

**TOWN OF VALDESE
TOWN COUNCIL REGULAR MEETING
JUNE 23, 2025**

The Town of Valdese Town Council met on Monday, June 23, 2025, at 6:00 p.m., in the Town Council Chambers at Town Hall, 102 Massel Avenue SW, Valdese, North Carolina. The Council meeting was live-streamed on YouTube @Townofvaldese. The following were present: Mayor Charles Watts, Mayor Pro Tem Gary Ogle, Councilwoman Rexanna Lowman, Councilwoman Heather Ward, Councilwoman Melinda Zimmerman, and Councilman Glenn Harvey. Also present were: Town Manager Todd Herms, Assistant Town Manager/CFO Bo Weichel, Town Attorney Tim Swanson, Town Clerk Jessica Lail, and various Department Heads.

Absent:

A quorum was present.

Mayor Charles Watts offered the invocation and led in the Pledge of Allegiance to the Flag.

OPEN FORUM/PUBLIC COMMENT:

OPEN FORUM/PUBLIC COMMENT GUIDELINES: Mayor Pro Tem Gary Ogle read the following open forum/public comment guidelines: The Council shall provide at least one period for public comment per month during a regular meeting, unless no regular meeting is held that month. Any individual or group who wishes to address the Council shall inform the Town clerk, any time prior to the start of the meeting, and provide their name, address and subject matter about which they wish to speak. Person(s) must be present if they wish to address the Council. Comments should be limited to five minutes per speaker.

Open Forum is not intended to require Council or staff to answer impromptu questions. Speakers will address all comments to the entire Council as a whole and not one individual member. Discussions between speakers and the audience will not be permitted. Speakers will maintain decorum at all times. Speakers are expected to be courteous and respectful at all times regardless of who occupies the Council chairs. These guidelines will help ensure that a safe and productive meeting is held and all those wishing to address the Council will be afforded the opportunity.

FLAGS – SANDRA WALKER – 124 MAIN ST W., VALDESE: Ms. Walker thanked the Police Chief for his assistance and spoke about the successful fundraising project for new American flags. She shared that 30 flags were purchased from a Pennsylvania company recognized with the Valley Forge Award for quality. Sixteen businesses and individuals contributed to fully fund the project, and 20 more have expressed interest in donating. Additional funds collected will go to the local Boy Scout troop for future flag purchases. She thanked the Town for preparing the flagpole holes and expressed excitement about seeing the flags displayed along Main Street.

Ms. Walker also pledged a \$500 donation from Dolls and Designs toward the proposed pool cover donation fund, if approved by Council. She concluded by commending the Town's efforts and progress, especially with the current budget work.

SEWER LINE - AZZAM KAMAL – 329 N RODORET ST., VALDESE: Mr. Kamal stated he initially came to speak about the budget and the Rodoret Street sewer line, which he understood would be discussed during the meeting. He thanked Allen from Public Works for his repeated assistance with sewer issues at his home and noted improvements since the pressure cleaning began. He concluded by saying he looked forward to hearing the upcoming budget discussion.

Councilman Harvey asked to remove item 6 C: **REGULAR MEETING MINUTES OF JUNE 2, 2025** from the Consent Agenda.

CONSENT AGENDA: (enacted by one motion)

APPROVED AGENDA REVIEW MEETING MINUTES OF MAY 27, 2025

APPROVED CLOSED SESSION MINUTES OF MAY 27, 2025

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Councilwoman Ward made a motion to approve the aforementioned items on the Consent Agenda, seconded by Councilwoman Zimmerman. The vote was unanimous, and motion carried.

End Consent Agenda

ITEMS REMOVED FROM CONSENT AGENDA:

APPROVED REGULAR MEETING MINUTES OF JUNE 2, 2025 Councilman Harvey made a motion to approve the June 2nd minutes, seconded by Councilwoman Ward.

Discussion: Councilman Harvey made two brief comments. First, he clarified the previous motion in the minutes regarding mobile food units. He confirmed that the intent of the motion, as made by Councilwoman Lowman and seconded by himself, was for the Town Manager to work with the Town Attorney and Planning Board to research and prepare a draft ordinance for mobile food trucks. He noted that the motion passed unanimously.

Second, he addressed comments in the minutes related to the failed resolution of civility. While he was initially confused by the resistance to the resolution—believing it reflected a shared commitment to the Code of Ethics—he now views the situation with regret. He suggested the lack of support may have been due to some council members' intent to engage in campaigning during the 2023 re-election cycle.

Vote: The vote was unanimous, and motion carried.

BUDGET STATUS/UPDATES

i. Projected FY25 General Fund Balance: *Estimated June 30, 2025, year-end General Fund balance as a dollar amount and percentage of the FY26 budget.*

Mr. Weichel provided an overview of the projected General Fund balance for FY25. He noted that while the fiscal year has not yet closed and figures remain subject to change, current estimates suggest the fund balance will be approximately \$200,000 higher than last year. However, due to increased expenditures, the percentage of fund balance may decrease slightly, landing around 100%, which he emphasized is still a very healthy fund balance. He clarified that final numbers will be confirmed during the audit. Councilman Harvey noted that the estimated total fund balance—approximately \$7.18 million—would be the highest in town history in terms of actual dollars.

ii. Public Safety Fund Update: *Current balance, including pending proceeds from the approved sale of 800 Pineburr Avenue.*

Mr. Weichel provided an update on the Public Safety Fund (Fund 35), which is separate from the General Fund and currently has a cash balance of \$809,000. If the Pineburr Avenue property sale is finalized, an additional \$148,000 will be added, bringing the total available funds to \$958,000.

Councilwoman Lowman asked if it included the grant we received from the General Assembly. Mr. Weichel confirmed that the previous \$500,000 public safety grant from the NC General Assembly, facilitated by Representative Blackwell, has been fully expended—primarily on the Pineburr property purchase and architectural services.

Councilman Harvey noted that the fund has been drawn down in the past year for two major property purchases: 215 Main Street for \$360,000 and 200 Massel Avenue for \$400,000. Depending on the final direction of the public safety facility project, the Town may be able to sell either 215 Main Street or the Massel Avenue property, as well as the 121 Faet Street site—estimated to be worth approximately \$400,000. These potential sales could bring the fund balance back to around \$1.5 million.

iii. Street Resurfacing Funds Overview: *Total available funds and allocation in the FY26 budget.*

Mr. Weichel reported that the street resurfacing project fund currently has a cash balance of \$501,500. With the addition of the upcoming budget allocation of \$325,000, the total available for resurfacing projects will be approximately \$826,000.

In addition, the Town has a separate Powell Bill Fund with a current balance of \$111,674. This fund, which accumulates any annual surplus from the state's Powell Bill (a share of the state highway use tax), can be used for resurfacing, pothole repairs, sidewalk work, and street maintenance equipment. Some of these funds have already been used for recent pothole repairs.

Councilman Harvey noted that planned resurfacing work has been delayed due to state contractor availability being redirected due to Hurricane Helene. A previously discussed option included resurfacing 7.3 miles of streets, with the Town potentially borrowing part of the cost and repaying it over time using future Powell Bill allocations. The Town's Powell Bill revenue—based on population and street mileage—has increased from around \$140,000 in prior years to nearly \$200,000 this year.

iv. Pending Grants Overview – \$2.25 Million: *Status update and expected cash flow/reimbursement timelines.*

- \$500,000 Grant – Rec Center ADA Upgrades & Pool Dome: *Project scope and grant status update.* Mr. Weichel reported that the Town received a \$500,000 reimbursement grant for ADA improvements and pool bubble work. Most of the related work is scheduled for late September. Once the work is completed, the Town will compile the necessary documentation and submit for reimbursement.
- \$800,000 ARPA Grant – Lovelady Road Sewer Extension: *Update on project and funding timeline.* Mr. Weichel provided an update on the \$800,000 state appropriation for the Valdese Bluff's project. He confirmed that written approval has been received from DWI to proceed with a partial project since full funding is not yet available. The Town's engineers are working with the low bidder, Iron Mountain, to design a scope of work that fits the current budget—potentially including either part of the sewer line with the pump station or all of the sewer line without the pump station. The project is moving forward, and staff anticipates bringing a contract to Council for consideration at the August meeting.
- \$950,000 TIPP/LAPP Grant – Massel Avenue Sidewalk: *Status update ahead of June 25 MPO/TAC final approval.* Mr. Weichel reported that there is no new update yet on the \$950,000 Massel Avenue sidewalk grant. A final determination is expected following a meeting of the Transportation Advisory Committee of the Greater Hickory Metropolitan Planning Organization, scheduled for Wednesday of this week.

Councilman Harvey emphasized that, when combined, recent grants total approximately \$2.25 million, including the \$500,000 ADA and pool cover grant, the \$800,000 Valdese Bluff's appropriation, and the potential \$950,000 for the Massel Avenue sidewalk project. He clarified that the Town did not lose any grants—rather, it repurposed funds from a previously declined \$1.1 million sidewalk project.

POOL COVER CAPITAL FUND DRIVE LAUNCH Councilman Harvey noted that Council approved a capital fundraising drive for the pool cover project back in December. He added that previous discussion suggested the Town might hire a firm to manage the drive, but Council has not made a final decision on that. Councilman Harvey also recounted the history of the project, explaining that the Town initially pursued a fixed pool cover structure to qualify for a \$500,000 grant. Estimates for the structure escalated significantly—from an initial \$700,000 estimate to \$1.3 million, and finally to \$1.8 million based on actual bids. In the process, the Town spent approximately \$90,000 on architectural services before determining the project was not financially feasible. He noted this cost drew down the reserve fund discussed earlier. A fundraising goal of \$300,000 had been proposed to help cover part of the anticipated cost.

Mr. Herms addressed Council regarding the approved fundraising effort for the pool cover project. He stated that staff could attempt to handle the fundraising internally, but we may have limited experience with such efforts. Alternatively, outside firms specializing in capital campaigns could be engaged, though he was unsure of their costs, which likely include a base fee and a percentage of funds raised. Mr. Herms requested direction from Council on whether to proceed in-house or pursue outside assistance. Given the lack of staff experience and potential workload, he suggested hiring a professional firm may be more effective. Mr. Herms proposed gathering proposals from fundraising firms and bringing those options back to Council—potentially at the August meeting.

APPROVED FY 25-26 BUDGET HEARING & ORDINANCE ADOPTION Mayor Watts opened the Public Hearing at 6:10 p.m.

Mayor Watts asked if anyone else wished to speak.

JUSTIN RADABAUGH – 6823 MCGALLIARD POINTE DR NE, VALDESE Mr. Radabaugh inquired whether there would be a dedicated line item in future budgets for the ongoing maintenance and upkeep of the pool bubble once it is installed. He noted that similar items have sometimes been overlooked in the past. He asked for clarification on whether a specific line item would be created for the bubble.

AZZAM KAMAL – 329 N RODORET ST., VALDESE Mr. Kamal asked for clarification on the timing of the Rodoret Street sewer line replacement project.

Mr. Herms explained that the project is included in the FY25–26 budget, which begins July 1, 2025, and runs through June 30, 2026. While the exact start date for the project is not yet determined, the funds will be available beginning July 1, 2025, and the project is expected to begin sometime after that date.

Councilman Harvey noted that the total projected revenue in the new budget is approximately \$58,000 to \$59,000 less than the expected revenue at the close of FY24–25. He asked for a general explanation for the slight decrease, pointing out that in his experience, revenues are typically expected to increase year over year. Mr. Weichel explained that while this year's revenue projection is around \$58,000 less than the expected FY24–25 actuals, it is still a few hundred thousand dollars more than what was originally projected for last year. The main factor behind the difference is investment income. He emphasized the importance of conservative projections, noting that if conditions remain the same next year, actual revenues may exceed the current estimate. Councilman Harvey agreed with the conservative budgeting approach, especially for interest income, which isn't guaranteed until received. However, he noted that other major revenue sources—such as sales tax, facility rentals from the renovated Rock School, and income from restarting cold-weather swimming—should increase. Mr. Weichel also mentioned that ABC store revenues and community center memberships are up. While most revenues are trending upward, he acknowledged that the primary variable is investment income, which remains the biggest unknown.

Mr. Weichel responded to the public comments. He confirmed that the budget includes a dedicated line item for the ongoing maintenance, repair, setup, takedown, and storage of the new pool dome structure. This funding will be built into future budgets to cover these recurring costs. Regarding the Rodoret Street sewer line project, he stated that once the budget is adopted, engineers will prioritize the design work. The design phase is expected to be straightforward and completed soon, with bidding anticipated by September or October. Construction would commence thereafter, though exact timelines cannot yet be guaranteed.

RICK MCCLURD – 408 GARROU AVE SE, VALDESE Mr. McClurd praised Mr. Weichel for his exceptional work managing the Town's finances over the past several years. He acknowledged that he has saved the Town significant money and consistently ends the fiscal year with better financial results than initially projected. Mr. McClurd expressed his appreciation for Bo's efforts and the positive impact they have had on the Town of Valdese.

Mayor Watts asked if anyone else wished to speak. Hearing none, Mayor Watts closed the Public Hearing at 6:17 p.m.

Councilwoman Lowman requested an overview of the First Tryon Advisors financial advising program, which the Town is adopting in conjunction with the current budget process. Mr. Weichel explained that similar to the existing utility fund financial model, First Tryon will provide a financial model for the general fund. Additionally, they offer ongoing financial services, including leveraging their relationships with banks to secure favorable loan rates—something staff cannot easily do alone. They will also assist with the Local Government Commission (LGC) approval process for upcoming projects. Overall, First Tryon Advisors will serve as a comprehensive resource to ensure the Town's finances remain well-managed and aligned with future growth projections.

JUNE 23, 2025, MB#33
TOWN OF VALDESE BUDGET ORDINANCE
FISCAL YEAR 2025-2026

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF VALDESE, NORTH CAROLINA, THAT:

Section 1: The following amounts are hereby appropriated to the fund set forth for the operation of the town government and its activities for the fiscal year beginning July 1, 2025, and ending June 30, 2026, in accordance with the chart of accounts heretofore established for this town:

GENERAL FUND - OPERATIONS		\$	7,479,861
Governing Body	\$	51,313	
Administration		1,460,371	
Public Works		219,282	
Maintenance & Grounds		301,977	
Planning		79,725	
Police		1,376,492	
Fire		962,271	
Street		684,538	
Powell Bill		198,300	
Sanitation		379,534	
Recreation		1,084,127	
Tourism/Community Affairs		681,930	
GENERAL FUND - CAPITAL OUTLAY		\$	501,000
Governing Body	\$	-	
Administration		60,000	
Public Works		7,000	
Maintenance & Grounds		-	
Planning		-	
Police		67,000	
Fire		-	
Street		65,000	
Powell Bill		-	
Sanitation		230,000	
Recreation		42,000	
Tourism/Community Affairs		30,000	
WATER SEWER FUND - OPERATIONS		\$	5,777,700
Water	\$	2,187,725	
Wastewater		1,881,796	
Water & Sewer Construction		1,708,178	
WATER SEWER FUND - CAPITAL OUTLAY		\$	3,889,300
Water	\$	1,681,100	
Wastewater		154,200	
Water & Sewer Construction		2,054,000	
TOTAL BUDGET		\$	17,647,861

**TOWN OF VALDESE BUDGET ORDINANCE
FISCAL YEAR 2025-2026**

Section 2: It is estimated, and therefore appropriated, that the following revenues will be made available to the respective funds for the fiscal year beginning July 1, 2025 as follows:

GENERAL FUND	\$ 7,980,861
UTILITY FUND	9,667,000
TOTAL REVENUES	\$ 17,647,861

Section 3: There is hereby levied an ad valorem tax at the rate of forty-one and one half cents (\$0.415) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2024, for the purpose of raising a portion of the revenue listed in the General Fund appropriation in Section II of this ordinance. This rate, based upon an estimated total valuation of \$557,389,292 will generate a levy of \$2,287,489 with an estimated collection rate of 98.89%.

Section 4: As set forth in the Utility Fund Debt Service of the FY 2025-2026 budget document, the amount of \$490,635 is appropriated for the purpose of debt service and that this amount is sufficient for the complete and proper payment of all bond principal, bond interest and commissions on the outstanding debt of the town relating thereto for the fiscal year beginning July 1, 2025, and ending June 30, 2026.

Section 5: As set forth in the General Fund Debt Service Section of the FY 2025-2026 budget document, the amount of \$214,865 is appropriated for the purpose of debt service and that this amount is sufficient for the complete and proper payment of all bond principal, bond interest and commissions on the outstanding debt of the town relating thereto for the fiscal year beginning July 1, 2025, and ending June 30, 2026.

Section 6: The operating funds encumbered on the financial records of June 30, 2025 are hereby reappropriated into this budget.

Section 7: The corresponding "Fiscal Year 2025-2026 Rate and Fee Schedule" is approved with the adoption of this Annual Budget Ordinance.

Section 8: The Budget Officer is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- a. He may transfer amounts between line-item expenditures within a department without limitation and without a report being required.
- b. He may transfer amounts of \$12,000 between departments of the same fund without a report being required.
- c. He may not transfer any amounts between funds or from any fund balance appropriation within any fund without approval of the Town Council.

Section 9: The Budget Officer is hereby authorized to execute agreements, within funds included in the Budget Ordinance or other actions by the Governing Body, for the following purposes:

- a. Form grant agreements to public and non-profit organizations
- b. Leases of routine business equipment
- c. Consultant, professional, or maintenance service agreements
- d. Purchase of supplies, materials, or equipment where formal bids are not required by law
- e. Applications for and agreements for acceptance of grant funds from federal, state, public, and non-profit organizations, and other funds from other governmental units, for services to be rendered which have been previously approved by the Governing Body
- f. Construction or repair projects
- g. Liability, health, life, disability, casualty, property, or other insurance or performance bonds

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TOWN OF VALDESE BUDGET ORDINANCE
FISCAL YEAR 2025-2026

- h. Other administrative contracts which include agreements adopted in accordance with the directives of the Governing Body.

Section 10: Copies of this budget ordinance and accompanying documents shall be furnished to the finance office, budget officer, and other department heads of the Town of Valdese to be kept on file by them for their direction in the disbursement of funds.

Upon introduction by Town Manager Wm. Todd Herms, motion to adopt by

Council _____, and seconded by Council _____, the vote
was _____.

This ordinance is adopted on this the 23rd day June, 2025.

Charles Watts., Mayor

Attest: _____
Jessica Lail, Town Clerk

Councilwoman Zimmerman made a motion for the approval and adoption of the FY 2025-2026 Budget Ordinance, seconded by Councilman Ogle. The vote was unanimous, and motion carried.

Councilman Harvey made a motion to adopt the FY 2025-2026 Fee Schedules, FY 2025-2026 General Fund Capital Improvement Plan, and FY 2025-2026 Utility Capital Improvements Plan, seconded by Councilwoman Zimmerman. The vote was unanimous, and motion carried.

APPROVED AGREEMENT WITH WPCOG FOR PLANNING ASSISTANCE Mr. Weichel said this is a renewal of the current contract with the Western Piedmont Council of Governments (WPCOG) for planning assistance, as the Town currently does not have a Planning Director. The contract, included in the recently approved budget, extends for two years but includes a 30-day opt-out clause. This allows the Town to transition to a permanent Planning Director if one is hired before the contract ends, without being locked into the full term.

Councilwoman Ward raised a question based on a citizen's concern about whether the Town is covering costs that should be paid by the WPCOG, such as conference expenses. She confirmed her understanding that the Town only covers such costs if it explicitly agrees to do so, which was affirmed for the record.

AGREEMENT BETWEEN THE
WESTERN PIEDMONT COUNCIL OF GOVERNMENTS AND
THE TOWN OF VALDESE
FOR THE PROVISION OF
TECHNICAL PLANNING ASSISTANCE:
JULY 1, 2025- JUNE 30, 2027

This AGREEMENT, entered into on this the first day of July, 2025, by and between the Western Piedmont Council of Governments (hereinafter referred to as the "Planning Agency") and the Town of Valdese, North Carolina (hereinafter referred to as the "Local Government"); WITNESSETH THAT:

WHEREAS, the Planning Agency is empowered to provide technical assistance by the North Carolina General Statutes and by resolution passed by the Planning Agency on April 17, 1972. Technical assistance shall consist of the provision of services as described in Attachment A, which is herein made a part of this Contract;

WHEREAS, the Local Government has requested the Planning Agency to provide such technical assistance to the Local Government and;

WHEREAS, the Planning Agency desires to cooperate with the Local Government in every way possible to the end that the proposed activities are carried out in an efficient and professional manner;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. **Personnel.** That during the period of this Contract, the Planning Agency will furnish the necessary trained personnel to the Local Government.
2. **Travel/Printing.** The Local Government will pay for expenses related to conferences, conventions, seminars, local travel, etc. of the personnel when the Local Government requests or approves travel related to the Local Government's planning program, or if it is beneficial to both parties, the costs will be shared on an agreed-upon ratio.

The Local Government will also pay for expenses related to printing of report(s), mailings to advisory boards, and other costs not related to normal travel and staffing costs associated with personnel furnished by the Planning Agency.

3. **Compensation.** That for the purpose of providing the funds for carrying out this Contract, the Local Government will pay the Planning Agency a fee not to exceed \$56,390.00 (Fifty-six thousand three hundred and ninety dollars) during the period beginning July 1, 2025, and ending June 30, 2027, to provide planning service for a total of one day per week. These fees will be billed quarterly.
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4. **Termination/Modifications.** The Local Government may terminate the Contract by giving the Planning Agency a thirty-day written notice. Furthermore, if there is a need to amend the proposal outlined in Attachment A, either party may do so with the written consent of the other.
 5. **Time of Performance.** The Planning Agency shall ensure that all services required herein shall be completed and all required reports, maps, and documents submitted during the period beginning July 1, 2025 and ending June 30, 2027.
 6. **Interest of Members, Officers, or Employees of the Planning Agency, Members of the Local Government, or Other Public Officials.** No member, officer, or employee of the Planning Agency or its agents; no member of the governing body of the locality in which the program is situated; and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any financial interest, either direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this Agreement. Immediate family members of said members, officers, employees, and officials are similarly barred from having any financial interest in the program. The Planning Agency shall incorporate, or cause to be incorporated, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this section.
 7. **Nondiscrimination Clause.** No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination with any program or activity funded in whole or in part with funds available under the Housing and Community Development Act of 1974, Section 109.
 8. **Age Discrimination Act of 1975, as amended.** No qualified person shall on the basis of age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.
 9. **Section 504, Rehabilitation Act of 1973, as amended.** No qualified handicapped person shall, on the basis of handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.
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JUNE 23, 2025, MB#33

IN WITNESS WHEREOF, the Planning Agency and the Local Government have executed this Agreement as of the date first above written.

LOCAL GOVERNMENT:
TOWN OF VALDESE

PLANNING AGENCY:
WESTERN PIEDMONT COUNCIL
OF GOV'TS.

By: _____
Mayor

By: _____
Executive Director

PLANNING AGENCY:

By: _____
Town Manager

By: _____
Chair

Pre-audit statement:

This instrument has been preaudited in the manner prescribed by the Local Government Budget and Fiscal Control Act.

By: _____
Local Government Finance Officer

ATTACHMENT A
TOWN OF VALDESE
TECHNICAL PLANNING ASSISTANCE:
JULY 1, 2025 – JUNE 30, 2027
WORK PROGRAM/BUDGET

The following work program and budget are presented as descriptive of the work and dollar amounts called for in the agreement concerning planning activities by the Western Piedmont Council of Governments for the Town of Valdese. The product(s) of the planning activities shall be:

WORK PROGRAM:

1. Zoning and Subdivision Code Management

Technical assistance will be provided with Zoning Enforcement.

Technical assistance will be provided in the administration of the Town's Zoning Ordinance and Subdivision Regulations. Technical planning advice and opinions will also be provided to the Town Council, Town Manager, Planning Board and Board of Adjustment.

Assistance to the public in interpretation of permitting and amendment regulations will be provided as directed by the Town Manager.

2. Other Duties as Directed by Town Manager or Town Council

It is understood that priority changes and/or substitutions may be made by the Town Manager or Town Council as needed in other planning-related topics, not to exceed the dollar/time/travel amount of this contract.

COMPENSATION:

That for the purpose of providing the funds for carrying out this Contract, the Local Government will pay the Planning Agency a fee not to exceed \$56,390.00 (Fifty-six thousand three hundred and ninety dollars) during the period beginning July 1, 2025, and ending June 30, 2027, to provide planning service for a total of one day per week. These fees will be billed quarterly.

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Councilman Harvey made a motion to approve the agreement with WPCOG for planning assistance, seconded by Councilwoman Zimmerman.

Councilman Harvey hopes that this is short term, and we find someone to do the job full-time. Councilman Ogle did not realize how important the planning job was.

The vote was unanimous, and motion carried.

APPROVED AGREEMENT WITH WPCOG FOR ASSISTANCE IN SUPPORTING THE WESTERN PIEDMONT STORMWATER PARTNERSHIP Mr. Weichel presented the renewal of a two-year agreement with the WPCOG for continued support of the Western Piedmont Storm Water Partnership. He noted that the WPCOG provides specialized storm water management services and handles state reporting on behalf of the Town, making the partnership more cost-effective. The contract, included in the recently approved budget, will run through June 2027. This agreement is renewed every two years.

Mr. Herms added that Phase II storm water management is a federally mandated requirement that the Town must comply with. The work requires specialized expertise similar to that of a licensed engineer. He noted the difficulty in hiring someone with the necessary qualifications and explained that the WPCOG provides these services for over half of the 28 municipalities in the Unifour region. The partnership allows for shared resources, as the workload alone is not enough to support a full-time position in a single town. He added that storm water management involves inspecting and approving features like retention ponds on construction sites and managing runoff from impervious surfaces to help control flooding.

AGREEMENT BETWEEN THE
WESTERN PIEDMONT COUNCIL OF GOVERNMENTS AND
THE TOWN OF VALDESE
FOR ASSISTANCE IN SUPPORTING THE WESTERN PIEDMONT
STORMWATER PARTNERSHIP
JULY 1, 2025 – JUNE 30, 2027

This AGREEMENT, to be effective on the 1st day of July, 2025, by and between the Western Piedmont Council of Governments (hereinafter referred to as the "Planning Agency") and the Town of Valdese, North Carolina (hereinafter referred to as the "Local Government");

WITNESSETH THAT:

WHEREAS, the Local Government is required to provide adequate staffing and funding to support the NPDES Phase II six minimum measures, including Stormwater Public Education and Outreach, Public Involvement, and Participation, Illicit Discharge Detection and Elimination, Construction Site Stormwater Runoff Control, Post-Construction Storm Water Management in New Development and Redevelopment, and Pollution Prevention/Good Housekeeping for Municipal Operations. ("Stormwater Partnership" hereinafter); and

WHEREAS, the Planning Agency is empowered to provide technical assistance to local governments by the North Carolina General Statutes and by resolution passed by the Planning Agency on April 17, 1972; and

WHEREAS, the Local Government has requested the Planning Agency to provide such technical assistance to support the NPDES Phase II six minimum measures through a Stormwater Partnership and;

WHEREAS, the Planning Agency desires to cooperate with the Local Government in providing technical assistance and services and that the proposed assistance and services are carried out in an efficient and professional manner.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. Scope of Services. The Planning Agency will provide technical assistance to the Western Piedmont Stormwater Partnership. Technical assistance shall consist of the services described in EXHIBIT A, which is incorporated more fully by reference herein.
 2. Personnel. The Planning Agency will furnish the necessary trained personnel to the Local Government.
 3. Office/Equipment. The Planning Agency will provide office space, miscellaneous office supplies, office equipment, software, and hardware necessary to perform the work described in this contract.
 4. Compensation. The Local Government will pay the Planning Agency a regional
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Stormwater Partnership fee for services provided as part of the Agreement as outlined in Exhibit A. The Town of Valdese's calculated Stormwater Partnership fee for the period beginning July 1, 2025, and ending June 30, 2027, is not to exceed \$27,054.00 (twenty-seven thousand and fifty-four dollars). These fees will be billed in eight quarterly payments.

5. **Non-salary Expenses.** (a) The Planning Agency personnel's local travel mileage will be considered to be a part of the Scope of Work as outlined in Exhibit A.

(b) The Stormwater Partnership will pay for personnel's travel expenses related to attendance of conferences, conventions, and seminars if the events are related to the development of the Stormwater Partnership's program. Travel expenses shall include registration fees, hotel expenses, meals, and mileage. The Stormwater Partnership will pay for hotel, meals, and mileage costs at the prevailing local government rate.
 6. **Termination/Modifications.** The Local Government may terminate the Contract by giving the Planning Agency a thirty-day written notice. Furthermore, if there is a need to amend the proposal outlined in Attachment A, either party may do so with the written consent of the other.
 7. **Time of Performance.** The Planning Agency shall ensure that all services required herein shall be completed during the period beginning July 1, 2025, and ending June 30, 2027.
 8. **Interest of Members, Officers, or Employees of the Planning Agency, Members of the Local Government, or Other Public Officials.** No member, officer, or employee of the Planning Agency or its agents; no member of the governing body of the locality in which the program is situated; and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any financial interest, either direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this Agreement. Immediate family members of said members, officers, employees, and officials are similarly barred from having any financial interest in the program. The Planning Agency shall incorporate or cause to be incorporated in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this section.
 9. **Nondiscrimination Clause.** No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination with any program or activity funded in whole or in part with funds available under the Housing and Community Development Act of 1974, Section 109.
 10. **Age Discrimination Act of 1975, as amended.** No qualified person shall on the
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basis of age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.

11. Section 504, Rehabilitation Act of 1973, as amended. No qualified handicapped person shall, on the basis of handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

LOCAL GOVERNMENT:
TOWN OF VALDESE

PLANNING AGENCY:
WESTERN PIEDMONT COUNCIL OF
GOVERNMENTS

By: _____
Town Manager

By: _____
Executive Director

Planning Agency:

By: _____
Town Clerk

By: _____
Chair

Preaudit statement:

This instrument has been preaudited in the manner prescribed by the Local Government Budget and Fiscal Control Act.

By: _____
Local Government Finance Officer

EXHIBIT A

THE TOWN OF VALDESE
WESTERN PIEDMONT STORMWATER PARTNERSHIP
JULY 1, 2025 – JUNE 30, 2027

PROGRAM OVERVIEW

The following work program is presented as descriptive of the work called for in the agreements concerning stormwater program assistance activities by the Western Piedmont Council of Governments for local governments in the Stormwater Partnership.

The Western Piedmont Council of Governments staff will work with the Local Government's Staff to adapt the work plan and priorities as needed to satisfactorily implement requirements in NPDES Phase II Permits and management plans. WPCOG staff will support the local government with the Annual Audit, the Stormwater Management Plan Update and obtain a renewal for the NPDES Permit.

- Public Education and Outreach on Storm Water Impacts – The Planning Agency will fulfill the education and outreach component of the permit by developing workshops; arranging speakers; development of school partnerships and projects; preparing outreach materials; and presenting to various groups and at events, and other Education Outreach activities as required by the NPDES Phase II Permit and outlined in the Local Government's Stormwater Management Plan.
- Public Involvement and Participation – The Planning Agency will manage planning and implementation of public events for stormwater information to the general public as well as coordination of volunteer programs for stormwater programs or stream cleanups, and other Public Involvement and Participation activities as required by the NPDES Phase II Permit and outlined in the Local Government's Stormwater Management Plan.
- Illicit Discharge Detection and Elimination – The Planning Agency will conduct active investigation and enforcement of the Local Governments illicit discharge within the Local Governments jurisdiction and other Illicit Discharge Detection and Elimination activities as required by the NPDES Phase II Permit and outlined in the Local Government's Stormwater Management Plan.
- Construction Site Stormwater Runoff Control – North Carolina Division of Environmental Quality is responsible for the Local Government's Construction Site Stormwater Runoff Control Program. Follow-up by the Planning Agency will occur.
- Post-Construction Storm Water Management in New Development and Redevelopment – The Planning Agency will manage the permitting process, annual reports, inspections, and files associated with Post Construction as required by the NPDES Phase II Permit

and outlined in the Local Government's Stormwater Management Plan.

- Pollution Prevention/Good Housekeeping for Municipal Operations – The Planning Agency will conduct education to Local Government employees and inspection of Local Government facilities for Pollution Prevention/Good Housekeeping activities as required by the NPDES Phase II Permit and outlined in the Local Government's Stormwater Management Plan.
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JUNE 23, 2025, MB#33

Councilman Ogle made a motion to approve the agreement with WPCOG for assistance in supporting the Western Piedmont Stormwater Partnership, seconded by Councilwoman Zimmerman. The vote was unanimous, and motion carried.

APPROVED AGREEMENT WITH FIRST TRYON FINANCIAL ADVISORS Mr. Weichel explained that the agreement with First Tryon includes starting the financial modeling previously discussed, as well as establishing a general services agreement. This will allow the Town to utilize their expertise as needed for specialized projects, such as securing loans.

Councilwoman Lowman made a motion to approve the agreement with First Tyron Financial Advisors, seconded by Councilwoman Ward.

Council confirmed that the agreement with First Tryon is for one year at a time, with an initial one-time fee of \$25,000. After that, the Town will pay for services as needed on an on-call basis. Mr. Weichel stated that, upon approval, the financial review work would begin promptly, with the goal of using the results in the upcoming budget process. He also noted that First Tryon would need the Town's audit report to begin their analysis.

The vote was unanimous, and motion carried.

(A copy of the 14-page agreement is available for review in the Clerk's Office.)

APPROVED RESOLUTIONS TO APPLY FOR SUPPLEMENTAL HELENE FUNDING THROUGH DWI

Mr. Weichel explained that a recent funding opportunity from the Division of Water Infrastructure (DWI) prompted the item's addition to the agenda, as the application deadline is August 1 and no Council meeting is scheduled before then. The DWI has \$650 million available for resiliency-focused water and wastewater projects in Western North Carolina, specifically for areas impacted by Hurricane Helene, which includes Valdese.

The Town is preparing a list of potential projects, such as infrastructure improvements that would allow water sharing between Valdese and Morganton during emergencies. He emphasized that the resolutions are preliminary steps that do not commit the Town to specific projects but allow staff to move forward with the application process.

Council was asked to approve two resolutions—one for water and one for wastewater. Mayor Watts noted this initiative complements existing work with the City of Lenoir to improve interconnection and water system resiliency, citing past outages due to hurricanes and ice storms.

RESOLUTION BY GOVERNING BODY OF APPLICANT

WHEREAS, The Town of Valdese has need for and intends to construct projects described as the Raw Water Intake Relocation, Electrical Substation Replacement (for Raw Water Intake), and the Morganton-Valdese-Drexel Water Interconnect and

WHEREAS, The Town of Valdese intends to request State loan and/or grant assistance for the project(s) listed above from the SRF Funding for Hurricane Helene (SA-HMW) program implemented by the American Relief Act 2025 (PL 118-158),

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

That Town of Valdese, the **Applicant**, will arrange financing for all remaining costs of the project, if approved for a State loan and/or grant award.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That the **Applicant** will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the governing body of the **Applicant** agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the Town of Valdese to make a scheduled repayment of the loan, to withhold from the Town of Valdese any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

If applying for a regional project, that the **Applicant** will partner and work with other units of local government or utilities in conducting the project, including the City of Morganton and the Town of Drexel.

That Bo Weichel, Assistant Town Manager, the **Authorized Representative** and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a loan and/or grant to aid in the study of or construction of the project described above.

That the **Authorized Representative**, 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 the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, ordinances, and funding conditions applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the _____ of June, 2025 at the Valdese Town Hall, North Carolina.

JUNE 23, 2025, MB#33
FORM FOR CERTIFICATION BY THE RECORDING OFFICER

The undersigned duly qualified and acting Town Clerk of the Town of Valdese does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the Town Council duly held on the 23rd day of June, 2025; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of June 2025.

(Signature of Recording Officer)

(Title of Recording Officer)

Note: an Attestation by the Clerk/Recording Officer may be used in lieu of the Form for Certification by the Recording Officer.

RESOLUTION BY GOVERNING BODY OF APPLICANT

WHEREAS, The Town of Valdese has need for and intends to construct projects described as the Aeration Basin Rehabilitation, Sewer Line Rehabilitation, Biosolids Project, and Sewer Extension for Septic Removal and

WHEREAS, The Town of Valdese intends to request State loan and/or grant assistance for the project(s) listed above from the SRF Funding for Hurricane Helene (SA-HMW) program implemented by the American Relief Act 2025 (PL 118-158),

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

That Town of Valdese, the **Applicant**, will arrange financing for all remaining costs of the project, if approved for a State loan and/or grant award.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That the **Applicant** will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the governing body of the **Applicant** agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the Town of Valdese to make a scheduled repayment of the loan, to withhold from the Town of Valdese any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

That Bo Weichel, Assistant Town Manager, the **Authorized Representative** and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a loan and/or grant to aid in the study of or construction of the project described above.

That the **Authorized Representative**, 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 the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, ordinances, and funding conditions applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the _____ of June, 2025 at the Valdese Town Hall, North Carolina.

JUNE 23, 2025, MB#33
FORM FOR CERTIFICATION BY THE RECORDING OFFICER

The undersigned duly qualified and acting Town Clerk of the Town of Valdese does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the Town Council duly held on the 23rd day of June, 2025; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this the _____ day of June 2025.

(Signature of Recording Officer)

(Title of Recording Officer)

Note: an Attestation by the Clerk/Recording Officer may be used in lieu of the Form for Certification by the Recording Officer.

Councilman Harvey made a motion to approve the Resolutions to apply for supplemental Helene SFR water funds and to apply for supplemental Helene SRF wastewater funds, seconded by Councilwoman Lowman. The vote was unanimous, and motion carried.

MANAGER'S REPORT Town Manager Todd Herms reported:

D.R. Reynolds Design-Build Contract Status - Mr. Herms provided an update on the DR Reynolds design-build contract, stating that staff met on-site with the firm to review all project properties. A draft contract is expected for attorney review in early July, with the goal of presenting it to Council in August. DR Reynolds is anticipated to return with cost estimates for the proposed projects by December. Mr. Herms also informed Council and the public that, while Council will remain fully informed, not every non-budgetary decision can be brought before the board monthly to avoid delays. He clarified that he will make necessary non-budgetary project management decisions when appropriate but will bring any significant changes or controversial items back to Council, including calling a special meeting if needed.

Family Friday Nights Summer Concert Series continues each Friday on Temple Field from 7:00 p.m. – 10:00 p.m. until August 29, 2025

Valdese Independence Day Celebration, Friday, July 4, 2025, 6:00 p.m., Main Street, see full event schedule at visitvaldese.com.

Old Colony Players presents the Historic Outdoor Drama From This Day Forward, July 11 - August 9, Fred B. Cranford Amphitheatre - Fridays & Saturdays 8:00 p.m.

Next Agenda Review Council meeting is scheduled for Monday, July 28, 2025, 6:00 p.m., Council Chambers, Valdese Town Hall

JUNE 23, 2025, MB#33

Next Regular Council meeting scheduled for Monday, August 4, 2025, 6:00 p.m., Council Chambers, Valdese Town Hall

MAYOR AND COUNCIL COMMENTS: Councilman Harvey requested permission from the Mayor and Council to take a few minutes to address upcoming events prior to the next Council meeting on July 28. He noted the importance of two significant events: the Town's July 4th celebration of Independence Day and the opening of the candidate filing period on July 7 for four Council seats, including the Mayor and representatives for Wards 1, 2, and 3. Councilman Harvey announced that he would not be seeking re-election for his Ward 1 seat and would not be campaigning for any other candidate. He then addressed the public with prepared remarks, encouraging citizens who care about Valdese to consider running for office. He emphasized three main points:

1. Now is a great time to serve. He cited recent changes that made running for office more accessible, including the Council's decision to remove itself from the employee health insurance plan—resulting in a \$30,000 annual savings for the Town—and current Council compensation of \$8,000 for members and \$10,000 for the Mayor.
2. Serving on Council can be a personally inspiring experience. He shared stories from his time campaigning in 2023, including visiting over 400 homes and having meaningful conversations with residents from all walks of life, which he found deeply motivating and reflective of the town's strong community spirit.
3. Oversight of taxpayer dollars is critical. He expressed concern over what he described as indications of a political action committee forming, led by someone who does not reside in Valdese. He stated that the committee had hosted a fundraiser and launched a website to support four individuals who had not yet officially filed.

A brief exchange between Councilman Harvey, Mayor Watts, and Attorney Swanson followed regarding rules of procedure and the boundary between personal opinion and official council conduct.

Councilwoman Ward urged civility and wisdom in the weeks ahead, encouraging all involved to focus on unity, kindness, and avoiding further political division during the upcoming election season.

CLOSED SESSION: At 7:07 p.m., Councilwoman Zimmerman made a motion to go into **Closed Session under NC General Statute 143-318.11(a)(3)** to consult with an attorney retained by the Town in order to preserve the attorney-client privilege between the Town attorney and the Town Council, which privilege is hereby acknowledged, seconded by Councilwoman Lowman. The vote was unanimous and motion carried.

At 7:39 p.m., Councilwoman Lowman made a motion to go out of Closed Session, seconded by Councilwoman Ward. The vote was unanimous and motion carried.

ADJOURNMENT: At 7:40 p.m., there being no further business to come before Council, Councilwoman Zimmerman made a motion to adjourn, seconded by Councilwoman Lowman. The vote was unanimous and motion carried.

Town Clerk

Mayor

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