be installed within six months, potentially allowing for winter swimming this year.

Council also considered the financial implications, noting that keeping the \$1.2 million in reserves could benefit liquidity, particularly for upcoming USDA loans and other capital projects.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING ON MARCH 3, 2025, AT 6:00 P.M.

FY 24-25 YEAR-TO-DATE FINANCIALS Mr. Weichel shared the Year-to-Date financial report includes an attachment detailing expenditures and revenues through January, as well as tax collections for the same period. While the agenda states that no attachments are included, this report will be provided.

Mr. Weichel noted at this point in the fiscal year, the Town is 58% through the budget cycle (seven months in). The Utility Fund is currently lower at 44.8%, primarily due to the aerator project still being in the design phase; once expenses for that project begin, this percentage will increase.

This update is provided for Council's review, with a more detailed financial analysis planned at the 50% and 75% marks in the fiscal year. Council members are encouraged to ask any questions regarding the report.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING ON MARCH 3, 2025, AT 6:00 P.M.

STATUS OF ONGOING OR APPROVED PROJECTS

- i. **Public Safety Facilities Update** The review panel is currently evaluating statements of qualifications from seven contractors. Each submission is being scored based on standardized criteria, with results expected by the end of the month. A scoring matrix will be compiled, and the panel will reconvene in early March to finalize rankings.

The top two or three firms will then be invited for interviews, with the goal of presenting a contract for Phase 1 at the May 5th Council meeting after legal review in April.

Phase 1 Scope:

- Renovation of the 215 Main Street Building
- Construction of a new fire station on the lot across the street
- Development of a combined facility instead of renovation

The selected contractor will complete 30% schematic designs for each option, providing detailed cost estimates. Phase 1 is expected to take two to three months, with findings anticipated by August or September.

- ii. **Water Plant Upgrade Project/Lenoir Interconnect Project** There have been no significant changes since the last update. Surveying and drafting work are ongoing. Progress is currently dependent on a decision from City of Lenoir regarding the placement of their pump station. Once that determination is made, the designer can proceed with the next phase of the project.
- iii. **Town Manager Search Process** Mayor Watts said he would have an update at the March 3, 2025 regular Council meeting.

RESULT: MOVED WITHOUT OBJECTION TO THE NEXT MEETING ON MARCH 3, 2025, AT 6:00 P.M.

INTERIM MANAGER'S REPORT Interim Town Manager Bo Weichel will report at the March 3, 2025, meeting.

ADJOURNMENT: At 6:32 p.m., there being no further business to come before Council, Councilman Harvey made a motion to adjourn, seconded by Councilwoman Ward. The vote was unanimous.

Town Clerk

Mayor

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