

**TOWN OF VALDESE
TOWN COUNCIL REGULAR MEETING
AUGUST 5, 2024**

The Town of Valdese Town Council met on Monday, August 5, 2024, 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, Councilman Glenn Harvey and Councilman Paul Mears. Also present were: Interim Town Manager Bryan Steen, 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.

OPEN FORUM/PUBLIC COMMENT:

INTRODUCTION OF NEW POLICE OFFICER: Police Chief Marc Sharpe made the following introduction: "Good evening everyone, I would just like to take a brief moment of your time to recognize and officially introduce to our citizens and council the Valdese Police Department's newest officer, Officer Sean Link. Rookie School or Basic Law Enforcement Training is the starting point for all law enforcement. Many do not complete that. Once that is completed, one must complete Field Training, which is conducted as you ride along with senior officers, some do not complete that. Sean just completed his 400 hour field training program within our department and is now an official police officer in our town sworn to protect and serve. We have a certificate of completion to recognize you for this achievement and completion of your field training. I know your parents who are present are proud and your father a former police officer himself is enjoying the passing of the torch. Sean please stand and step forward to receive your certificate. Welcome to Valdese Officer Link!!"

Mayor Watts read the Public Comment Guidelines.

PROCESS – RICK MCCLURD, 408 GARROU AVE SE, VALDESE: Mr. McClurd thanked the new Police Chief for the article in the paper and what he is doing for the drug and homeless issues. Mr. McClurd had concerns with the pre-agenda meeting and how things got pushed on the consent agenda without discussion. Mr. McClurd had to study and ask people to understand what was going on. Mr. McClurd recommended doing what we originally were doing and following the procedures.

WATER RATES – EULA MAE SHOOK, 804 OLD NC 18, MORGANTON: Ms. Shook is concerned about the increase in water rates and wants to know what happened to the infrastructure money that President Biden approved. Ms. Shook feels it is a human right to have water at a decent rate. Ms. Shook wants to know what the plans are for next year's rates.

WATER RATES – FRANK HORTON, 3065 BRANDON RD E, MORGANTON: Mr. Horton is concerned about the triple community water rate increase. Mr. Horton wanted to know where all the money was going from the Triple District and asked if it was going to the new Fire Department. Mr. Horton shared that in 2022, he had a water leak and called the Town of Valdese to check it, and they said they would not send anybody. Mr. Horton said he had never seen anybody from the Town of Valdese out there. Mr. Horton said that if the water rates go up, the taxes would go up.

CONSENT AGENDA: (enacted by one motion) Councilman Harvey requested to remove one item 6 O, APPROVAL OF RESOLUTION AMENDING 2024 TOWN COUNCIL MEETINGS CALENDAR

APPROVED AGENDA REVIEW MEETING MINUTES OF MAY 28, 2024

APPROVED REGULAR MEETING MINUTES OF JUNE 3, 2024

APPROVED REGULAR MEETING MINUTES OF JUNE 17, 2024

APPROVED CLOSED SESSION MINUTES OF JUNE 17, 2024

APPROVED SPECIAL CALLED MEETING MINUTES OF JUNE 21, 2024

APPROVED CLOSED SESSION MINUTES OF JUNE 21, 2024

APPROVED SPECIAL CALLED MEETING MINUTES OF JULY 2, 2024

APPROVED CLOSED SESSION MINUTES OF JULY 2, 2024

APPROVED SPECIAL CALLED MEETING MINUTES OF JULY 11, 2024

APPROVED CLOSED SESSION MINUTES OF JULY 11, 2024

APPROVED SPECIAL CALLED MEETING MINUTES OF JULY 12, 2024

APPROVED CLOSED SESSION MINUTES OF JULY 12, 2024

APPROVED ORDINANCE DECLARING ROAD CLOSURE FOR TOWN OF VALDESE SPECIAL EVENT – DRAUGHN HIGH SCHOOL HOMECOMING PARADE

AN ORDINANCE DECLARING ROAD CLOSURE FOR TOWN OF VALDESE SPECIAL EVENTS

WHEREAS, for many years the Town of Valdese has sponsored the Draughn High School Homecoming Parade; and

WHEREAS, the Town of Valdese desires to schedule the Draughn High School Parade on Tuesday, September 24, 2024; and

WHEREAS, part of US 70/Main Street in Valdese will need to be closed for the parade; and

WHEREAS, G.S. 20-169 provides that local authorities shall have power to provide by ordinance for the regulation of the use of highways by processions or assemblages;

NOW, THEREFORE, be it ordained by the Town Council of the Town of Valdese pursuant to G.S. 20-169 that the following portion of the State Highway System be closed during the times set forth below:

DRAUGHN HIGH SCHOOL HOMECOMING PARADE

Date: September 24, 2024

Time: 5:30pm to 7:00pm

Route: Main Street (US 70) from Hoyle Street to Eldred Street

Signs shall be erected giving notice of the limits and times of these street closures as required by G.S. 20-169.

This ordinance shall take effect upon adoption. THIS, the 5th day of August 2024.

/s/ Charles Watts, Mayor

ATTEST:
/s/ Town Clerk

APPROVED ACKNOWLEDGMENT AND WAIVER OF CONFLICT OF INTEREST

**ACKNOWLEDGMENT AND WAIVER OF
CONFLICT OF INTEREST**

This Acknowledgment and Waiver of Conflict of Interest is entered into effective as of the _____ day of _____, 20 __, by and between The Town of Valdese, a North Carolina municipal corporation (“Seller”) and Michael Abee and wife, Ciejae Abee (“Buyers”) (collectively, the “Parties”).

WITNESSETH :

WHEREAS, the Parties have decided to enter into certain sell/purchase of certain real properties known as 460 Perkins Road, SE (13.44 acres), 308 Stuart Avenue, SE (1 acre) and 317 Stuart Avenue, SE (3.28 acres), Valdese, North Carolina 28690 and shown as Parcel Identification Number(s) (PINS): 2743-62-4062; 2743-52-6258 and 2743-52-8801, Burke County Tax Assessor Office,(the “Agreement”);

WHEREAS, the parties acknowledge that the law firm of Young, Morphis, Bach & Taylor, L.L.P., and its various partners and associate attorneys (the “Law Firm”) may have previously represented and/or continue to represent all and/or certain Parties in various matters; and

WHEREAS, the Parties desire that the Law Firm search title and conduct a closing based upon terms provided by each of the Parties.

NOW, THEREFORE, for and in consideration of the mutual premises and covenants set forth herein, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto acknowledge and agree as follows:

1. The Parties acknowledge that the Law Firm’s representation of each of them in connection with the title search and closing may present a conflict of interest as to such representation of all Parties as set forth above. The Parties, for themselves and their respective partners, officers, directors, shareholders, managers, agents, successors, assigns and personal representatives, hereby waive such conflict of interest in order that the Law Firm search title and conduct a closing.
2. The Parties each acknowledge and agree that the Law Firm did not participate in the negotiation of the terms of the purchase, as the Parties were each afforded the opportunity to secure their own representation as to the Purchase Contract terms. Further, the Parties each acknowledge and agree that the terms of the purchase represent the terms upon which they negotiated.
3. The Parties each acknowledge and agree that, if any issues arise in connection with the terms of the closing and execution of closing documents thereof that may involve further negotiations, the Law Firm will be unable to negotiate such terms but will merely present such issues and will rely upon the Parties to solely negotiate such issues and direct the Law Firm upon their mutual agreement as to any such issues.

4. The Parties, for themselves, their respective partners, officers, directors, shareholders, members, managers, agents, personal representatives, successors and/or assigns, hereby fully release and hold harmless the Law Firm from any and all matters which might arise in connection with the Law Firm's limited representation of each of them as set forth herein and waive any conflict relating to such representation.
5. The Parties understand that they have the right to repudiate this conflict waiver should they later decide that it is no longer in their best interest. Should a conflict contemplated and/or addressed by this conflict waiver be in existence at the time either party wishes to repudiate this conflict waiver, and should the Law Firm and/or the non-repudiating client have acted in reliance on the representations of the repudiating client set forth and/or contemplated by this conflict waiver, the Law Firm will have the right to continue to represent the Seller in this transaction. The Buyers acknowledge that continued representation of the Seller may be adverse to their interest, but agree to this conflict waiver and hereby waive any and all objections they may have to the Law Firm's continued representation of the Seller.
6. This acknowledgment shall be binding upon the parties hereto and their respective successors and/or assigns, may be executed in any number of counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute an original and one and the same instrument. Further, copies of signatures hereto shall constitute originals for all purposes.

IN WITNESS WHEREOF, the parties hereto have signed or caused this Acknowledgment effective as of the day and year first above written.

Seller:
The Town of Long View,
A North Carolina municipal corporation

Charles Watts, Mayor (SEAL)

Attest:

Jessica Lail, Town Clerk (SEAL)

Buyers:

Michael Abee (SEAL)

Ciejae Abee (SEAL)

APPROVED ACCEPTANCE OF PERMANENT UTILITY AND ACCESS EASEMENT B/T TOV & BCPS FOR VALDESE BLUFF'S PROJECT

APPROVED ACCEPTANCE OF TEMPORARY ACCESS EASEMENT B/T TOV & BCPS FOR VALDESE BLUFF'S PROJECT

APPROVED ACCEPTANCE OF PERMANENT ACCESS AND UTILITY EASEMENT & TEMPORARY ACCESS EASEMENT B/T TOV & BC FOR VALDESE BLUFF'S PROJECT

APPROVED ACCEPTANCE OF TEMPORARY ACCESS EASEMENT B/T TOV & THE NICHOLSON'S FOR VALDESE BLUFF'S PROJECT

APPROVED ACCEPTANCE OF PERMANENT ACCESS AND UTILITY EASEMENT B/T TOV & NATURAL LAND ALLIANCE, INC. FOR VALDESE BLUFF'S PROJECT

APPROVED BUDGET AMENDMENT – ROLL-OFF DUMPSTER

Valdease Town Council Meeting

Monday, August 5, 2024

Budget Amendment #

1-10

Subject: Roll off dumpster

Description: For the Sanitation Department to supply bulk trash service for \$75 per load to citizens only.

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, 2025:

Section I:

The following revenues available to the Town will be increased:

Account	Description	Decrease/ Debit	Increase/ Credit
10.3990.000	General Fund Balance Appr.		6,000
	Total	\$0	\$6,000

Amounts appropriated for expenditure are hereby amended as follows:

Account	Description	Increase/ Debit	Decrease/ Credit
10.5800.740	Capital Outlay	6,000	
	Total	\$6,000	\$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.

Roll off Dumpster Rental Guidelines

For City Residents Only

- This service is available exclusively to property owners within the city limits.
- It is not intended for clean-up or remodeling work carried out by contractors hired by homeowners.
- Construction debris from remodeling or new home builds is not accepted.
- A fee of \$75.00 per load applies, limited to one week per request.

Prohibited Items:

1. No shingles
2. No insulation
3. No tires
4. No hot ashes
5. No stumps

6. No bricks or blocks
7. No hazardous materials
8. No sheet rock

Accepted Materials:

1. Trash
2. Cleaning out of homes, outbuildings, basements, and garages
3. Furniture
4. Metal (not to be mixed with wood)
5. Wood materials (not to be mixed with metal)
6. Brush (may be up to eight feet long and up to seven inches in diameter)
7. Rough trash

APPROVED RESOLUTION AUTHORIZING UPSET BID PROCESS FOR THE SALE OF TOWN-OWNED PROPERTY – 342 TRON AVE

RESOLUTION AUTHORIZING UPSET BID PROCESS

Sale of 0.46 +/- Acre Tract at 342 Tron Ave NW, Valdese, NC (REID: 41732)

WHEREAS, the Town of Valdese (the "Town") is the owner of that certain tract or parcel of real property (the "Property") situated in Lovelady Township, Valdese, North Carolina commonly known as 342 Tron Ave NW, Valdese, North Carolina, PIN: 2733874604, REID: 41732; and

WHEREAS, North Carolina General Statute §160A-269 permits the Town to sell property by upset bid, after receipt of an offer for the property; and

WHEREAS, on or about July 12, 2024, the Town received an offer to purchase the Property from Tim Norman of T.L. Norman Land Company for \$10,000.00; and

WHEREAS, Tim Norman has deposited five percent (5%) of its bid with the town clerk.

NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF VALDESE RESOLVES THAT:

1. The Town Council authorizes sale of the Property through the upset bid procedure of North Carolina General Statute §160A-269.
2. The Town Clerk shall cause a notice of the proposed sale to be published. The notice shall describe the Property and the amount of the offer and shall state the terms under which the offer may be upset.
3. Persons wishing to upset the offer that has been received shall submit a sealed bid with their offer to the office of the Town Clerk within ten (10) days after the notice of sale is published. At the conclusion of the 10-day period, the Town Clerk shall open the bids, if any, and the highest such bid will become the new offer. If there is more than one bid in the highest amount, the first such bid received will become the new offer.
4. If a qualifying higher bid is received, the Town Clerk shall cause a new notice of upset bid to be published, and shall continue to do so until a 10-day period has passed without any qualifying upset bid having been received. At that time, the amount of the final high bid shall be reported to the Town Council.
5. A qualifying higher bid is one that raises the existing offer by not less than ten percent (10%) of the first \$1,000.00 of that offer and five percent (5%) of the remainder of that offer.
6. A qualifying higher bid must also be accompanied by a deposit in the amount of five percent (5%) of the bid. The deposit may be made by cashier's check or by certified check. The Town will return the deposit on any bid not accepted, and will return the

deposit on an offer subject to upset if a qualifying higher bid is received. The Town will return the deposit of the final high bidder at closing.

7. The terms of the final sale are that:

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- (a) the Town Council must approve the final high offer before the sale is closed, which it will do within thirty (30) days after the final upset bid period has passed;
- (b) the buyer must pay the purchase price in certified funds at the time of closing;
- (c) the Property shall be sold "as is" and subject to all existing easements, restrictions, utility easements and right of ways of record;
- (d) the Town will reserve easements for all town utility lines located on or under the Property; and
- (e) the Property shall be conveyed by special warranty deed.

8. The Town reserves the right to withdraw the Property from sale at any time before the final high bid is accepted and the right to reject all bids at any time.

THIS RESOLUTION IS ADOPTED this day of , 2024.

THE TOWN OF VALDESE,
a North Carolina Municipal Corporation

/s/ Charles Watts, Mayor

ATTEST:

/s/ Town Clerk

APPROVED RESOLUTION AUTHORIZING UPSET BID PROCESS FOR THE SALE OF TOWN-OWNED PROPERTY – 338 TRON AVE

RESOLUTION AUTHORIZING UPSET BID PROCESS

Sale of 0.46 +/- Acre Tract at 338 Tron Ave NW, Valdese, NC (REID: 41733)

WHEREAS, the Town of Valdese (the "Town") is the owner of that certain tract or parcel of real property (the "Property") situated in Lovelady Township, Valdese, North Carolina commonly known as 338 Tron Ave NW, Valdese, North Carolina, PIN: 2733875604, REID: 41733; and

WHEREAS, North Carolina General Statute §160A-269 permits the Town to sell property by upset bid, after receipt of an offer for the property; and

WHEREAS, on or about July 12, 2024, the Town received an offer to purchase the Property from Tim Norman of T.L. Norman Land Company for \$10,000.00; and

WHEREAS, Tim Norman has deposited five percent (5%) of its bid with the town clerk.

NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF VALDESE RESOLVES THAT:

9. The Town Council authorizes sale of the Property through the upset bid procedure of North Carolina General Statute §160A-269.

10. The Town Clerk shall cause a notice of the proposed sale to be published. The notice shall describe the Property and the amount of the offer and shall state the terms under which the offer may be upset.

11. Persons wishing to upset the offer that has been received shall submit a sealed bid with their offer to the office of the Town Clerk within ten (10) days after the notice of sale is published. At the conclusion of the 10-day period, the Town Clerk shall open the bids, if any, and the highest such bid will become the new offer. If there is more than one bid in the highest amount, the first such bid received will become the new offer.

12. If a qualifying higher bid is received, the Town Clerk shall cause a new notice of upset bid to be published, and shall continue to do so until a 10-day period has passed without any qualifying upset bid having been received. At that time, the amount of the final high bid shall be reported to the Town Council.

13. A qualifying higher bid is one that raises the existing offer by not less than ten percent (10%) of the first \$1,000.00 of that offer and five percent (5%) of the remainder of that offer.

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14. A qualifying higher bid must also be accompanied by a deposit in the amount of five percent (5%) of the bid. The deposit may be made by cashier's check or by certified check. The Town will return the deposit on any bid not accepted, and will return the

deposit on an offer subject to upset if a qualifying higher bid is received. The Town will return the deposit of the final high bidder at closing.

15. The terms of the final sale are that:

- (f) the Town Council must approve the final high offer before the sale is closed, which it will do within thirty (30) days after the final upset bid period has passed;
- (g) the buyer must pay the purchase price in certified funds at the time of closing;
- (h) the Property shall be sold "as is" and subject to all existing easements, restrictions, utility easements and right of ways of record;
- (i) the Town will reserve easements for all town utility lines located on or under the Property; and
- (j) the Property shall be conveyed by special warranty deed.

16. The Town reserves the right to withdraw the Property from sale at any time before the final high bid is accepted and the right to reject all bids at any time.

THIS RESOLUTION IS ADOPTED this day of , 2024.

THE TOWN OF VALDESE,
a North Carolina Municipal Corporation

/s/ Charles Watts, Mayor

ATTEST:
/s/ Town Clerk

APPROVED ACCEPTANCE OF EASEMENT BETWEEN TOV & DUKE ENERGY AT LAKESIDE PARK FOR THE PAVILION CONSTRUCTION

APPROVED ACCEPTANCE OF RESOLUTION FOR CLINE AVE BASIN PUMP STATION LOAN

RESOLUTION BY VALDESE, TOWN COUNCIL

WHEREAS, the North Carolina Clean Water Revolving Loan and Grant Act of 1987 has authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of wastewater treatment works, wastewater collection systems, and water supply systems, water conservation projects, and

WHEREAS, the North Carolina Department of Environmental Quality has offered a State Reserve Loan in the amount of \$1,488,510 for the replacement of two (2) 200 gpm submersible pumps with two (2) 360 gpm submersible duplex pumps and 1,570 LF of 6-inch FM with 1,570 LF of 8-inch FM; installation of approximately 470 LF of 8-inch FM. Replacement of approximately 2,610 LF of 8-inch gravity sewer and 12 manholes; and rehabilitation of 15 manholes.

WHEREAS, the Town of Valdese intends to construct said project in accordance with the approved plans and specifications,

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

That the Town of Valdese does hereby accept the State Reserve Loan offer of \$1,488,510.

That the Town of Valdese does hereby give assurance to the North Carolina Department of Environmental Quality that all items specified in the loan offer, Section II - Assurances will be adhered to.

That Mr. Bryan Steen, Valdese interim Town Manager, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such

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application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That Town of Valdese has substantially complied or will substantially comply with all Federal, State and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted the 5th day of August 2024.

/s/ Charles Watts, Mayor

ATTEST:

/s/ Town Clerk

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**STATE OF NORTH CAROLINA
DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF WATER INFRASTRUCTURE**

Funding Offer and Acceptance

Legal Name and Address of Award Recipient	Project Number(s): SRP-W-0197
Town of Valdese	Assistance Listing Number: N/A
PO Box 339	Unique Entity ID Number: V67AJH87AB55
Valdese, NC 28690	

Funding Program

	<input type="checkbox"/>	Additional Amount for Funding Increases	Previous Total	Total Offered
Drinking Water	<input type="checkbox"/>			
Stormwater	<input type="checkbox"/>			
Wastewater	<input checked="" type="checkbox"/>			
State Revolving Fund-Repayable Loan	<input type="checkbox"/>			
State Revolving Fund-Principal Forgiveness	<input type="checkbox"/>			
State Reserve Loan	<input checked="" type="checkbox"/>	\$312,510	\$1,176,000	\$1,488,510
State Reserve Grant	<input type="checkbox"/>			
State Reserve Earmark (S.L. 2023-134)*	<input type="checkbox"/>			
American Rescue Plan Act - Choose an item.	<input type="checkbox"/>			

Project Description:

Cline Avenue Basin Collection System and Pump Station Upgrades

Total Financial Assistance Offer:	\$ 1,488,510
Total Project Cost:	\$ 1,518,280
Estimated Closing Fee**:	\$ 29,770
<i>For Loans</i>	
Interest Rate:	1.10% Per Annum
Maximum Loan Term:	20 Years

* Federal conditions and requirements will also apply to S.L. 2023-134 projects co-funded with federal funds.

** Estimated closing fee calculated based on grant and loan amount.

Pursuant to North Carolina General Statute 159G:

- The applicant is eligible under Federal and State law,
- The project is eligible under Federal and State law, and
- The project has been approved by the Department of Environmental Quality as having sufficient priority to receive financial assistance.

The Department of Environmental Quality, acting on behalf of the State of North Carolina, hereby offers the financial assistance described in this document.

For The State of North Carolina: **Shadi Eskaf, Director, Division of Water Infrastructure
North Carolina Department of Environmental Quality**

Digitally signed by  Signature	7/10/2024 Date
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On Behalf of: Town of Valdese

Name of Representative in Resolution: _____

Title (Type or Print): _____

I, the undersigned, being duly authorized to take such action, as evidenced by the attached CERTIFIED COPY OF AUTHORIZATION BY THE APPLICANT'S GOVERNING BODY, do hereby accept this Financial Award Offer and will comply with the attached Assurances and the Standard Conditions.

..... Signature Date
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STANDARD CONDITIONS & ASSURANCES FOR STATE RESERVE PROJECTS	
Project Applicant: Town of Valdese	Project Number: SRP-W-0197

1. The Applicant intends to construct the project or cause it to be constructed to final completion in accordance with the Application approved for financial assistance by the Division.
The recipient acknowledges that in the event a milestone contained in the most recent Clean Water State Revolving Fund Intended Use Plan and/or the Letter of Intent to Fund is missed, the Department of Environmental Quality will rescind this Funding Offer.
2. The Applicant is responsible for paying for the costs ineligible for DWI funding.
3. The construction of the project, including the letting of contracts in connection therewith, conforms to the applicable requirements of State and local laws and ordinances.
4. As of the acceptance of this Funding Award Offer, steps A-D in the SRP Guidance will be complete. These Assurances, likewise, incorporate the most recent version of the SRP Guidance, and the Applicant hereby certifies by accepting this Funding Award Offer that it will adhere to the subsequent steps in the SRP Guidance document. The remaining steps generally govern project design, bidding, contracting, inspection, disbursements, closeout and repayment.
5. The Applicant will provide and maintain adequate engineering supervision and inspection.
6. The recipient agrees to establish and maintain a financial management system that adequately accounts for revenues and expenditures. Adequate accounting and fiscal records will be maintained during the construction of the project and these records will be retained and made available for a period of at least three years following completion of the project.
7. All SRP funds must be expended solely for carrying out the approved project, and an audit shall be performed in accordance with G.S. 159-34. Partial disbursements on this loan will be made promptly upon request, subject to adequate documentation of incurred eligible costs, and subject to the recipient's compliance with the Standard Conditions of this Award. The Applicant agrees to make prompt payment to its contractor, and to retain only such amount as allowed by North Carolina General Statute.
8. The applicant will expend all of the requisitioned funds for the purpose of paying the costs of the project within three (3) banking days following the receipt of the funds from the State. Please note that the State is not a party to the construction contract(s) and the Applicant is expected to uphold its contract obligations regarding timely payment.
9. The applicant acknowledges that any loan funds contained in this Funding Offer requires approval from the North Carolina Local Government Commission before they can be disbursed.

APPROVED ACCEPTANCE OF RESOLUTION FOR LEAD SERVICE LINE INVENTORY LOAN

RESOLUTION BY VALDESE, TOWN COUNCIL

WHEREAS, part of the Lead and Copper Rule Revisions (LCRR) published December 16, 2021, the Environmental Protection Agency (EPA) requires that all community water systems and non-transient non-community water systems develop an inventory of all service line connections, both system-owned and customer-owned. The inventory must identify the potential presence of lead within each service line connection, and

WHEREAS, the North Carolina Department of Environmental Quality has offered a State Revolving Fund Loan in the amount of \$500,000. Sixty percent (60%) of the loan up to a maximum of \$300,000 will be forgiven and the remainder will be repayable at 0.00% interest. The goal of the Lead Service Line Inventory project for the Town of Valdese is to develop a complete, detailed service line inventory for the entire Town that is compliant with LCRR. The project will be performed in phases through desktop evaluation, meter box inspections, field locates (soft digs), and finally assembling the data and finalize and submit inventory report that is compliant with LCRR requirements to DWI.

WHEREAS, the Town of Valdese intends to perform said project in accordance with the approved requirements,

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

That the Town of Valdese does hereby accept the State Revolving Fund Loan offer of \$500,000.

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That the Town of Valdese does hereby give assurance to the North Carolina Department of Environmental Quality that all items specified in the loan offer will be adhered to.

That Mr. Bryan Steen, Valdese interim Town Manager, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That Town of Valdese has substantially complied or will substantially comply with all Federal, State and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted the 5th day of August 2024.

/s/ Charles Watts, Mayor

ATTEST:
/s/ Town Clerk

DocuSign Envelope ID: 79746D80-0B46-4D7E-BD7D-F856DE1F651D

**STATE OF NORTH CAROLINA
DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF WATER INFRASTRUCTURE**

Funding Offer and Acceptance

Legal Name and Address of Award Recipient **Project Number:** SRF-D-LSL-0053
Town of Valdese
PO Box 339
Valdese, NC 28690
Assistance Listing Number: 66.468
Unique Entity ID Number: V67AJH87AB55

Funding Program				
	<input type="checkbox"/>	Additional Amount for Funding Increases	Previous Total	Total Offered
Drinking Water	<input checked="" type="checkbox"/>			
Stormwater	<input type="checkbox"/>			
Wastewater	<input type="checkbox"/>			
BIL-DWSRF-LSLR Fund - Repayable Loan	<input checked="" type="checkbox"/>	--	--	\$200,000
BIL-DWSRF-LSLR Fund - Principal Forgiveness	<input checked="" type="checkbox"/>	--	--	\$300,000
State Reserve Loan	<input type="checkbox"/>			
State Reserve Grant	<input type="checkbox"/>			
State Reserve Earmark (S.L. 2023-134)	<input type="checkbox"/>			
American Rescue Plan Act - Choose an item.	<input type="checkbox"/>			

Project Description:
Lead Service Line Inventory

Total Financial Assistance Offer:	\$500,000
Total Project Cost:	\$500,000
Estimated Closing Fee*:	\$10,000
<i>For Loans</i>	
Interest Rate:	0% Per Annum
Maximum Loan Term:	5 Years


*Estimated closing fee calculated based on grant and loan amount.

Pursuant to North Carolina General Statute 159G:

- The applicant is eligible under Federal and State law,
- The project is eligible under Federal and State law, and
- The project has been approved by the Department of Environmental Quality as having sufficient priority to receive financial assistance.

The Department of Environmental Quality, acting on behalf of the State of North Carolina, hereby offers the financial assistance described in this document.

For The State of North Carolina: **Shadi Eskaf, Director, Division of Water Infrastructure
North Carolina Department of Environmental Quality**

DocuSigned by:  Signature	7/23/2024 Date
--------------------------------------------------------------------------------------------------------------------	-------------------

On Behalf of: Town of Valdese
Name of Representative in Resolution: _____
Title (Type or Print): _____

I, the undersigned, being duly authorized to take such action, as evidenced by the attached CERTIFIED COPY OF AUTHORIZATION BY THE APPLICANT'S GOVERNING BODY, do hereby accept this Financial Award Offer and will comply with the attached Assurances and the Standard Conditions.

..... Signature Date
--------------------	---------------

APPROVED CAPITAL PROJECT ORDINANCE – LEAD SERVICE LINE INVENTORY

TOWN OF VALDESE
 LEAD SERVICE LINE INVENTORY
 CAPITAL PROJECT BUDGET ORDINANCE
 DWI PROJECT NO.: SRF-D-LSL-0053

Be it ordained by the Town Council of the Town of Valdese that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following project ordinance is hereby adopted.

Section 1. The project authorized is the Lead Service Line Inventory (SRF-D-LSL-0053) which is a federally mandated requirement to identify the Town’s water service lines into categories such as known non-lead, unknown non-lead, or lead status unknown. The goal of the LSL Inventory project for the Town of Valdese is to develop a complete, detailed service line inventory for the entire Town that is compliant with LCRR. The project will be performed in phases through desktop evaluation, meter box inspections, field locates (soft digs), and finally assembling the data and finalize and submit inventory report that is compliant with LCRR requirements to DWI.

The Division of Water Infrastructure (Division) has reviewed the application, and the State Water Infrastructure Authority (SWIA) has approved our Lead Service Line Replacement project as eligible to receive a total funding amount of \$500,000 from DWSRF BIL Lead Service Line Replacement Funds. Sixty percent (60%) of the loan up to a maximum of \$300,000 will be forgiven and the remainder will be repayable at 0.00% interest. DWI charges a 2% mandatory administrative fee on the loan.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the program ordinance and the budget contained herein.

Section 3. The following revenues are anticipated to be available to contribute to this project:

Source	Amount	Assigned Account Number
Principle Forgiveness	300,000	53.3000.000
Loan	200,000	53.3000.001
Transfer from Utility Fund	10,000	53.3000.002

	\$ 510,000	
	=====	

Section 4. The following amounts are appropriated for the project:

Source	Amount	Assigned Account Number
Desktop Evaluation	85,000	53.8120.000
Meter Box Inspections	40,000	53.8120.001
Develop Initial Inventory for LCRR	20,000	53.8120.002
Field Locates – Soft Digs	275,000	53.8120.003
Assemble Data Final Report	80,000	53.8120.004
Loan Fee	10,000	53.8120.005

	\$ 510,000	
	=====	

Section 5. The finance officer is hereby directed to maintain within the Project Fund sufficient specific detailed accounting records to provide the accounting to town council required by the program procedures, loan agreement(s), grant agreement(s) and state regulations.

Section 6. Funds may be advanced from the Utility Fund for the purpose of making payments as due.

Section 7. The finance officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total revenues received or claimed.

Section 8. The budget officer is directed to include a detailed analysis of the past and future cost and revenues on this project in every budget submission made to this board.

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WHEREAS, N.C. Gen. Stat. § 160A-274 authorizes governmental units such as Valdese and Lenoir to exchange with, lease to, lease from, sell to, or purchase from one another an interest in real or personal property upon such terms and conditions as the governmental units deem wise, with or without consideration; and

WHEREAS, Valdese and Lenoir are municipalities duly organized and existing under the laws of the State of North Carolina; and

WHEREAS, Lenoir, among its other functions, operates a water supply and distribution system serving water users within its boundaries, and is in need of an additional supply of treated water; and

WHEREAS, Valdese, among its other functions, owns and operates a water supply and distribution system serving water users within its boundaries; and

WHEREAS, Valdese currently has available excess capacity of treated water sufficient to supply the request of Lenoir as set forth in this Agreement and to satisfy the present and anticipated needs of its customers; and

WHEREAS, Valdese desires to sell to Lenoir and Lenoir desires to buy from Valdese a supply of potable water as set forth herein; and

WHEREAS, Valdese and Lenoir have agreed upon certain terms regarding the sale of water as mentioned above, and now desires to set forth the terms of their Agreement; and

WHEREAS, by vote approved by the Town Council for the Town of Valdese at its meeting on August 5, 2024, the sale of said water to Lenoir as provided herein was approved, and the execution of this Agreement by Valdese was duly authorized; and

WHEREAS, by vote approved by the City Council for the City of Lenoir at its meeting on August 6, 2024, the purchase of said water from Valdese as provided herein was approved, and the execution of this Agreement by Lenoir was duly authorized,

NOW THEREFORE, in consideration of the foregoing and the mutual agreements hereinafter set forth, the parties agree as follows:

A. VALDESE'S OBLIGATIONS:

1. (Quality and Quantity) Subject to the remaining provisions of this Agreement, Valdese shall furnish to Lenoir at the point of delivery hereinafter specified, during the term of this Agreement or any renewal or extension thereof, potable treated water meeting applicable purity standards of the State of North Carolina, Rules Governing Public Water Systems, 15 NCAC 18C, in such quantity as may be required by Lenoir and not to exceed Four Million (4,000,000) gallons per day except as set out in paragraph B.1. Lenoir shall not resell, give away, transfer or otherwise dispose of water purchased under this Agreement to anyone other than Lenoir customers without the prior written consent of Valdese.

2. (Point of Delivery and Pressure) Valdese shall furnish water at a reasonably constant pressure from an existing main supply line owned by Lenoir. The point of delivery shall be at a meter vault that includes appropriate meter size and backflow apparatus provided by Lenoir. If a greater pressure than that normally available at the point of delivery is required by Lenoir, the cost of providing such greater pressure shall be borne by Lenoir. The water purchased by Lenoir from Valdese shall be transmitted on a continuous basis except for unforeseen circumstances and emergency failures of pressure or supply due to main supply line breaks, power failure, water source contamination, flood, drought, fire and use of water to fight fire, earthquake or other catastrophe. In the event of an unforeseen circumstance or emergency, Valdese shall notify Lenoir of the circumstances and provide timely updates so as to keep Lenoir informed of the status and nature of repairs.

3. (Metering Equipment) The metering equipment that will be located on Valdese property shall be furnished by Lenoir and dedicated to Valdese. Lenoir staff/designee shall be granted reasonable access to Valdese facilities for maintenance of Lenoir's equipment located on Valdese property. Future repairs or replacement to meter equipment shall be the responsibility of Lenoir. Recalibration of meter equipment shall be done annually by Lenoir. Additional calibrations beyond the annual will be covered by the party initiating the calibration. This meter shall be read by Valdese between the fourteenth (14th) and seventeenth (17th) of each billing cycle. An appropriate official of Lenoir shall have access at all reasonable times to the meter for the purpose of verifying its readings.

4. (Billing Procedure) Valdese shall provide to Lenoir, between the first (1) day and the fifth (5) day of the billing month a statement of the amount of water furnished to Lenoir during the preceding billing cycle. Water bills are considered past due after the 15th of the billing month at 5:00 pm. After 5:00 p.m. on the 15th of the month, a ten percent (10%) penalty will be added to any outstanding balance to such account. If payment is not received by 5:00pm on the 25th of the month, a non-payment fee of \$25 will be added to the account and water service may be cut off until the account balance is paid in full. If payment is not received by 5:00 pm on the 25th of the following month, this shall constitute a material breach of this

AUGUST 5, 2024, MB#32

Agreement, and Valdese may terminate this Agreement as provided in Paragraph C.6. If the 25th falls on a Saturday, Sunday, or a holiday, the customer will be given until 5:00 pm, on the next working day to pay their bill before a penalty charge and/or non-payment fee is added.

B. LENOIR'S OBLIGATIONS:

1. (Rates and Payment Dates) See above A.4 for payment dates and penalties. The rate shall be \$2.50 per thousand (1000) gallons of water purchased, up to 4,000,000 gallons. Valdese will bill by rounding up to the nearest thousand (1000) gallon. For example, if Lenoir uses 500,001 gallons, billing will be based on 501,000 gallons. Lenoir shall use its best efforts not to exceed 4,000,000 gallons per day without the advance written consent of Valdese. Above 4,000,000 gallons, rate per gallon of water purchased shall be as follows:

Gallons Rate

4,000,001 to 6,000,000 gallons Fiscal year base rate per 1000 gallons x 5%

6,000,001 or more Fiscal year base rate per 1000 gallons x 10%

2. (Rate Increases) The rate per thousand (1000) gallons of water purchased may be increased on the first billing cycle applicable to each new fiscal year. The fiscal year rate increase may be no more equal to the percentage increase in the Consumer Price Index for All Urban Consumers (Water and Sewage Maintenance) U.S. City Average, as published by the U.S. Bureau of Labor Statistics. Rates will be adjusted using the "Unadjusted percent change" for the month of February average CPI compared to the preceding 12 months, or by 2%, whichever is greater.

3. (Minimum Usage) Lenoir agrees to purchase a minimum volume of 0.30 MGD (million gallons per day).

C. IT IS FURTHER AGREED BETWEEN VALDESE AND LENOIR AS FOLLOWS:

1. (Term of Agreement) This Agreement shall extend for a term of forty (40) years from the date of the initial delivery of water as shown by the first bill submitted by Valdese to Lenoir and, thereafter may be automatically renewed annually unless a six month written notice by either Valdese and Lenoir to modify or terminate the agreement.

2. (Emergency Services) Valdese and Lenoir shall endeavor to provide such quantities of water each to the other as may be needed in the case of emergency water needs, such as water source contamination, production facility failure, natural disaster, or other catastrophe. The cost of such water shall be at the rate described in Paragraph B. 1.

3. (Delivery of Water) Lenoir shall notify Valdese in writing of the date for the initial delivery of water.

4. (Failure to Deliver) Valdese will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish Lenoir with quantities of water required under the terms of this Agreement by Lenoir. Temporary or partial failure to deliver water shall be remedied with all possible dispatch. Notwithstanding the foregoing, Valdese

retains the right to restrict the amount of water it furnishes under this Agreement, if it determines in its sole discretion that such restriction or cessation is necessary or prudent in order to safeguard Valdese's ability to provide adequate water service to the retail customers of its own system.

5. (Modification of Agreement) The provisions of this Agreement may be modified or altered by mutual written agreement of the parties.

6. (Termination) This Agreement may be terminated, for cause, by the non-breaching party notifying the breaching party of a substantial failure to perform in accordance with the provisions of this Agreement and if the failure is not corrected within thirty (30) days of the receipt of the notification. Upon such termination, the parties shall be entitled to such additional rights and remedies as may be allowed by applicable law. Termination of this Agreement shall not form the basis of any claim for loss of anticipated profits by either party.

7. (Notices) Any notice required to be given hereunder by Valdese to Lenoir shall be made by Valdese in writing and mailed by first class mail or transmitted by email to the City Manager, City of Lenoir, at the following address: P.O. Box 958, Lenoir, NC 28645, or by email to the City Managers email address displayed on the City of Lenoir website. Notice shall be effective upon receipt. Any notices required to be given hereunder by Lenoir to Valdese shall be made by Lenoir in writing and mailed by first class mail or transmitted by email to the Town Manager, Town of Valdese, at the following address: P.O. Box 339, Valdese, NC 28690, or by email to the Town Managers email address displayed on the Town of Valdese website. Notice shall be effective upon receipt.

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8. (Regulatory Agencies) This Agreement is subject to such rules, regulation, or laws as may be applicable to similar agreements in this State, and Valdese and Lenoir will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.

9. (Governing Laws) This Agreement shall be governed by and in accordance with the laws of the State of North Carolina. All actions relating in any way to this Agreement shall be brought in the General Court of Justice in the County of Burke and the State of North Carolina.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this Agreement to be duly executed in duplicate counterparts, each of which shall constitute and original.

Signature Pages:

Bo Weichel, Assistant Town Manager / CFO

Approved as to form on behalf of the Town this day of , 2024.

Timothy D. Swanson, Town Attorney

IN WITNESS WHEREOF, the Town of Valdese has executed this Agreement effective as of the date first written above.

(SEAL)

THE TOWN OF VALDESE,
a North Carolina Municipal Corporation

ATTEST: By:
Charles Watts, Mayor

Jessica Lail, Town Clerk

Donna Bean, Finance Director

Approved as to form on behalf of the City of Lenoir this day of , 2024.

Timothy J. Rohr, City Attorney

IN WITNESS WHEREOF, the City of Lenoir has executed this Agreement effective as of the date first written above.

(SEAL)

CITY OF LENOIR,
a North Carolina Municipal Corporation

ATTEST: By:
Joseph L. Gibbons, Mayor

Shirley M. Cannon, City Clerk

APPROVED INTERBASIN TRANSFER COST SHARING

REQUEST

Approve Valdese to participate and contribute in a regional cost sharing project that will provide valuable resources to combat the Charlotte Inter Basin Transfer (IBT) request.

BACKGROUND

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Charlotte Water filed a notice of its intent to request an increase from 33 million gallons per day (MGD) to 63 MGD regarding the water it transfers from the Catawba River Basin to the Rocky River Basin, a tributary of the Yadkin/Pee Dee River.

The local governments in our region are concerned about the negative impacts of Charlotte's request to transfer additional water from the Catawba River Basin into the Rocky River which is part of the Yadkin River Basin. Like all rivers, the Catawba River is a limited resource that is vital to life and economic growth. IBTs of this magnitude subsidize growth in other areas using the limited resources of the Catawba River. The NC Environmental Management Commission approved a Charlotte requested IBT in 2002 for 33 million gallons per day and approved another IBT in 2007 for 10 million gallons per day for Concord and Kannapolis.

CONCERNS

A few years ago, we experienced severe drought conditions that depleted water levels to a point that nearly interrupted public drinking water supplies. This IBT will exacerbate that issue with the next drought.

Transferring water from the Catawba River Basin reduces future growth opportunities for local communities in our region by reducing the available water. Reducing the flow of the Catawba River potentially causes greater concentrations of pollutants in the river. IBTs of this magnitude subsidize growth in other areas using the limited resources of the Catawba River.

ANALYSIS

Charlotte should not increase its IBT for its growth needs over the next 30 years but should instead use that time to implement water infrastructure and policies to eliminate its current IBT certificate issued in 2002. An IBT should be a temporary measure to accommodate growth and not a permanent solution.

Our region should not be forced to give up its potential growth opportunities to subsidize Charlotte growth with our water resources.

At the request of local governments, the WPCOG is providing coordination of our region's discussions and response to the Charlotte IBT request. The next steps are to employ specialized attorneys, engineers, and lobbying services to navigate this process. Charlotte Water will be required to do an environmental impact statement (EIS), required by law. The Environmental Management Commission (EMC) will hold a public hearing on the EIS sometime after the EIS is submitted.

The cost sharing plan is based on the size of each local government utility system is attached. The WPCOG will serve as the contracting entity on behalf of the participating local governments

For Valdese to participate, our cost share is as follows:

- FY2024-25 = \$6,890.56
- FY2025-26 = \$5,418.22

APPROVED BUDGET AMENDMENT - INTERBASIN TRANSFER COST SHARING

Budget Amendment # 2-10

Subject: Inter Basin Transfer cost sharing participation

Description: Participation allocation for FY24-25 to the WPCOG for their legal and lobbying work to prevent the City of Charlotte from being allowed to draw more water from the Catawba river basin

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, 2025:

Section I:

The following revenues available to the Town will be increased:

Account	Description	Decrease/ Debit	Increase/ Credit
10.3990.000	General Fund Balance Appr.		6,891
	Total	\$0	\$6,891

Amounts appropriated for expenditure are hereby amended as follows:

Account	Description	Increase/ Debit	Decrease/ Credit
10.4200.530	Dues	6,891	
	Total	\$6,891	\$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 asked if the Council could have an explanation on the Valdese Bluff's easements. Planning Director Larry Johnson noted that he had received several questions regarding these easements and has been able to answer them. Mr. Johnson shared that these easements are basic utility easements granting the Town of Valdese the right to install water and sewer lines to an adjacent parcel next to the Draughn High School for potential housing development. Mr. Johnson said we are also proposing to put in a pump station.

Councilwoman Ward made a motion to approve the aforementioned items on the Consent Agenda with the exception of item 6 O, seconded by Councilman Mears. The vote was unanimous.

End Consent Agenda

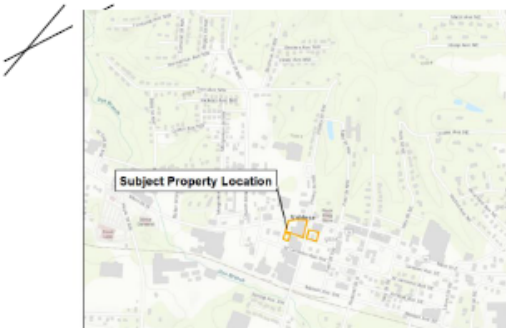
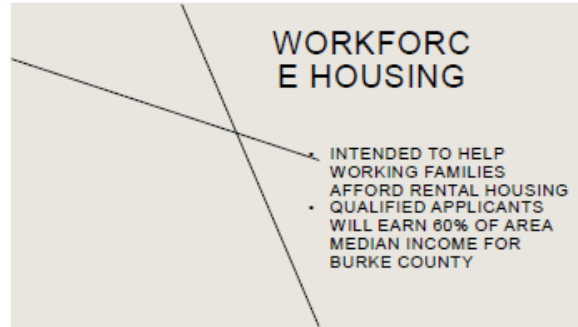
ITEMS REMOVED FROM CONSENT AGENDA: Councilman Harvey removed one item: 6 O, APPROVAL OF RESOLUTION AMENDING 2024 TOWN COUNCIL MEETINGS CALENDAR

Councilman Mears made a motion to add an item under New Business, Appointment of an Interim Town Manager, seconded by Councilman Harvey. The vote was unanimous.

REMOVED - APPROVAL OF RESOLUTION AMENDING 2024 TOWN COUNCIL MEETINGS CALENDAR Councilman Harvey recommended no motion on this item. There was no motion from Council.

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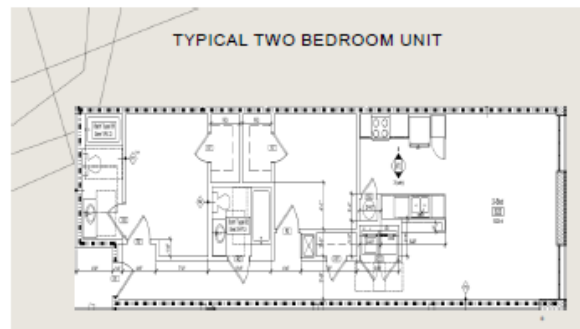
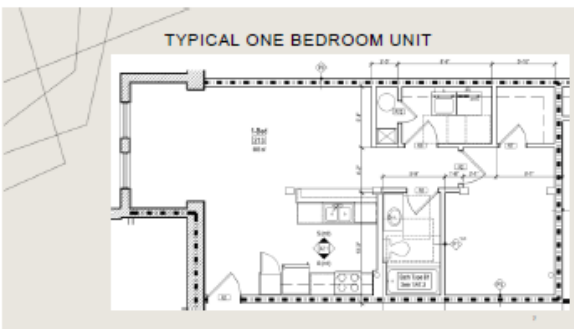
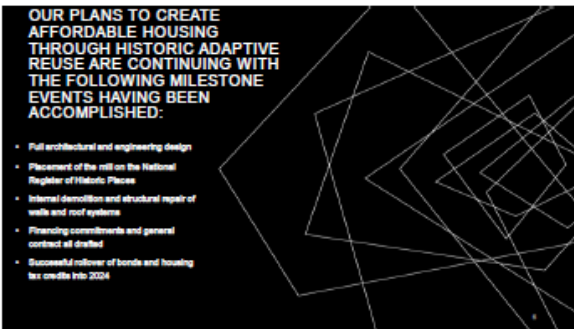
WEAVERS MILL HOUSING PROJECT Luke Fowler, with the Owner and Developer of the Mill project shared the following presentation:



THE ULTIMATE RECYCLING!



HISTORIC ADAPTIVE REUSE IS A VERY GREEN FORM OF BUILDING AS THE CARBON FOOTPRINT FOR THE STRUCTURE WAS PAID MANY YEARS AGO.

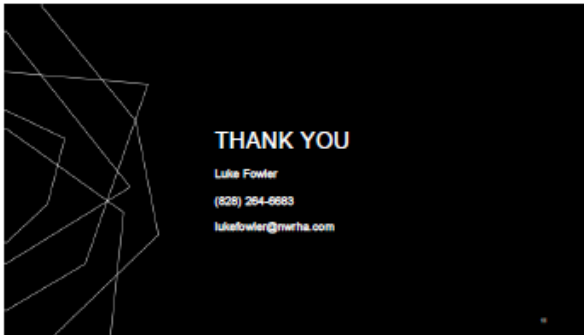


DEVELOPMENT TEAM:

- Owner – Blue Ridge Housing of Burks, LLC
- Developer – Northwestern Housing Enterprises, Incorporated
- Foundation Funder – Dogwood Health Trust
- Lender – Churchill Stateside Group
- Federal Investor – Community Affordable Housing Equity Corporation
- State Investor – FOSS Equity Group
- Bond Counsel – McGuireWoods Firm
- Corporate Counsel – Blanco-Tackaberry
- Architect – The-Klester Architects
- Engineer – West Consultants, Inc.
- General Construction Contract Manager – ALH General Contractor
- Historic Consultant – Post Oak Historic
- Environmental Engineer – Geosyntec, Inc.

WHY NHE?:

For over 25 years NHE has partnered with institutional investors and advantaged lenders along with State Agencies, Councils of Government, Cities, Towns, and Counties to advance affordable senior and workforce living, with designs that enhance the surroundings and provide jobs. Often, we are able to breathe new life into older landmark buildings to benefit the western NC communities we serve.



Mr. Fowler noted that the one bedroom is approximately \$860.00, and the two bedrooms are \$1,020.00 and include a utility allowance for water/sewer/trash pickup/parking. Councilman Harvey asked if the subsidized units were for all of them or half. Mr. Fowler said it would be for all of them. Councilman Harvey asked if they would pay property taxes, and Mr. Fowler said that would be exempt and that the water/sewer would be individually metered. Councilman Harvey noted that many of our Town employees and school teachers don't make a lot of money but make too much to qualify for these apartments and asked who is the served market. Mr. Fowler said that government regulations define this, and we have to comply for the funding. Mr. Fowler said it would be for welfare and social security income.

Kristen Kirby, Bond Counsel with McGuire Woods LLP, presented the following presentation:

TAX-EXEMPT MULTIFAMILY HOUSING REVENUE BONDS

Kristen Kirby
McGuireWoods: LLP
501 Fayetteville Street, Suite 500
Raleigh, North Carolina 27601
(919) 755-6574
kkirby@mcguirewoods.com

www.mcguirewoods.com

What are multifamily housing revenue bonds?

- Bond (debt) issued by a governmental entity – state or local housing authority, county or city/town (the “Issuer”)
- Under N.C.G.S. 160D-1311(b), the Town is authorized to exercise the powers of a housing authority, including acting as the Issuer of tax-exempt multifamily housing bonds
- Proceeds are loaned to private entity (the “Borrower”)
- Borrower uses those dollars to acquire, construct and/or rehab and equip “multifamily residential rental housing”
- Bonds are “private activity bonds” under Section 142 of the Internal Revenue Code (the “Code”)
- Town would be acting as a conduit issuer and has no financial obligation with respect to the bonds

McGuireWoods | CONFIDENTIAL

Project must meet Income Restrictions

Either

20% of units must be set aside for Individuals whose Income is 50% or less of area median Income (“AMI”)

Or

40% of units must be set aside for Individuals whose Income is 60% or less of AMI

- Income limits based on HUD guidelines; subject to family size
- Income determination must be made at least annually
- Restrictions apply for the LONGER of 15 years or life of bonds

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Who are the players in a bond deal?

- Issuer - governmental unit that issues bonds (in this instance the Town)
- Underwriter - investment banking firm that structures the deal and finds buyers
- Trustee
 - holds proceeds pending disbursement for construction costs
 - collects debt service payments from Borrower and pays to bondholders
- Bond counsel - oversees entire process and issues opinion that bonds are tax-exempt
- Issuer’s counsel - looks out for issuer’s interests
- Underwriter’s counsel - prepares disclosure document to sell bonds to the market place - “Official Statement”
- Borrower’s counsel - looks out for Borrower’s interest; generally does real estate work and opinion

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What are the Issuer’s Responsibilities?

- Bonds are not a debt of the Town or a pledge of its faith and credit or taxing power and do not affect the Town’s debt ratios or legal debt limit
- Town has no financial responsibility for the bonds; the Borrower is solely responsible for repayment of principal and interest on the bonds
- Issuers often receive a fee for serving as the bond issuer and the developer is responsible for paying all costs of issuance (including bond counsel and issuer’s counsel)

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What steps are required?

- Developer files application with North Carolina Housing Finance Agency (NCHFA) for approval of volume cap for bonds
- Inducement resolution – indicates the issuer’s willingness to issue bonds if all approvals are obtained; not an approval for any other purpose (i.e. zoning, planning, construction approvals separate)
- Developer receives allocation of volume cap from NCHFA
- Town Council holds a public hearing (also called the TEFRA hearing) as required under the federal tax code and adopts a resolution approving in principle the issuance of the bonds
- Town Council adopts resolution approving documents and financing (usually done at the same time as findings resolution)
- Sign documents at closing
- Post issuance: receive monitoring reports regarding compliance with low-income requirements

McGuireWoods | CONFIDENTIAL

QUESTIONS?

Kristen M. Kirby
McGuireWoods: LLP
501 Fayetteville Street, Suite 500
Raleigh, North Carolina 27601
(919) 755-6574
kkirby@mcguirewoods.com

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Councilman Harvey asked what the total amount of the bonds was for this. Ms. Kirby said it was around 10 million, and the total project cost would be around 19 million, but to qualify for the tax credits, at least half of the project cost has to be financed with bonds. Councilman Harvey understands the Town of Valdese would be the issuer with no obligations, but the issuer often will receive a fee for serving as the issuer and ask what that amount would be. Ms. Kirby said that it would typically be in the range of 1% of the bond amount. Ms. Kirby said that would be a negotiation with the developer. Mr. Fowler said that after 15 years, the property restrictions do not apply, and we would be very happy to sell to a market rate manager/owner. Planning Director Larry Johnson asked to clear up something with the utilities. Mr. Johnson said there would be 1 meter X 60 units, which is how it would be billed.

2023 NORTH CAROLINA DEPARTMENT OF LABOR SAFETY AWARDS Fire Chief/Safety Director Truman Walton presented Town Departments with 2023 safety awards.

TO: Bryan Steen, Town Manager
Valdese Town Council

FROM: Truman Walton, Safety Director

DATE: June 19, 2023

REF: 2023 North Carolina Department of Labor Safety Awards

The goal of the North Carolina Department of Labor Safety Awards Program is to recognize those entities that go the extra mile to promote safety in the workplace. For calendar year 2023, most of our Town departments received recognition for their efforts to prevent work place injuries and illnesses. These achievements are largely due to our department heads and employees working and training together to ensure that safe workplace practices are followed and that safety is the top priority of every Town of Valdese employee.

In order to qualify for a NCDOL Safety Achievement Silver Award the rate of days away from work must be at least 50% below the industry average. The following town departments received NCDOL Safety Achievement Silver Awards for calendar year 2023:

- Police Department (1st year)
- Public Works Department (2nd consecutive year)

In order to qualify for a NCDOL Safety Achievement Gold Award the rate of days away from work, job transfer or restriction must be at least 50% below the industry average. The following town departments received NCDOL Safety Achievement Gold Awards for calendar year 2023:

- Waste Water Department (1st year)
- Recreation Department (2nd consecutive year)
- Water Department (7th consecutive year)
- Community Affairs Department (13th consecutive year)
- Administrative Department (36th consecutive year)

The Administrative Department's 36th consecutive year of achievement is the 3rd longest active awards streak in the State of North Carolina according to NCDOL Commissioner Josh Dobson.

Particular attention should be paid to those departments receiving consecutive Safety Awards, especially those departments where accident rates are usually elevated due to the nature of their work.

APPROVED PUBLIC HEARING: REZONING MAP AMENDMENT 2-6-24 - B-1 CENTRAL BUSINESS DISTRICT TO B-2 GENERAL BUSINESS DISTRICT At 6:55 pm, Mayor Watts opened the public hearing. Planning Director Larry Johnson shared the following information for the Rezoning Map Amendment 2-6-24 - B-1 Central Business District to B-2 General Business District:

Rezoning Amendment 2-6-24

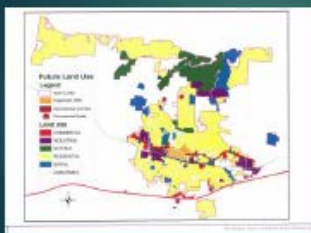
Recommended by
Town of Valdese Planning Board

HOW DID WE GET HERE?

The Valdese Vision - Land Use Action Plan for the Future

- ▶ Adopted by the Town Council in 2014, the Valdese Vision: A Land Use Plan established a vision for future growth and constitutes the legal basis for land-use decision-making.


The Future Land Use Map



Adopted in 2014 by Valdese Town Council, the land use map is a generalized map of where Valdese may develop in the future and the likely and desired land use type. *The Land Use Map serves as a guide for future development over the next 10 to 20 years.*

The Valdese Vision - Land Use Action Plan for the Future Major Components

- ▶ Future Land Use Map
- ▶ Implementation Strategies
- ▶ Action Plan/Matrix (Tool)




CD.1.13 Rezone properties in the downtown area to promote the expansion of the Central Business District into several blocks *and* create a new Zoning District. *[Priority-High, Timeframe-Immediate, Responsibility-PB/PZ/TC]*

Commercial Districts Expansion

- ▶ Rewrite of permitted uses and standards in the B-1 Central Business and B-2 General Business commercial zoning districts
- ▶ Create a new district, DBC-Downtown Business Corridor
- ▶ Expand the B-1 Central Business, and
- ▶ Expand the B-2 General Business District

Planning priority in the Valdese Vision: Land Use Action Plan adopted in 2014

Boundary and Zoning District Designations



B-1

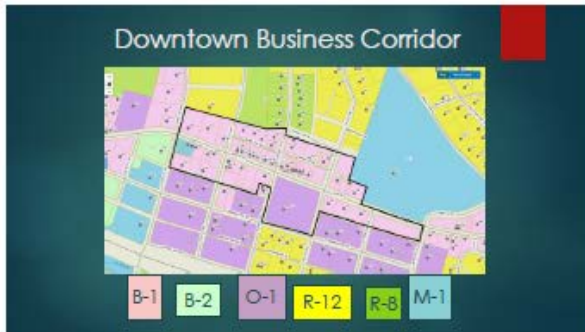
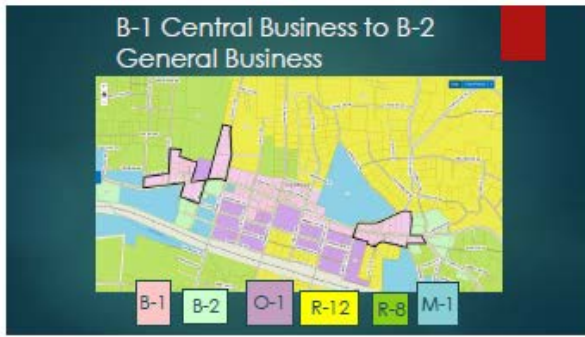
B-2

O-1

R-12

R-8

M-1



Review of Rezoning Map Amendment 2-6-24

Recommended by the Valdese Planning Board

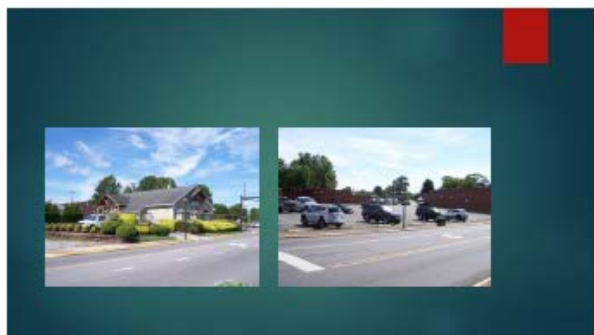
Requested Action: Rezone nineteen parcels from the current designation of B-1 Central Business District to B-2 General Business

B-2 General Business District

The B-2 General Business District is intended to encourage the establishment of areas of general business that do not require a central location. Uses in the B-2 General Business District are generally located along major radial highways leading out of town, providing retail goods and services to the traveling public and residents.

REVIEW CRITERIA (1-5):

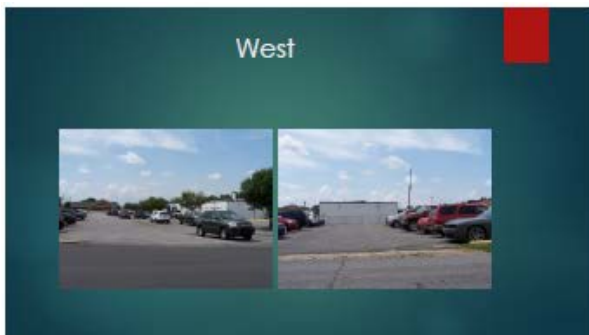
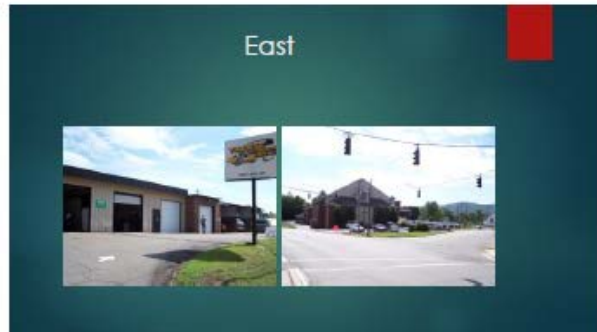
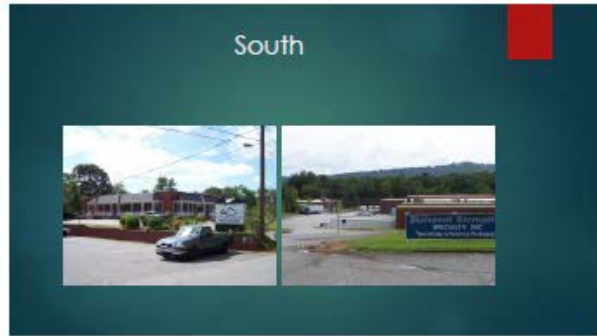
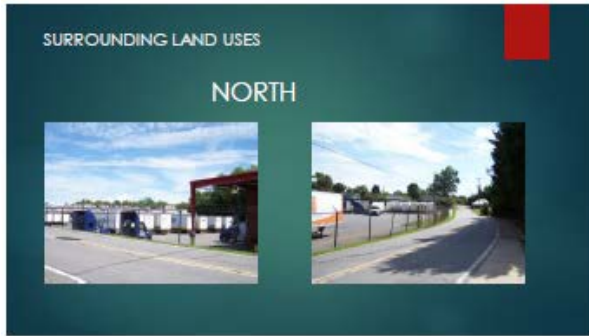
1. Existing Land Uses of the nineteen parcels are residential, personal service establishments, automotive sales, medical and professional services, community parks, parking lots, restaurants, Business Office type (Insurance), clubs and lodges, and a convenience store.





*To the extent to which the rezoning will detrimentally affect the nineteen properties, the requested **B-2 General Business District** permits all (residential with a CUP) of the aforementioned uses.*

1a. Neighboring Land Uses of the nineteen parcels are residential, manufacturing, manufacturing parking lot, retail, sales and services, and church.



The rezoning of the nineteen parcels to B-2 General Business District will not detrimentally affect the neighboring properties.

Review Criteria Cont.

2. Traffic - No traffic study was conducted. However, the NCDOT traffic volume website reveals an Annual Average Daily Traffic count (AADT) of 8700 vehicles along Main Street East

(No traffic volume increase is anticipated from rezoning the nineteen parcels to B-2 General Business District.)

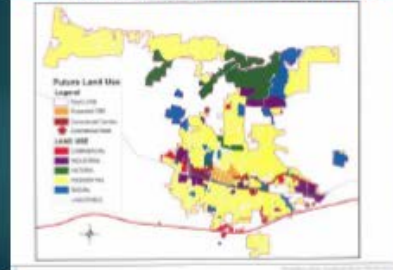
3. Public Services include public water and sewer infrastructure, police, and fire protection.

(The extent to which the proposed amendment (zoning map) will cause public services to fall below acceptable levels, public services are in place and serve the parcels. These include public water, sewer infrastructure, and police and fire protection.)

4. Consistency with the Valdese Vision: A Land Use Action Plan for the Future.

(The general area is classified as commercial by the land use plan. This rezoning petition is consistent with The Valdese Vision: Land Use Action Plan.)

The Future Land Use Map



5. "Spot" Zoning.

(The total acreage of the Properties is sufficient not to be construed as "spot" zoning.)

Review

1. The Valdese Planning Board recommended a zoning map amendment in June 2024 to rezone nineteen parcels with zoning designations of B-1 Central Business District to B-2 General Business District.
2. The parcels' land uses are residential, personal service establishments, automotive sales, medical and professional services, community parks, parking lots, restaurants, Business Office type (Insurance), clubs and lodges, and a convenience store.
3. The B-2 General Business District permits the aforementioned uses, including residential uses with a Conditional Use Permit.

4. The rezoning petition is consistent with The Valdese Vision: Land Use Action Plan. The Land Use Action Plan identifies the parcels for commercial development, consistent with the proposed B-2 General Business designation.
5. The total acreage of the nineteen parcels is sufficient not to be construed as "spot" zoning.

North Carolina General Statute 160D-605(a) provides, in part, as follows :

When adopting or rejecting any zoning text or map amendment, the governing board shall approve a brief statement describing whether its action is **consistent or inconsistent** with an adopted comprehensive or land-use plan. The requirement for a plan consistency, the governing board was aware of and considered the Planning Board's recommendations and any relevant portions of an adopted comprehensive or land-use plan.

North Carolina General Statute 160D-605(b) provides, in part, as follows :

When adopting or rejecting any petition for a zoning map amendment, a statement analyzing the **reasonableness** of the proposed rezoning shall be approved by the governing board. Among other factors, (i) the size, and physical conditions, (ii) the benefits and detriments to the landowners, the neighbors, and the surrounding community, (iii) the relationship between the current actual and permissible development on the tract and adjoining areas and the development that would be permissible under the proposed amendment; (iv) why the action taken is in the public interest.

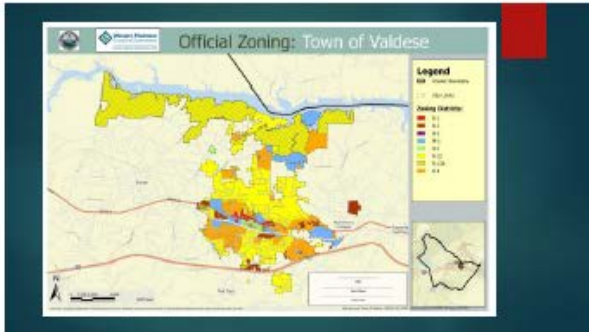
Recommended action

1. The Valdese Town Council approves Map Amendment 2-6-24 and
2. The Valdese Town Council adopts a Consistency and Reasonableness Statement under North Carolina General Statute 160D-605(a)(b) affirming that the rezoning is reasonable and consistent with the Valdese Vision: A Land Use Action Plan for the Future.

The following steps will be taken in advance of the public hearing on Rezoning Petition 2-6-24:

- a. Property owners and adjoining property owners were notified by first-class mail of the public hearing.
- b. The public hearing was advertised in the local paper.
- c. Staff placed Rezoning Public Hearing signs where appropriate in the rezoning area.

QUESTIONS?



Property Location: 405-636 Main Street East, 161 Laurel Street NE, 454 Laurel Street NE, 725 Eldred Street SE

Parcel ID Numbers: 2743149654, 2743144676, 2743148636, 2743142677, 2743145991, 2743140771, 2743142885, 2743157022, 2743143886, 2743144883, 2743049773, 2743140817, 2743146604, 2743144607, 2743141676, 2743142855, 2743143806, 2743142805, 2743144995

Requested Action: Rezone nineteen parcels from the current designation of B-1 Central Business District to B-2 General Business

BACKGROUND: The Town of Valdese adopted the Valdese Vision: A Land Use Action Plan in January 2014. This development plan was created to establish a vision for the Town’s future, help ensure that planning is done in a manner that best serves the public interest, be an adopted policy document that can help guide appointed and elected officials in matters related to the Town’s physical growth and development and help constitute the legal basis for the Town’s land use decision-making process.

The action matrix of the Valdese Vision identifies action/policy, types of action, responsibility, resource allocation, time, and prioritization. The Downtown/Commercial Development section of the Valdese Vision Land Use Plan prioritizes the rezoning of properties in the downtown area to promote the expansion of the Central Business District and the creation of a new zoning district. This process is part of the proposed rezoning of the B-1 Central Business parcels to B-2 General Business.

The current zoning designation of the nineteen parcels is B-1 Central Business District. The current uses are retail, sales and services, medical or professional services, a public park, automotive sales, a restaurant, a personal care establishment, a convenience store, and residential, all of which are allowed in the B-2 General Business District.

REVIEW CRITERIA:

1. Existing land uses in the general vicinity of the nineteen properties are residential, manufacturing parking, manufacturing, commercial, and medical and professional services.

- **North:** Manufacturing (parking lot), residential,

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- **South:** Medical or professional, manufacturing, and residential.
- **East:** Commercial (animal hospital), automotive sales and service, and church.
- **West:** Manufacturing and manufacturing parking.

To the extent to which zoning will detrimentally affect properties in the general vicinity of the applicant's properties, the requested B-2 General Business District permits the zoning uses of the B-1 Central Business District.

2. Traffic

The Town of Valdese conducted no traffic study. However, the NCDOT traffic volume website reveals an Annual Average Daily Traffic count (AADT) of 8000 vehicles, according to the latest from NCDOT.

No anticipated traffic volume increase is generated from rezoning the nineteen parcels to B-2 General Business District.

3. Public Services

The extent to which the proposed amendment (zoning map) will cause public services to fall below acceptable levels, public services are in place and serve the parcels. These include public water, sewer infrastructure, and police and fire protection.

4. Consistency of the proposed zoning with the Valdese Vision: A Land Use Action Plan for the Future

*The general area is classified as commercial by the land use plan adopted by the Valdese Town Council. This rezoning petition is **consistent** with The Valdese Vision: Land Use Action Plan.*

5. "Spot" Zoning

The total acreage of the nineteen parcels is sufficient not to be construed as "spot" zoning.

REVIEW:

The Valdese Planning Board finds Rezoning Petition 2-6-24 (Zoning Map Amendment) **consistent** with the Valdese Vision: A Land Use Action Plan for the Future. In so finding, the Planning Board provides the following review:

1. Staff recommended to the Planning Board a zoning map amendment in June 2024 to rezone nineteen parcels with zoning designations of B-1 Central Business District to B-2 General Business District.
2. The parcels' land uses are retail, sales and services, medical or professional services, public parks, restaurants, personal care establishments, convenience stores, automotive sales, and residential.
3. The B-2 General Business District permits retail, sales and services, medical or professional services, public parks, restaurants, personal care establishments, convenience stores, automotive sales, and residential uses.
4. The rezoning petition is reasonable and consistent with The Valdese Vision: Land Use Action Plan. The Land Use Action Plan identifies the parcels for commercial development, consistent with the proposed B-2 General Business designation.

RECOMMENDED ACTION:

Valdese Planning Board recommends the following:

1. The Valdese Town Council adopts a Consistency and Reasonableness Statement under North Carolina General Statute 160D-605(a)(b) affirming that the rezoning is reasonable and consistent with the Valdese Vision: A Land Use Action Plan for the Future.

PUBLIC NOTICE

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The following steps were taken in advance of the public hearing on Rezoning Petition 2-6-24:

- a. Adjoining property owners will receive first-class mail notifications.
- b. The Notice of Public Hearing was advertised in the local paper.
- c. Staff placed rezoning public hearing signs where appropriate in the proposed rezoning area.

**VALDESE TOWN COUNCIL ZONING MAP AMENDMENT
CONSISTENCY AND REASONABLENESS STATEMENT**

On August 5, 2024, the Valdese Town Council met to consider Rezoning Petition 2-6-24 and received a recommendation from the Valdese Planning Board. After considering the Plan (defined below), ordinances, maps, recommendations, and other materials presented, the Valdese Town Council makes the following findings and conclusions:

1. In 2014, the Town of Valdese adopted a comprehensive land use plan entitled "The Valdese Vision: A Land Use Action Plan for the Future" (hereinafter the "Plan"). The Plan identifies the type of community that Valdese wants to become in the future and the strategies that the Town will use to guide development and land use activities.
2. The Town of Valdese submitted a Rezoning Petition recommended by the Town of Valdese Planning Board requesting to rezone the following nineteen properties (the "Properties") from B-1 Central Business District to B-2 General Business District:

405-636 Main Street East, 161 Laurel Street NE, 454 Laurel Street NE, 725 Eldred Street SE and further identified by parcel ID numbers: 2743149654, 2743144676, 2743148636, 2743142677, 2743145991, 2743140771, 2743142885, 2743157022, 2743143886, 2743144883, 2743049773, 2743140817, 2743146604, 2743144607, 2743141676, 2743142855, 2743143806, 2743142805, 2743144995.

3. The purpose of Central Business District (B-1) is to accommodate and encourage further expansion and renewal in the historic/business core of the Town of Valdese. A variety of business, retail, professional, financial, cultural, and other related services are encouraged in an effort to provide the mix of activities necessary to shoppers.
4. The General Business District (B-2) is to encourage the establishment of areas for general business that do not require a central location. Businesses in this district are generally located along major radial highways leading out of town, providing retail goods and services to the traveling public and local residents.
5. The Properties are comprised of retail, sales and services, medical or professional services, a public park, a restaurant, a personal care establishment, a convenience store, and residential, all of which are allowed in the B-2 General Business District.
6. Rezoning Petition 2-6-24 is intended to appropriately zone B-2-related uses to the periphery of the Downtown corridor to accommodate and encourage further expansion providing retailing goods and services to the traveling public and local residents and the renewal of the historic/business core of the Town of Valdese.
7. North Carolina General Statute 160D-605(a) provides, in pertinent part, as follows:

When adopting or rejecting any zoning text or map amendment, the governing board shall approve a brief statement describing whether its action is consistent or inconsistent with an adopted comprehensive or land-use plan. The requirement for a plan consistency statement may also be met by a clear indication in the minutes of the governing board that at the time of action on the amendment, the governing board was aware of and considered the Planning Board's recommendations and any relevant portions of an adopted comprehensive or land-use plan. If a zoning map amendment is adopted and the action was deemed inconsistent with the adopted plan, the zoning amendment has the effect of also amending any future land-use map in the approved plan, and no additional request or

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application for a plan amendment is required. A plan amendment and a zoning amendment may be considered concurrently.

8. Text Amendment 2-6-24 is consistent with and supports several Plan priorities, including, but not limited to, the following:
 - (a) To ensure that the scale and design of commercial development is consistent with the unique small town character of Valdese;
 - (b) Rezoning properties in the downtown area to promote expansion of the Central Business District into several additional blocks and create a relevant new zoning district.
 - (c) Evaluate the Town's existing zoning ordinance to determine where amendments are necessary to encourage and enable more compact, mixed-use development.
9. The Town of Valdese's request for amendment was duly considered at a meeting of the Town of Valdese Planning Board. The Planning Board found the Town of Valdese's request to amend the Town's Zoning Map around the Properties from their designated zoning to B-2 General Business District *consistent* with the Plan.
10. The Planning Board, at their June 17, 2024 meeting, voted five to zero to recommend that the Town Council amend the Town's Zoning Map regarding the Properties from B-1 Central Business District to B-2 General Business District.
11. The Valdese Town Council hereby finds Rezoning Petition 2-6-24 regarding rezoning the Properties from their currently designated zoning to B-2 General Business District to be *consistent* with the Plan.
12. North Carolina General Statute 160D-605(b) provides, in pertinent part, as follows:

When adopting or rejecting any petition for a zoning map amendment, a statement analyzing the reasonableness of the proposed rezoning shall be approved by the governing board. This statement of reasonableness may consider, among other factors, (i) the size, physical conditions, and other attributes of the area proposed to be rezoned, (ii) the benefits and detriments to the landowners, the neighbors, and the surrounding community, (iii) the relationship between the current actual and permissible development on the tract and adjoining areas and the development that would be permissible under the proposed amendment; (iv) why the action taken is in the public interest; and (v) any changed conditions warranting the amendment.
13. The Town Council finds that the zoning amendment is reasonable and in the public interest based on the following:
 - a. The total acreage of the Properties is sufficient not to be construed as "spot" zoning.
 - b. The surrounding zoning designations are industrial, residential, and commercial properties to the north (animal hospital). The properties to the South are medical or professional and residential. The properties to the East are commercial and church. The properties to the West are manufacturing and manufacturing parking
 - c. To the extent to which zoning will detrimentally affect properties in the general vicinity of the nineteen properties, the requested B-2 General Business District permits the zoning uses of the B-1 Central Business District.
 - d. The B-2 General Business District is intended to encourage the establishment of areas of general business that do not require a central location. Uses in the B-2 General Business

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District are generally located along major radial highways leading out of town, providing retail goods and services to the traveling public and residents.

- e. The extent to which the proposed amendment (zoning map) will cause public services to fall below acceptable levels, public services are in place and serve the parcels. These include public water, sewer infrastructure, and police and fire protection.

Based upon the recommendation of the Valdese Planning Board and the findings from the public hearing, the Valdese Town Council, having found Rezoning Petition 2-6-24 in regards to rezoning the Properties from B-1 Central Business District to B-2 General Business District to be **consistent** with the Plan and approves Rezoning Petition 2-6-24 and the recommendation from the Valdese Planning Board to amend the Town's Zoning Map regarding the Properties from B-1 Central Business District to B-2 General Business District.

Based on those above and the findings from the public hearing, the Valdese Town Council further finds Rezoning Petition 2-6-24 reasonable and approves Rezoning Petition 2-6-24.

The Town Council, therefore, approves Rezoning Petition 2-6-24.

THE TOWN OF VALDESE,
a North Carolina Municipal Corporation

/s/ Charles Watts, Mayor

ATTEST:

/s/ Town Clerk

Mayor Watts asked if anyone wished to speak either for or against the public hearing. Hearing none, Mayor Watts closed the public hearing at 7:08 pm.

Councilman Mears made a motion to approve the Rezoning Map Amendment 2-6-24 - B-1 Central Business District to B-2 General Business District, seconded by Councilwoman Lowman. The vote was unanimous.

Councilman Harvey made a motion to adopt the Consistency and Reasonableness Statement under NCGS 160D-605(a)(b) affirming that the rezoning is reasonable and consistent with the Valdese Vision: A Land Use Action Plan for the Future, seconded by Councilwoman Lowman. The vote was unanimous.

DRUG AND HOMELESSNESS TASK FORCE REPORT Police Chief Marc Sharpe made the following presentation:

"Since being hired on March 25th, and attending my first Homeless/Drug Task Force meeting the very next day, We have come together for (5) five meetings. Now let's discuss what has occurred and come from those meetings and what is being accomplished.

Early on their seemed to be some confusion as to whether we had a homelessness issue in our community or not. We can now provide you some real numbers as our officers working hand in hand with the Western Piedmont Council of Governments Homeless Response Team have hit the streets to locate, identify, and offer resources to those identified as homeless. In two ride along sessions conducted with the COG (18) eighteen individuals have reached out to and been identified within our community. Of that (18), two have been placed in situations where they are now staying in a home and (1) one has been placed in a job. It is estimated that we are closer to having about (40) forty homeless in our community so we are thinking we have made COG contact with almost half of our homeless population.

The COG continues to reach out to those identified to offer help and services on a constant basis. That has to be done through cell phone contact and follow up meetings pre-planned with COG members. Some of our homeless do not have a cell phone and are unable to keep up with dates and times which makes these follow up meetings problematic at times.

Councilman Ward has been working to provide a safe zone meeting place and time at "Jethros" on Church Street where many of the contacts are taking place. In order for us to have more success stories for this outreach we have to have a way to create contact between our homeless population and the COG. Our

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police officers are communicating these things verbally as they interact with these individuals and attempting to create follow up contact on a day to day basis but it has to be arranged due to the COG having a limited supply of workers, around (5) who remember are covering several counties and multiple towns and cities.

Next we have expanded our efforts of outreach for providing services and resources for the homeless by reaching out and developing a relationship with the Burke United Christian Ministries Homeless Outreach. They have created a fantastic facility in Morganton which provides daily laundry services, showers, meals, and contacts for services for veterans, rehab, and counseling services to name a few. They have programs Monday thru Friday from 7:00 a.m. to 3:00 p.m. These resources are available to our homeless population but we have to get them to the facility where they sometimes agree to go but are in fear of being left there. This issue is being addressed by once again working to create a weekly bus stop at "Jethros" with a ride to and from the services provided by a church in our community. The planning of this is ongoing and continues to be developed as recent as this morning.

The Police Department has also been teaming up with BUCM's street level teams making introductions, delivering food and hygiene packets at a street level creating trust and inviting those individuals to obtain the resources that are available to them.

Lastly, our enforcement statistics, since taking office our officers have produced 190 criminal charges in the Town of Valdese. Of those 190 criminal charges 83 of the charges were taken out on Homeless individuals. That is 44% of our criminal charges during that time period. This is arrestable or chargeable offenses not just reportable incidents as many times we do not have identified offenders or even suspects with some of those statistics.

The charges in the offenses we are discussing include larceny and possession of stolen goods, property damage, communicating threats, assault, and possession of illegal drugs. The most prevalent is larceny which is theft from citizens or some theft from retailers in our community. Many of the chargeable offenses are repeat offenders where the same homeless individual is released from jail and repeats an offense. Therefore, all of our homeless are not committing these offenses but the same homeless individuals are committing multiple offenses or are repeat offenders which is much like the statistics of our normal crime rate. Many of the same individuals or regular customers of the police department are responsible for our community's crime.

VPD has partnered with our citizens, landowners, our code enforcement, and the Burke County Sheriff's Office to shut down identified vacant properties which have been taken over without permission for drug use and other criminal offenses. Two homes identified as problematic are in the process of changing ownership and another 100 feet outside of our city limits has been boarded up and secured.

Sgt. Beck with VPD has been instrumental in continuing to grow our Neighborhood Watch Program. An oldie, but goodie, where we partner with neighborhoods within our town scheduling monthly meeting with citizens to identify our problems in those neighborhoods needing police assistance. Our goal is to have enough neighborhood watch programs within our town that each and every officer has their own neighborhood watch program to coordinate as part of their assigned duties.

From a drug standpoint, we have future plans to team up with Harbour Programs who has street medicine teams which provide opportunities to receive NARCAN to cut down on our overdose issue. Our officers have already partnered with Harbour Programs and Western Piedmont Community College where every officer has recently received documented training to dispense NARCAN on overdose calls as they are many times the first to arrive. We dispense the same dosage our EMT or paramedics would dispense and have also been provided NARCAN free of charge which officers carry on duty to be dispensed when and as needed. In these situations, seconds can be the difference in life and death. Since NARCAN was issued and training was received we have had two calls were an officer has dispensed NARCAN.

Chief Sharpe has also been asked to set on an overdose task force within Burke County assisting in providing statistics, ideas, and solutions. We are all working together to form follow-up procedures for those individuals who have overdosed to offer additional resources and where to find those resources. This is part of the efforts where our county is spending opioid settlement monies to combat the nationwide opioid addiction epidemic.

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From an enforcement effort our officers have doubled our chargeable drug offenses from last year efforts during this same time period and the most notable possession has been methamphetamine in our community recently.

As you can see, as stated in a previous council meeting these are multifaceted problems that need to be addressed from many angles and as you can see we are developing partnerships to work hand in hand with the PD to combat these issues. We are providing resources to assist our homeless with opportunities at assisting them in finding jobs and a place to live which requires follow up on their part. We are creating prevention opportunities with the drug problem in preventing and responding to overdose. We are also holding everyone accountable by enforcing our laws and ordinances associated with the crime associated with each of the problem areas.

The Homelessness Drug Task Force will continue to meet, learn, and come up with additional ways to create contact, resources, enforcement action, and solutions, utilizing partnerships with the outside agencies along with the Valdese Police Department who will be there to do their part.”

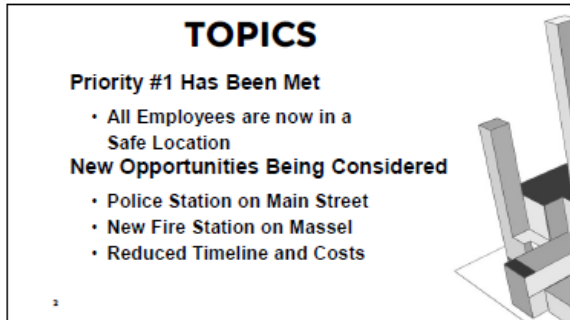
FACILITIES REVIEW COMMITTEE REPORT Facilities Review Committee Co-chair Roger Heavner shared the following presentation:



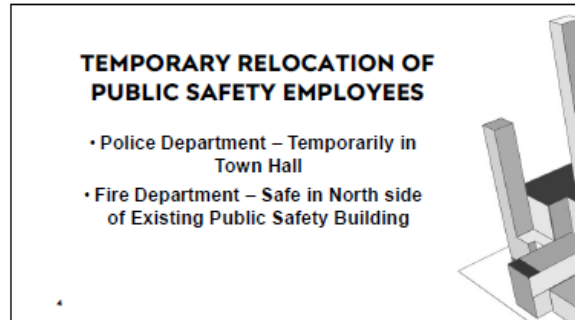
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3




2



4

215 MAIN STREET UNDER CONSIDERATION



PROPOSED POLICE STATION

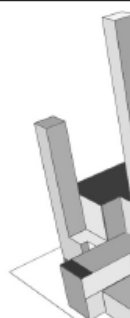
- Main Street Presence
- Double the Present Space
- Can be Renovated to Current Codes and Standards
- Total Cost May be Less Than Alternative Options

5

AND SO


IF 215 MAIN STREET EAST BECOMES POLICE STATION

200 MASSEL AVE SW CAN BECOME NEW FIRE STATION




7

PROPOSED RENOVATION



FIRST FLOOR - 2275 SF OF OFFICE SPACE
GROUND FLOOR - 2275 SF UNFINISHED



215 MAIN WOULD NEED

- Completion of Site Plan
- Renovation Such as
- New Facade
- Extensive, 40-Year (New Building) Life-span

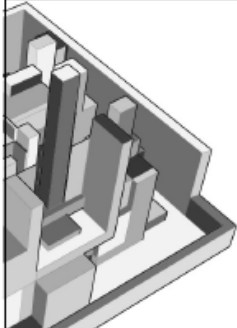
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NEXT TO TOWN HALL



8

THE SCHEDULE AHEAD



Aug 5 – Council Considers

- 215 Main Street East
- Architect's Scope of Work

Sept 9 – Council Considers

- Update on Police Station
- Update on Fire Station

9

THANK YOU FOR THE OPPORTUNITY TO SERVE OUR TOWN

FACILITIES REVIEW COMMITTEE

- Tessa Collinson
- Jerry Hyde
- Roger Heavner
- Greg Refour
- Glenn Harvey



10

Councilwoman Lowman asked where the Fire Department had been moved to in the building. Fire Chief Truman Walton said the Fire Department has not moved. Chief Walton noted that a few months ago, it was brought up to potentially move the FD, and he sent an email on everything that would need to be done to

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move and the feedback was that sounds like a good idea, but that is all. Chief Walton said they are still under the same roof structure that the Police were under. Chief Walton recommended staying where they are until they get a new facility. Councilman Harvey said that the architectural firm recommended specifically that these offices be relocated within 30 days and that we are exposing the Town to issues. Mayor Watts asked if Chief Walton and the Manager would work on a plan tomorrow.

APPROVED AGREEMENT FOR PURCHASE AND SALE OF IMPROVED REAL PROPERTY AND ADDITIONAL PROVISIONS ADDENDUM Assistant Town Manager/CFO Bo Weichel shared that the property is located at 215 East Main Street, Valdese, at a purchase price of \$360,000.00.

Councilman Harvey made a motion to approve the agreement for the purchase of 215 East Main Street, Valdese for \$360,000.00, seconded by Councilwoman Lowman. The vote was unanimous.

(A copy of the agreement can be obtained in the Clerk's office.)

APPROVED AIA DOCUMENT B101-2017 STANDARD FORM AGREEMENT BETWEEN OWNER AND ARCHITECT WITH TALLEY & SMITH ARCHITECTURE, INC. Assistant Town Manager/CFO Bo Weichel shared that the scope of work in this agreement is to renovate 215 East Main Street. The scope of work is to bring this building up to code and renovate it for police use. The total amount would be \$174,755.00, plus up to \$4,000.00 of reimbursable expenses.

Councilwoman Lowman made a motion to approve the document as presented, seconded by Councilman Mears. The vote was unanimous.

(A copy of the contract can be obtained in the Clerk's office.)

APPROVED AIA DOCUMENT B104-2017 STANDARD FORM AGREEMENT BETWEEN OWNER AND ARCHITECT (TALLEY & SMITH ARCHITECTURE, INC. PUBLIC SAFETY FACILITY STUDY) Assistant Town Manager/CFO Bo Weichel shared that this goes back to the original Talley Smith agreement approved a few months ago. Mr. Weichel shared that we have a clearer direction on where we are going, and this is a revision to the original contract. Mr. Weichel noted that it would take the agreement from \$36,000.00 to \$23,400.00.



**TALLEY & SMITH
ARCHITECTURE, INC.**

P.O. BOX 518 (28151) 409 E. MARION ST. (28150) SHELBY, NC 704-487-7082 FAX 704-482-5596 TALLEYSMITHARCH.COM

July 29, 2024

Mr. Bryan Steen, Interim Town Manager
Town of Valdese
102 Massel Ave SW
Valdese, NC 28690

email: bsteen@valdesenc.gov

Re: Revised Scope for Public Safety Facility Study
Town of Valdese, NC

Dear Mr. Steen:

As the services for the Facility Study project have progressed, the scope of the options that were originally under consideration have evolved. Due to these changes, the Town has requested that we modify the original Agreement dated April 30, 2024 to better reflect the A/E services being provided.

For reference purposes, the study had three components that were listed as:

- Option 1: Total renovation of existing public safety facility.
- Option 2: Relocation of PD and FD to a new combination facility.
- Option 3: Separation of PD and FD facilities.

Study option 1 was to explore the condition of the existing Public Safety Facility and the possibility of renovating that building. The result of our initial investigation of the building structure and review of the related documentation led us to conclude that the structural issues were too significant to make renovation a viable, cost-effective option.

Study option 2 was the exploration of a new single building for both the Police Department and Fire Department. Instead of a new combined services facility, the Town is now pursuing relocating the Police Department into an existing building.

Study option 3 was to explore the possibility of relocating the Police Department and Fire Department to separate new or renovated facilities. This study option is the primary focus of the remaining A/E services to be provided.

Thus, the study services completed or underway are:

- Option 1: The investigation of the existing Public Safety Building has been completed. This is about half of the option 1 services.
- Option 2: This option is not being pursued.
- Option 3, Police Department: The study for moving the Police Department into an existing building is nearly complete. The remaining deliverables are a

Mr. Bryan Steen, Interim Town Manager
July 29, 2024

schematic floor plan demonstrating that the existing building is an acceptable location for the Police Department and the preparation of a construction cost estimate for the building renovation. Further A/E services for the Police Department Project will be Phase II services as referenced in the original Agreement with the Town. A new Agreement for the Police Department Project A/E design and construction phase services has been submitted to the Town.

- Option 3, Fire Department: The services for this option are underway. The next step is to finalize the building program listing each building area and each area's ideal square footage. After that we will investigate the general size, configuration and location of a new building on the Massel Avenue site. The final deliverables for this phase will be a schematic site plan, showing the building footprint, parking and drives, and a construction cost estimate. Further A/E services for the Fire Department Project will be Phase II services as referenced in the original Agreement. These services can be established with a written amendment to the current Agreement or by issuing a new Agreement.

The Phase I study fee stated in the April 30, 2024 Agreement is: \$36,000

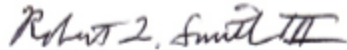
Due to the change in the scope of services as described herein, the Phase I study fee can be reduced.

Reduced Phase I study fee: \$23,400

If you have any questions, please contact me.

Sincerely,

TALLEY & SMITH ARCHITECTURE, INC.



Robert L. Smith, III, AIA, LEED AP

Councilman Harvey made a motion to accept the amendment to the original architect's contract, seconded by Councilman Ogle. The vote was unanimous.

APPROVED CAPITAL PROJECT ORDINANCE AMENDMENT – PUBLIC SAFETY BUILDING Assistant Town Manager/CFO Bo Weichel shared that this is a project amendment to include the last three items approved.

Capital Project Ordinance Amendment # 12-35

Subject: Public Safety Building

Description: This amendment to the project budget is for two transactions:
 1. Purchase of existing building on Main St.
 2. A&E contract with Talley & Smith for the Main St building
 This does not affect General fund balance, it uses the savings already in the project budget fund #35.

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
35.3480.000	Town Contribution		9,983
35.3480.001	ABC Distributions		52,304
35.3480.004	Sale of Properties		52,500
35.3480.001	ABC Distributions		363,810
Total		\$0	\$478,597

Amounts appropriated for capital projects are hereby amended as follows:

Account	Description	Increase/ Debit	Decrease/ Credit
35.5300.040	A&E		63,968
35.5100.040	PD A&E Services	174,755	
35.5100.050	PD A&E Reimbursable Allowance	4,000	
35.5100.150	PD Building Purchase	363,810	
Total		\$542,565	\$63,968

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.

Councilman Harvey made a motion to approve the budgetary amendments, seconded by Councilman Ogle. The vote was unanimous.

STREET RESURFACING STATUS REPORT Public Works Director Allen Hudson shared that on July 15, 2024, he met with the DOT on the street-paving project. They are in the process of negotiating agreements with the contractors and hopes we will have estimates by the end of August. Mr. Hudson said it could take 18-24 months for all the streets to be paved and completed.

DOT ESTIMATES - JULY 2, 2024

	miles	Ft. wide	At \$224,500/Mi
1 Anthony St	0.17	18	\$ 38,165
2 Bellview Ave Ne (Laurel to Walnut Ave)	0.16	14	\$ 35,920
3 Bellview to Clyde	0.22	18	\$ 49,390
4 Berry Ave	0.24	18	\$ 53,880
5 Bonous St Nw	0.25	18	\$ 56,125
6 Campbell Ave(bottom of hill top end)	0.18	26	\$ 40,410
7 Carter St Ne	0.19	18	\$ 42,655
8 Cline St Sw (Bertis St to Hoyle St)	0.15	36	\$ 33,675
9 Club Circle Ne	0.31	18	\$ 69,595
10 Dixie Ave Nw	0.4	20	\$ 89,800
11 Eagle Nest Lane Nw	0.12	20	\$ 26,940
12 Eldred St Ne (Main to Laurel St)	0.22	20	\$ 49,390
13 Flora Lane Ne (Gravel Portion)	0.11	14	\$ 24,695
14 Forest Ave Ne	0.25	20	\$ 56,125
15 Forest Dr Ne	0.33	20	\$ 74,085
16 Griffin Ave Nw	0.19	20	\$ 42,655
17 <i>Harris</i> <i>NOTE-EXTRAPOLATED</i>	<i>0.35</i>	<i>18</i>	<i>\$ 78,575</i>
18 Hickory Ave Nw	0.1	18	\$ 22,450
19 Jaubert Ave Se	0.18	18	\$ 40,410
20 Katherine St Se (next to the creek)	0.21	20	\$ 47,145
21 Laurel St Ne to Gardiol Ave Ne	0.37	20	\$ 83,065
22 Louise ave Ne (Italy to end)	0.21	18	\$ 47,145
23 Morganton St Nw	0.36	18	\$ 80,820
24 Nellie St Nw	0.07	18	\$ 15,715
25 Pineburr Ave Sw (Orchard St to Hoyle St	0.17	18	\$ 38,165
26 Pineburr Ave Sw (Carolina to Faet St)	0.36	20	\$ 80,820
27 Pineridge St SW	0.2	22	\$ 44,900
28 Tarheel Ave Ne	0.17	18	\$ 38,165
29 Tarvia Ave Ne	0.23	16	\$ 51,635
30 <i>Tron Ave</i> <i>NOTE-EXTRAPOLATED</i>	<i>0.67</i>	<i>18</i>	<i>\$ 150,415</i>
31 Vinay Ave Nw	0.14	18	\$ 31,430
32 White St Ne	0.08	18	\$ 17,960
TOTALS - with average width	7.36	18.75	\$ 1,652,320
<i>TOTALS - without Harris & Tron</i>			<i>1,423,330</i>

PERMANENT POOL STRUCTURE UPDATE Parks & Recreation Director David Andersen shared the following update presentation:



Pool Structure Update
August 5, 2024

Timeline Changes

- A lot of time spent to receive information to inform design (code, fire suppression requirements, geotechnical engineering)
- Asked for revision of estimates after some design changes requested
- **UPDATED TIMELINE:**
 - August 3: Present design estimate
 - August 6: If approved, go ahead with construction documents
 - August 23: Grant Awards Announced
 - First week of September: Pre-bid meeting and release of CDs
 - October 16: Bids potentially due
 - November 4: Council approve potential contract.
 - Mobilize ASAP after council approval, hope to be in by 2/1.

Total Design Cost

- Received latest changes today at 3:30pm
- Structure itself at \$583,000.
- Concrete, Mechanical, Electrical, Plumbing, and Fire Suppression costs brings total estimated Design Cost to \$1,356,413.
- Where can funds come from?
 - Possible Grant: \$477,350
 - Capital Campaign Goal: \$300,000
 - Fund Balance: \$379,063

In the Meantime...

- Keep the pool open later than usual in late summer/early fall.
- Utilize already procured insulation blankets to retain heat.
- Strategically approach schedules to target busiest times to be open.
- Start in earnest on Capital Campaign

Councilwoman Lowman asked if our swim teams could use the pool this winter. Mr. Andersen said the High Schools would be in a place where it would be difficult for them to compete or host competitions; however, there are teams around the state the practice year around. Mr. Andersen said it would also depend on if construction would begin in November. Councilman Harvey asked, based on the number, if we were \$800,000.00 short of what we needed to do this. Mr. Andersen said yes and he just received this information today. Mr. Andersen noted that the fire suppression and the mechanic side are driving the numbers up.

WALDENSIAN FESTIVAL PLANS – AUGUST 9 AND 10, 2024 Community Affairs Director Morrissa Angi gave Council an overview of the 49th Annual Waldensian Festival plans.

OLD ROCK SCHOOL RENOVATION FUNDRAISING DISCLOSURE Town Attorney Tim Swanson noted that this item has been addressed, and it was a no-action item.

APPROVED APPOINTMENTS TO THE MERCHANTS ADVISORY COMMITTEE Councilman Harvey said six merchants applied to be on this committee, and Councilwoman Ward, representing the council, was the seventh member.

Councilman Harvey made a motion to approve Otter Browning, Manager of Highlands Butchery; Kevin Farris, Owner/Manager of Farris Insurance; Sandy Walker, Owner/Manager of the Doll Shop; Eddie Jolly, Owner/Manager of WSVM Radio Station; Brian Thompson, Owner of 100 Main; Danny Glenn, Co-Owner of Twin Brothers Pizza; Councilwoman Ward, seconded by Councilman Ogle. The vote was unanimous.

ADDED – APPROVED APPOINTMENT OF INTERIM TOWN MANAGER Councilman Mears made a motion to appoint, Bo Weichel, Assistant Town Manager/CFO, as Interim Town Manager for the Town of Valdese and as the Town’s representative on the Valdese ABC Board, Burke Development Incorporated Board, and Valdese Economic Investment Corporation Board effective August 23, 2024 at 5:01 pm until such time as a permanent Town Manager has been appointed by Council and starts work and that we authorize Mr. Steen and the Mayor to negotiate and execute all documents required to effectuate Mr. Weichel's appointment. Seconded by Councilwoman Lowman. The vote was unanimous.

INTERIM MANAGER’S REPORT:

AUGUST 5, 2024, MB#32

Old Colony Players Presents: From This Day Forward, July 12 through August 10, Fridays and Saturdays, 8:00 p.m. at the Fred B. Cranford Amphitheatre

49th Annual Waldensian Festival and Footrace – August 9 & 10, 2024

Family Friday Nights Summer Concert Series Finale is scheduled for Friday, August 30, 2024, at 7:00 p.m.

Town Offices Closed on Monday, September 2, 2024 in Observance of Labor Day

Next Agenda Review Council meeting is scheduled for Wednesday, September 4, 2024, 6:00 p.m., Council Chambers, Valdese Town Hall

Next Regular Council meeting scheduled for Monday, September 9, 2024, 6:00 p.m., Council Chambers, Valdese Town Hall

MAYOR AND COUNCIL COMMENTS No comments

CLOSED SESSION Mayor Watts called for a motion to recess into Closed Session for:

- **Closed Session Pursuant to NC General Statute 143-318.11(a)(6)** to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee.

At 7:57 p.m., Councilman Harvey made a motion to go into closed session, seconded by Councilwoman Ward. The vote was unanimous.

At 8:07 p.m., Councilwoman Ward made a motion to return to open session, seconded by Councilman Mears. The vote was unanimous.

ADJOURNMENT: At 8:08 p.m., there being no further business to come before Council, Councilman Mears made a motion to adjourn, seconded by Councilwoman Lowman. The vote was unanimous.

Town Clerk

Mayor

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