I. The Meeting was called to order in the Council Chamber at City Hall at 6:00 p.m. by Mayor Thompson.

II. Public Comment – The Mayor stated the guidelines for public comment and said speakers were to be called in order of sign-up.

• Jack Carroll resides at 222 Sequoyah Circle. Carroll addressed the possibility of adding a new war memorial on the Old Burke County Courthouse property. He stated he has requested permission from County Commissioners and now the City Council. He stated there are many steps involved in making this project a reality, however, he first needed permission and asked Council for consideration.

The Mayor thanked Mr. Carroll for the handout he brought showing the Yancey County war memorial.

No other speakers were signed up so the Mayor recessed the meeting at 6:03 p.m.

III. Business of the Council – The Mayor reconvened the meeting at 6:15 p.m.

IV. Pledge of Allegiance – Councilman Fleming led the recitation of the Pledge of Allegiance to the Flag.

V. Invocation – The invocation was given by Pastor Jerry Gamble, Mount Home Baptist Church.

VI. Organization of Council

a. Swearing-in of Council Members – Judge Robert C. Ervin was present to swear in newly elected Council members Wendy Cato and Chris Hawkins. Mayor Ronnie Thompson introduced Judge Ervin then invited him to administer the oaths of office.
Judge Ervin administered the Oath of Office to Councilwoman Wendy Cato. Cato’s
great grandson, Sawyer, held the Bible for Councilwoman Cato during the oath.

Judge Ervin then administered the Oath of Office to Councilman Christopher Hawkins.
Mrs. Lori Hawkins, and Hawkins’ daughters, Gracie and Claire, held the Bible for
Councilman Hawkins during the oath.

b. Remarks by Council Members – Councilwoman Cato thanked all who supported
her during the election, stated she is looking forward to supporting citizens in
Morganton, and is honored to be only the second woman elected to Council. She stated
she is a communicator and invited citizens to contact her with concerns.

Councilman Hawkins thanked those who supported him during the election stating the
support has been overwhelming and humbling. Hawkins expressed gratitude to his
parents for their life lessons; to treat others as he would like to be treated, to always be
fair and honest, and to always do his very best. He promised Morganton citizens he
would continue to apply the values as a Councilman.

c. Election of Mayor Pro Tem – Upon nomination and motion by Councilman
Simmons, seconded by Councilwoman Cato, and carried unanimously the Council
elected Councilman Forrest Fleming as Mayor Pro-tem.

d. Setting of Meeting Dates and Time – Upon motion by Councilman Simmons,
seconded by Councilman Fleming, and carried unanimously the Council adopted the
first Monday of each month at 6:00 p.m., as the meeting time for the monthly council
meetings, excepting the month of July in which there will be no meeting.

e. Appointment of Standing Committees by the Mayor – Mayor Thompson designated
the following members to each Standing Committee:

Finance – Mayor Thompson and Councilman Simmons
Personnel – Councilmen Simmons and Fleming
Streets – Councilman Hawkins and Councilwoman Cato
Utility – Councilmen Fleming and Hawkins

VII. Introduction of Council – The Mayor introduced the Council and staff.

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

Councilman Fleming presented a 25-year service pin to Marvin Evans. Marvin is a Sr.
Maintenance Worker in the Recreation Department.

A 25-year service pin will be presented to Gary Massey at a later time. Gary is a
Lieutenant in the Public Safety Department.
IX. Public Advocacy Issues and Strategies

a. Anthony Starr, Executive Director, Western Piedmont Council of Governments (WPCOG) presented a Regional Comprehensive Economic Development Strategy (CEDS) report. Starr shared a PowerPoint which highlighted strategy used by many agencies throughout our region to encourage economic development.

b. The Mayor announced the following upcoming events at CoMMA: *A Charlie Brown Christmas Live!* on December 14 is sold-out. *Messiah Sing-Along (at First Baptist Church)* will be held December 19.

The Mayor also announced these downtown events: "Seussify" Downtown Christmas Parade, December 5; Holiday Farmers’ Market, December 9; "Seussify" Morganton, Shop Late Downtown Event, December 15; Holiday Carriage Rides and Santa visits continue Friday / Saturday evenings in Downtown.

Mayor thanked staff for decorations in City Hall and expressed thanks to the Electric Department for lights in the downtown area. The City Manager stated that the parade is rain or shine and that Yianni’s is now open.

X. Consideration of Changing City Council Meeting Date for January 2018 – The City Manager stated that due to the New Year’s Day Holiday, City staff recommends that the City Council Meeting for January be changed from January 1, 2018 to January 8, 2018.

Upon motion by Councilman Simmons, seconded by Councilman Hawkins, and carried unanimously, the Council approved moving the meeting date from January 1 to January 8, 2018

XI. North Carolina Municipal Power Agency Number 1 Update – The City Manager stated there was nothing to report.

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

Upon motion by Councilman Fleming, seconded by Councilman Simmons, and unanimously carried, the consent agenda was approved and each individual item adopted as stated, these being as follows:

A. Approved Minutes for a Regular Meeting held on November 6, 2017.

B. Approved Tax Releases in the amount of $361.27.

C. Approved a budget amendment (Ord #17-55) to appropriate contributed funds from the Optimist Club for the skate park in the amount of $15,000.
D. Approved a budget amendment (Ord #17-54) in the amount of $5,000 to appropriate the receipt of funds from ElectriCities to be used for lighting at the skate park.

E. Approved a budget amendment (Ord #17-53) in the amount of $139,600 to appropriate funds received from Duke Energy for boat launch construction.

F. Approved second/final reading of issuance of Taxicab Franchises to Michael W. Gilbert (Ace Cab), Larry Segars (City Cab) and Claudia Morales (Becerra Translation & Associates).

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

XIV. New Business

A. Public Hearing

1. Public Hearing for Consideration of an Economic Development Grant Agreement / Project Quantum Leap

The Mayor opened the public hearing at 6:54 p.m.

The City of Morganton has worked alongside the County of Burke and Burke Development, Inc. to attract to our community a new manufacturing industry identified, for confidentiality purposes, as Project Quantum Leap. This company proposes acquiring and re-purposing an existing, vacant factory, investing approximately $18,000,000 in new plant and equipment, and creating about 102 new full-time jobs over a 4-year period.

As inducement to attract this new industry, the City and County each propose to offer Project Quantum Leap an economic development incentive equal to 50% of new taxable investment over 7 consecutive years. That is, the Company would be entitled to payment from the City and County of annual amounts equal to 50% of the respective ad valorem taxes which would be owing due to the increase in assessed taxable value of the property from the Company’s new investments, as measured each January beginning in 2019.

The proposed incentives agreement is in basically the same format as previous such agreements entered into by the City. The Agreement is a joint effort with the County, which must separately approve it. The annual incentives must be separately approved and paid by the two governments, and are not dependent on each other.

The City and the County have each, separately, called for public hearings to consider the proposed incentives, as required by North Carolina law. Notice of the City’s public
hearing, set for the December 4, 2017 stated meeting of Council, was published in the News-Herald on November 23, 2017.

There being no public comment, the Mayor closed the public hearing at 6:55 p.m.

Upon motion by Councilman Hawkins, seconded by Councilman Cato, and carried unanimously, the Council approved and entered into an Economic Development Grant Agreement with “Project Quantum Leap”, and authorizing the Mayor and City Manager to execute all necessary documentation.

B. Other Business

1. Consideration of Award of Contract / Recreation Splash Pad

The City Manager stated that staff has been working on a design for renovating Martin Luther King Jr. Park. Citizen groups have participated in several meetings to provide input concerning the renovation. Coordination of site preparation work has occurred with the contractor building the new Mountain View Elementary School adjacent to the Park. A splash pad similar to the one at Martha’s Park is a central feature of the renovation.

Three contractors provided proposals for the splash pad construction. City staff recommends entering into a contract with CMI to construct a splash pad at the Martin Luther King Jr Park. This contract is to not exceed $95,000 for the project and the money is in our approved capital budget. The funds for this project were provided by a Kate B. Reynolds grant and the Morganton Parks and Recreation Foundation.

Upon motion by Councilwoman Cato, seconded by Councilman Fleming, and carried unanimously, the Council approved awarding a contract to CMI for construction of a splash pad at the Martin Luther King Jr. Park not to exceed $95,000.

2. Consideration of Sale of Two Vacant Lots on Roper Street

The City Attorney stated the City has received an offer to purchase the two vacant lots at 209 and 211 Roper Alley. These two small, adjoining lots, which back up onto Roper Street, together total less than 0.25 acre. Both lots were acquired, separately, by the City in the 1990’s. The only use of these lots for many years has been for overflow parking for a nearby church, but even that seems now to have ceased. The City has no present or planned use whatever for these lots.

Irvin Circle K Enterprises, LLC, has submitted an offer to purchase both these lots for a total of $5,000. The principals in this company are Mr. and Mrs. Michael Irvin of Morganton. They have expressed interest in building at least one new rental residence on the property. The lots are located within a neighborhood of small single-family homes, both rental and owner-occupied, on very small lots.
The Burke County Tax Office has assigned property tax values for these lots of $3,112 and $3,184, respectively. Given the tiny size, and the location, it is possible such values are actually higher than fair market. In any event, City staff does not consider it worthwhile to pay for a market appraisal of these lots. Further, sale of these lots to a private investor would, at least, move the property into tax-paying status.

If Council wishes to approve this sale, then it will need to declare the property surplus, approve the proposed contract with Irvin Circle K, and then properly advertise in the News-Herald for upset bids, in accordance with the procedures for negotiated sale in General Statutes section 160A-269.

1. Upon motion by Councilwoman Cato, seconded by Councilman Simmons, and carried unanimously, the Council adopted Resolution #17-37 declaring as surplus public property those two lots located at 209 Roper Alley, described in deed recorded in Book 851, page 650 in the Burke County Registry, and 211 Roper Alley, described in deed recorded in Book 835, page 847 in the Burke County Registry.

2. Upon motion by Councilman Simmons, seconded by Councilman Fleming, and carried unanimously, the Council approved the Contract for Sale of Real Property to Irvin Circle K Enterprises, LLC for $5,000.

3. Upon motion by Councilman Fleming, seconded by Councilman Hawkins, and carried unanimously, the Council adopted direct the City Attorney to advertise the two vacant lots for upset bids in accordance with General Statutes section 160A-269, and if no upset bids are received, then to carry out the terms of that contract for sale of the 2 lots to Irvin Circle K Enterprises, LLC, or if upset bids are received then to sell the property to the highest bidder; and further authorizing the Mayor and Clerk to execute any deed or other necessary documents.

3. Consideration of Boards and Commissions / Cable Commission

Due to the unexpected death of Commission member Richard Garrison there is a vacancy on this commission. This is an “at-large” seat with a term expiration date of June 1, 2018.

Dorian Palmer has expressed interest in this Commission and in filling the remaining term of this seat.

Upon motion by Councilman Simmons, seconded by Councilwoman Cato, and carried unanimously, the Council appointed Dorian Palmer to the Cable Commission to fulfill a vacant term which will expire on June 1, 2018.

a. 30-Day Notice Boards and Commissions / Fireman’s Relief Fund

Due to upcoming expiration of terms, vacancies will exist on the Fireman’s Relief Fund. The City Council makes and/or confirms appointments.
Karen Duncan is appointed to this board by the City Council. Captain John Campbell is appointed by Public Safety and confirmed by Council. Both of these members are in good standing and are willing to continue serving on this board.

The City Manager stated that if it was the pleasure of the Council they could reappoint the members at this meeting.

Upon motion by Councilman Fleming, seconded by Councilman Hawkins, and carried unanimously, the Council reappointed Karen Duncan and Captain John Campbell to the Fireman’s Relief Fund Board for terms to expire January 2020.

XV. Other Items from City Manager and City Council Not on Agenda – Consideration of Calling for a Public Hearing to Consider Economic Development Incentives for Project Engines

The City Manager stated that the City of Morganton, Burke County, and BDI, Inc. are currently working with an economic development client interested in purchasing and upfitting a vacant building. Project Engines is considering a $10-12 million capital investment and hiring 185-200 employees.

In order to consider local economic incentives, the City must call for and conduct a public hearing.

Upon motion by Councilman Hawkins, seconded by Councilman Fleming, and carried unanimously, the Council called for a public hearing at the January 8, 2018 City Council meeting to consider economic development incentives for Project Engines.

XVI. Reports – Reports were distributed for information.

XVII. Adjournment – The meeting was adjourned at 7:04 p.m.

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

Mayor                                          Assistant City Clerk