

MINUTES  
REGULAR MEETING  
CITY COUNCIL

December 5, 2022

Ronnie Thompson, Mayor

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

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

Interpreters  
Ernest Williams IV  
Danette Steelman-Bridges

- I. Call to Order - The Mayor called the regular meeting to order in the Council Chambers at City Hall at 5:00 p.m.
- II. Public Comment – The Mayor stated the guidelines for public comment and said speakers were to be called in order of sign-up for those who appeared in person; however, due to COVID-19 the Council was still accepting public comments via email, U.S. mail or hand-delivered letters. No other comments via email, U.S. mail or hand-delivered letters were received.

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

- III. Pledge of Allegiance to the Flag – Councilmember McSwain led the Pledge of Allegiance.
- IV. Invocation Given by: Pastor Lisa Marshall, St. Matthews United Methodist Church
- V. Introduction of Council – The Mayor introduced Councilmembers and staff.
- VI. Comprehensive Annual Financial Report – Presented by Alan Thompson with Thompson, Price, Scott, Adams & Co. P.A. auditors for the City of Morganton – Mr. Thompson distributed a copy of the presentation of audit results to the Council. He advised that the City of Morganton is trending positively and stated that his firm is issuing a clean report. He shared the audit process, saying they did not encounter any problems in doing the audit. He advised that they accrued more sales tax and other revenue to increase fund balance.

He continued by reviewing key numbers in the audit report. He said the numbers across the board are the highest numbers in the past five years, which speaks positively of both the Council and management.

He closed by stating that he and his staff appreciated the opportunity to perform the City of Morganton's Audit.

City Manager Sandy stated that it was a good audit process and that she is looking forward to working with Thompson, Price, Scott, Adams & Co. P.A. in the future.

VII. Retirement Resolutions

- a. Mayor Thompson read the retirement resolution honoring James A. Cotherman, Head End Technician, CoMPAS Cable Department – Mr. Cotherman was not able to attend the meeting and will receive the resolution at a later time.

Upon motion by Councilwoman Cato, seconded by Councilman Jernigan, and carried unanimously, the Council adopted Resolution #22-41 honoring retiree James A. Cotherman.

VIII. Public Advocacy Issues and Strategies – Mayor Thompson announced the following City of Morganton upcoming events:

A. Upcoming events:

- Downtown/City Hall
  - Carriage Rides will be every Friday and Saturday until December 23<sup>rd</sup>.
  - Downtown Morganton Christmas Parade, Tuesday, December 6<sup>th</sup>, 6:00 p.m.
  - Holiday Farmers' Market in December
    - Saturday, December 10<sup>th</sup> from 10:00 a.m. to 2:00 p.m. at 111 North Green Street
    - Blue Elves Christmas for Morganton Housing Authority Families, Saturday, December 10<sup>th</sup>, 1 p.m. to 4 p.m., Mountain View Recreation Center
    - Art in the Hall: Tina Sclarandis, Terri Martino and Cindy Kanarski – Three Quilters – Since 2019, the Three Quilters have spent many hours working together on various projects. They look forward to sharing their vision of unique and combined artistic love of quilting. The display of quilts will be in City Hall during the months of December 2022 and January 2023.
- CoMMA Performing Arts Center
  - Monday, December 5<sup>th</sup> at 7:30 p.m. – Nochebuena: A Christmas Spectacular
  - Friday, December 16<sup>th</sup> at 7:30 p.m. – Shimmer: A Winter Cirque Reverie
  - Wednesday, December 21<sup>st</sup> at 7:30 p.m. – A Winter Solstice & Christmas Jazz Concert – This program is not included in Season Tickets.
- Recreation
  - Wednesday/Thursday, December 7 & 8, 8 a.m. to 4 p.m. – Christmas Cheer at Collett Street Recreation Center

IX. North Carolina Municipal Power Agency Number 1 Update – City Manager Sandy advised Mr. Jim Gallager (Gastonia) and Mr. Constantine Kutteh (Statesville) were recently elected to serve on the Electricities Board of Directors. She also stated that Brooks Kirby, Director of the Electric Department, continues to be the City of Morganton appointee to the NCMPA1 board.

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

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

- A. Approved minutes as submitted for a Closed Meeting and a Regular Meeting held on October 3, 2022.
- B. Approved tax releases in the amount of \$497.56.
- C. Adopted a resolution (Resolution 22-39) to amend the Faithful Performance Bond for the City Finance Officer fixing it at \$1,000,000.

- D. Approved a budget amendment (Ordinance 22-39) in the amount of \$80,000 to receive State grant funds of \$80,000 and appropriate \$80,000 ARPA funding for an amount of \$160,000 for the restoration of the gym at Mountain View Recreation Center.
- E. Approved an ordinance (Ordinance 22-40) establishing a No Parking Zone at the intersection and along Robey Street and Circle Court.

XI. Items Removed from Consent Agenda – There were no items removed.

XII. New Business

A. Other Business

1. Consideration of Resolution to Appoint Wendy Smith as Review Officer for Planning and Zoning

City Manager Sandy advised that by law, only those individuals duly appointed as “review officers” in each county may sign off on plats or maps which are required to be reviewed before recordation in the Register of Deeds. The City of Morganton has been served by Phillip Lookadoo as review officer. Now, following Phillip’s resignation and the hiring of his successor, changes are necessary.

Wendy Smith, as our new Director of Development and Design, is fully qualified to perform these services, and should be appointed as a review officer, while Phillip Lookadoo should be removed from the County’s list. The appointment must be made by the County Commission, so the City will request such action following approval of this resolution.

Upon motion by Councilmember Hawkins, seconded by Councilmember Cato, and unanimously carried, the Council approved a resolution (Resolution 22-40) requesting the County Commissioners of Burke County to appoint Wendy Smith as a review officer, pursuant to General Statutes 47-30.2, and remove Phillip Lookadoo from the list of review officers.

2. Consideration of Contract to Sell Property at Intersection of East Union Street and White Street and to Enter into a Development Agreement

City Attorney Vinay stated that the City is the owner of three (3) adjoining vacant tracts of real property, totaling about .50 acre, located at or near the intersection of East Union and White Street. These are properties formerly owned and controlled by the Redevelopment Commission. With the concluding of that Commission, this property is now under direct control of the City. The City’s property adjoins on two (2) sides another vacant tract owned by Norvell Management, LLC. The best possible future use of these properties would be for joint development of the City and the Norvell tracts.

The City received an offer jointly from Norvell Management, LLC and AMICUS Partners, PLLC (a developer from Concord, North Carolina) to purchase the City’s three (3) tracts, and to then jointly develop the City and Norvell tracts. After negotiation, City staff and those making the offer agreed on a purchase price for the City property of ONE HUNDRED FIFTEEN THOUSAND DOLLARS (\$115,000). At its November 7, 2022 meeting, City Council adopted a Resolution of Intent to sell the property for that price, and with certain conditions, to Amicus and Norvell. Amicus and Norvell tendered to the City an earnest money deposit of \$5,750, equal to 5% of the purchase price. Following the “negotiated sale and upset bid” procedure in General Statutes section 160A-269, the City advertised this proposed sale by publishing in The News Herald on November 16. No upset

bid was received within the statutory time limit on November 28, and this matter is now before Council to decide whether final approval of the sale should be given.

City staff has reached agreement with Amicus and Novell about the terms and conditions of the purchase. In particular, the sale contract would provide for a due diligence period of 180 days, which the buyers have option to extend by up to 60 days; a requirement that the City property be developed jointly with the adjoining Norvell property; and execution by the buyers of a development agreement with the City to construct approximately 5,000 square feet of commercial space and 40 market-rate residential apartments, with off-street parking, with construction beginning within six months after closing.

Amicus and Norvell plan and intend to develop, on the City and Norvell tracts, a multiuse building with about 5,000 square feet of commercial/retail space and up to 40 apartment units. City staff believes that the Amicus and Norvell plan would be an excellent use of this property and would be a major economic development for downtown Morganton. The offer made is a good and fair one, and City staff recommends its approval.

Upon motion by Councilmember Jernigan, seconded by Councilmember Cato, and unanimously carried, the Council approved a Contract of Sale and Purchase to convey to Amicus Partners, PLLC, and Norvell Management, LLC, the City's three vacant tracts located at the intersection of East Union Street and White Street, for \$115,000, subject to the terms and conditions of such contract; and to authorize the Mayor and City Manager to execute such Contract, the Development Agreement provided in it, and any other necessary documents.

### 3. Appointments to Boards and Commissions

#### a. BDI – Burke Development Inc.

City Manager Sandy advised the Burke Development, Inc. (BDI) by-laws state the City of Morganton will have two members on the BDI Board with three-year terms.

The by-laws state: The City of Morganton shall appoint two (2) Directors, one to be the Mayor of Morganton or designee (designee becomes board member). One Director shall be the City Manager. All appointments will be for a three-year period and they shall serve until their successors are appointed.

The Mayor wishes to reappoint Councilman Chris Hawkins as his designee for a term to expire December 2025.

Upon motion by Councilmember McSwain, seconded by Councilmember Cato, and carried unanimously, the Council approved the reappointment of Councilman Chris Hawkins as the Mayor's designee to the BDI Board of Directors for a term to expire December 2025.

#### b. Fireman's Relief Fund Board

The City Manager stated the terms for Council appointee Mark Bradshaw and Public Safety appointee David Ferber have expired. These members have been excellent participants on the Board and have expressed interest in continuing to serve as members of the Board.

Upon motion by Councilmember Jernigan, seconded by Councilmember Hawkins, and carried unanimously, the Council reappointed Mark Bradshaw and David Ferber for terms to expire on January 15, 2025.

XIII. Other Items from City Manager and City Council Not on Agenda

XIV. Reports – No reports given.

XV. Adjournment – The Mayor adjourned the meeting at 5:25 p.m.

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



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Ronnie Thompson, Mayor



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Renee C. Carswell, City Clerk