

**TOWN OF VALDESE
TOWN COUNCIL REGULAR MEETING
DECEMBER 08, 2025**

The Town of Valdese Town Council met on Monday, December 8, 2025, at 6:00 p.m., in the Town Council Chambers at Town Hall, 102 Massel Avenue SW, Valdese, North Carolina. The following were present: Mayor Keith Huffman, Mayor Pro Tem Rexanna Lowman, Councilman Gary Ogle, Councilwoman Heather Ward, Councilwoman Melinda Zimmerman, and Councilwoman Shannon Radabaugh. 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 Huffman called the meeting to order at 6:05 p.m.

Brad Hinton, Pastor of Valdese First Methodist, offered the invocation and Mayor Huffman led in the Pledge of Allegiance to the Flag.

OPEN FORUM/PUBLIC COMMENT

OPEN FORUM/PUBLIC COMMENT GUIDELINES: Mayor Pro Tem Rexanna Lowman 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.

MERCHANTS COMMITTEE – KEVIN FARRIS – 225 MAIN ST. E, VALDESE:

Mr. Farris identified that he currently served as Chairperson of the Valdese Merchants Advisory Committee, and that it was in this capacity that Mr. Farris was addressing the Council. Mr. Farris voiced that after much thought and introspection that he must tender his resignation. Mr. Farris expressed that it had become apparent that his other obligations, both personal and business, conflicted with his desire to fully apply his time and efforts to the Committee. Mr. Farris continued that it was his opinion that the bylaws that were directing the Committee, along with the wishes of the remaining members, were directly opposite from one another. Mr. Farris stated that it appeared to him that the Committee desired a merchant's group, one where they could raise and spend monies at their discretion, to operate independently from the Town and the Town's purview. Mr. Farris concluded that he believed the Council should review the Valdese Merchants Advisory Committee and determine its viability. Mr. Farris thanked the Council for allowing him to serve.

CONSENT AGENDA: (enacted by one motion)

APPROVED ORDINANCE DECLARING ROAD CLOSURES FOR THE TOWN OF VALDESE 2026 ANNUAL EVENTS

WHEREAS, the Town of Valdese desires to schedule an Independence Day Celebration; Annual Waldensian Festival; Treats in the Streets; and the Annual Valdese Christmas Parade; and

WHEREAS, part of US 70/Main Street in Valdese will need to be closed for each of these special events; 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:

2026 Independence Day Celebration (Description of Closure: 1.19 mi. US 70 Main St from Hoyle St to Eldred St) on July 4, 2026 from 5:00 PM until 11:00 PM.

2026 Waldensian Festival Kickoff Celebration (Description of Closure: 1.19 mi. US 70 Main St from Hoyle St to Eldred St) on August 7, 2026 from 5:00 PM until 11:00 PM.

2026 Waldensian Festival Celebration (Description of Closure: 1.19 mi. US 70 Main St from Hoyle St to Eldred St) on August 8, 2026 from 5:30 AM until 11:00 PM.

2026 Valdese Treats in the Streets (Description of Closure: 1.19 mi. US 70 Main St from Hoyle St to Eldred St) on October 30, 2026 from 3:30 PM until 6:30 PM.

2026 Valdese Christmas Parade (Description of Closure: 1.19 mi. US 70 Main St from Hoyle St to Eldred St) on December 5, 2026 from 9:30 AM until 12 Noon.

Signs shall be erected giving notice of the limits and times of these street closures as required by G.S. 20-169. THIS, the 8th day of December, 2025

Keith Huffman, Mayor

ATTEST:

Town Clerk, Jessica Lail

APPROVED AMENDMENT TO THE CURRENT PAY & CLASSIFICATION STUDY

The part-time Planning Director retired in November 2024. The position was advertised from October 2024 through September 2025, but the applicants received during that period were not a suitable match for the needs of the Town. In response, Manager Herms contacted several MPA programs to see if there was interest in the Planning Intern position. Michael Rapp began working in August 2025 and is scheduled to complete his MPA program this December. After reviewing the Planning Director role with David Hill from the Piedmont Triad Regional Council, who is conducting the Town's pay study, the recommendation is to reclassify the position to Town Planner. The Personnel Policy requires Town Council approval for the creation of any new position.

APPROVED BURKE RIVER TRAIL KIOSK SIGNAGE

The Town of Valdese received a request from the Burke River Trail Association (BRTA) to install a kiosk sign at McGalliard Falls Park as part of the Burke River Trail project. The kiosk will provide trail rules, wayfinding and mapping information, and general educational content for trail users. Because public information kiosks require design approval from the Town Council under Section 9-3100 of the Town's Zoning Ordinance, this request was brought forward for consideration.

APPROVED RESOLUTION ESTABLISHING CHECK SIGNING PROCEDURES

**TOWN of VALDESE
RESOLUTION**

Establishing Check Signing Procedures

WHEREAS, G.S. 159-25(b) states that except as otherwise provided by law, all

checks or drafts on an official depository shall be signed by the finance officer or a properly designated deputy finance officer and countersigned by another official of the local government designated for that purpose; and

WHEREAS, G.S. 159-28.1 also states that the governing board shall charge the finance officer or some other bonded officer or employee with the custody of the necessary signature stamps and other devices and that that person and the sureties on his official bond are liable for any illegal, improper, or unauthorized use of them; and

WHEREAS, it is the desire of the Town Council that this resolution update and replace any previously established check signing procedures;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the Town of Valdese, North Carolina that:

Section 1. Two signatures shall be required on each town check used to pay or reimburse expenses, regardless of the amount of the check.

Section 2. The Town Manager, Town Clerk, Deputy Town Clerk, and appointed deputy finance officer are designated as officials authorized to countersign checks and drafts on behalf of the town.

Section 3. The Accounting Technician II position for the Town shall be appointed as a deputy finance officer in accordance with G.S. 159-25(b).

Section 4. The Assistant Town Manager/CFO and Accounting Technician II are designated as town officers authorized to sign checks and drafts on behalf of the town.

Section 5. The use of signature stamps is authorized for use in signing of checks and drafts. As a bonded town officer, the Assistant Town Manager/CFO is charged with custody of the necessary signature stamps.

THE FOREGOING RESOLUTION IS ADOPTED THIS 8th DAY OF DECEMBER 2025.

ATTEST:

Jessica Lail, Town Clerk

Mayor

APPROVED CALL FOR PUBLIC HEARING TO MODIFY UDO SCHEDULED FOR JANUARY 5, 2026 AT 6:00 PM

End Consent Agenda

ITEMS REMOVED FROM CONSENT AGENDA: None

Mayor Huffman asked for a motion to approve the consent agenda. A motion was made by Councilwoman Zimmerman to approve the consent agenda, seconded by Mayor Pro Tem Lowman. The vote was unanimous and the motion carried.

ADDED AGENDA ITEM – CLOSED SESSION Mayor Huffman entertained a motion to amend the agenda to add a 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, to the end of said agenda. A motion was made by Councilwoman Ward, seconded by Mayor Pro Tem Lowman. The vote was unanimous and the motion carried

NEW BUSINESS:

PRESENTED VALDESE POLICE DEPARTMENT AWARDS

Police Chief Marc Sharpe presented as follows:

“Good evening, everyone. The Valdese Police Department would like to take a moment to recognize a significant departmental accomplishment as well as several of our dedicated officers.

Our first presentation highlights a new initiative within the Valdese Police Department—our Drone Program. Thanks to a generous public donation, we were able to obtain a drone equipped to enhance the services we provide to the citizens of Valdese.

Each of you has been given a copy of our drone policy and the associated deployment forms for your review.

Recently, this specialized tool was deployed for the very first time. Officers used the drone to search for an accident victim who reportedly fled into a wooded area while injured.

Using FLIR thermal imaging during nighttime hours, our drone pilots were able to determine that the individual was no longer in the area. This allowed us to redirect our efforts quickly and efficiently, avoiding the need for a lengthy physical search with additional officers.

This first mission demonstrated how valuable the drone can be in helping us solve problems more effectively and expedite our operations.

The drone significantly expands our abilities to:

- Patrol difficult or inaccessible areas
- Conduct surveillance
- Utilize camera and video technologies
- Employ FLIR thermal imaging
- Use voice commands and spotlight functions during darkness

In addition to operational benefits, the program also creates new opportunities for job enrichment within the department.

Two officers volunteered to take on this new responsibility and completed the required training to become licensed Drone Pilots through the Federal Aviation Administration (FAA). The licensing exam is challenging, yet both officers passed on their first attempt with excellent scores.

Importantly, this program has come at no cost to the town, aside from occasional overtime during deployments and training—an investment that has already proven its value.

At this time, I would like to ask Officers Matt Smith and Tyler Watson to step forward.

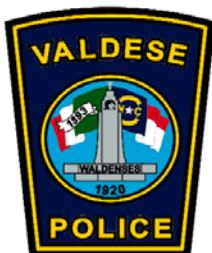
Mayor Huffman, would you please present each officer with their Drone Pilot Patch, to be worn on their uniform, along with their first set of Police Drone Wings in recognition of their successful licensing and commitment to this program?

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A photo of the wings is displayed on the screen, and afterward, the officers will be happy to show them to anyone who would like a closer look.

On behalf of the Valdese Police Department and our community, congratulations to both of you on a job exceptionally well done.

Thank you for your continued service, your dedication, and your willingness to embrace new opportunities to better serve our town.



Valdese Police Department Officer Recognition



Officer Tyler Watson VPD Drone Pilot

Officer Matt Smith VPD Drone Pilot



Police Drone Pilot Wings to be displayed on Officer's Uniform

Our next presentation introduces a new and meaningful chapter in one of our most valued recognitions.

For many years, we have honored exceptional service through our Officer of the Year Award. This year, we have re-named and elevated that award in tribute to a former Chief of Police whose legacy continues to shape our town's history and heritage. By attaching his name to this honor, we hope to inspire future generations of officers to strive for excellence and to carry forward the values he exemplified.

Chief Oscar Pascal served as Valdese Police Chief from 1970 to 1986.

Born the second youngest of twelve children to John Henry and Marie Margaret Bounous Pascal—both Waldensians and among the first settlers of Valdese—he was deeply rooted in the heritage of this community.

Chief Pascal began his law enforcement career in 1940 when he stepped into a deputy position at the Burke County Sheriff's Office following the passing of his brother, Henry "Campy" Pascal, at just 28 years old.

Less than a year later, he answered a second call to service when he was drafted to defend our country in World War II, serving overseas as a Military Policeman. In 1946, he returned to the Burke County Sheriff's Office, dedicating sixteen more years there before joining the Valdese Police Department. In 1970, he became Chief of Police, ultimately serving an extraordinary 44 years in law enforcement.

Chief Pascal was known for his pride in our town, his Waldensian heritage, and his unwavering dedication. A proud veteran, he was a member of the American Legion Post 234, Le Phare des Alpes, and the Waldensian Presbyterian Church. His work ethic was legendary—never working less than a 60-hour week—and he served Valdese with passion, honor, integrity, loyalty, and a heartfelt commitment to making this community a safer place for all.

His children, Marie, Eddie, and Teresa—who are here with us tonight—fondly remember accompanying him on nighttime rounds after he had already come home from work. He believed in visiting with citizens, talking with them, and staying connected to the people he served.

Chief Pascal served during a vibrant era of Valdese's history.

A time when Main Street was filled with the Dime Store, Western Auto, General Electric, Belk's, and the A&P Supermarket that gave out green stamps; when families visited The Rock Drug, The Soda Shoppe, Ott's Shoe Shop, the Valdese Sandwich Shop—affectionately known as "the Rat Hole"—and the Style Shop.

Our schools—Valdese Elementary, The Rock School, Valdese Junior High, and Valdese High—were

bustling with children who stopped by the Waldensian Bakery's sweet shop on their way to the Valdese Rec Center. Crestline ballfield lit up the evenings with games, and our mills and factories were thriving. These were the glory days of our town—memories that built the foundation of the community we cherish today. Chief Pascal continued to work for the Town of Valdese even after retirement up to the time of his death as he served as Security and a Host for the Old Rock School. I think we can all imagine the stories he told. The family has provided me on loan Chief Pascal's scrap book which can be viewed after tonight's meeting with me if anyone would like to view some of his memories.

In honor of Chief Pascal and the era he helped define, we proudly present the Chief Oscar Pascal Memorial Officer of the Year Award.

This award recognizes an officer who exemplifies the same courage, commitment, honor, and loyalty that Chief Pascal embodied. Officers are nominated by their peers in written form, and the final selection is made by an independent board outside the department.

At this time, I would like to invite Eddie, son of Chief Pascal, who served four years alongside his dad as a town magistrate to step forward with the award.

It is my honor to present the very first Chief Oscar Pascal Memorial Officer of the Year Award to Officer Tyler G. Watson

in recognition of his outstanding accomplishments and service to the Valdese Police Department over the past year.

Congratulations, Officer Watson, on a job exceptionally well done."

Chief Oscar Pascal Memorial Officer of the Year Award



Waldensian Chief of Police
Served Citizens of Valdese
as Chief of Police 1970-1986



Our First Chief Oscar
Pascal Memorial
Officer of the Year
Recipient

Patrol Officer Tyler G. Watson

BOYSCOUT MERIT BADGE ACKNOWLEDGEMENT

Mayor Huffman pointed out some Scouts in the audience, prompting them to stand for recognition. Troop Leader, Dr. Jonas Johnson, shared that those present were from Troop 192, in Valdese, and that one of the things that they had to do was to attend a Town Council meeting to get a merit badge, specifically the merit badge for Communications and Citizenship in the Community. Mayor Huffman thanked the Scouts for their time and comments.

REVIEW OF COMPREHENSIVE FEASIBILITY EVALUTION FOR POLICE & FIRE OPERATIONS

Bob Rawson, D.R. Reynolds Company, was given the floor by Mayor Huffman. Mr. Rawson recounted that D.R. Reynolds had been selected several months prior to assist with the design and build of a new Police/Fire Station. Mr. Rawson continued that the last couple of months were used to review Town Facilities that were being considered for the project and that, as he understood it, the Council had received a written report detailing D.R Reynolds findings, but that he was present to answer questions. Mr. Rawson shared additional context, that 215 Main Street East as well as the old Fire Station on 121 Faet St, had been considered. Mr. Rawson stated that civil engineers, structural engineers, and architects had looked at the available properties and that it was D.R. Reynolds recommendation that the Council be asked to consider a combination of Police and Fire Stations at the Massel Avenue SW property.

Mr. Rawson moved to discuss the Main Street property in specific, where it was found that there would be a lot of challenges, that D.R Reynolds felt, would make the property economically unfeasible to properly upgrade the facility for a Police Department. Mr. Rawson maintained that the building was structurally sound, but that upgrades, along with things that would have to be done to bring the building up to current codes, would not be feasible for that particular function. Mr. Rawson moved discussion to the Faet St. Property, where it was stated that they thought they had hit the gold mine, as the facility had a built-in sally port and an area for a gym facility, but that structurally, an engineer had found that the North end of the building would not be sound without extensive work.

Mr. Rawson resolved that this had led them to examine the Massel Avenue property, where they believed they could do a combination of the Police and Fire facilities. Mr. Rawson detailed that there would be an elevated Police Station at the northernmost side of the property and that there would be two (2) distinct buildings with distinct entrances both on the North and South sides of the property. Mr. Rawson reported that the surveys, topographical analysis, and soil samples would need to be done at this property as the next step to move forward with the project. Mr. Rawson shared that Mr. Weichel had reached out to a firm that the Town would use for the purpose of the surveys and soil work, and that D.R. Reynolds would start coming up with preliminary sketches to show how the property would be developed. Mr. Rawson believed that by the end of January some schematics should be laid out to move forward and provide a price to complete design work, and that by the end of the second quarter a guaranteed maximum price for construction of the project should be brought back.

Town Manager Herms stated that the next step in the process would be for Council to give staff the go-ahead to do soil samples, topographical analysis, and physical surveys of the Massel Avenue property. Town Manager Herms included that if it were the wish of the Council, the Town could also start work with the Town Attorney to move toward the sale of the Main Street property. Town Manager Herms shared that him and Mr. Rawson had had several conversations over the last few months, and that the conclusion from those conversations were that the cost per square foot would be cheaper to build new for police than it would be to retrofit the Main Street property to meet the needs and requirements that the Town had. Town Manger Herms continued that the Main Street property would make a great commercial building, but that the requirements for evidence storage, an armory, and other necessities required by statute, would make it cheaper to build new, rather than retrofit the existing property. Town Manager Herms stated the downside of this was that there would not be a Police Department on Main Street, which he knew was a concern, but that if the Massel Avenue property was used, one would have the Recreation Center, Town Hall, the Fire Department, and the Police Department all together along Massel Avenue.

Councilman Ogle requested clarification on the combination, asking if both buildings were being put together or if they would be separated. Mr. Rawson responded that he was discussing putting Police on top and Fire below, so that they would be one building, which was more economical than building and permitting two (2) separate facilities. Mr. Rawson believed that an idea could be come up with that both looked good and was functional, and that D.R. Reynolds was not there to hit a home run and build one fancy palace, but

was there to build something that fit within, and be a long staple of, the community. Mr. Rawson continued that the building was not for anybody in the present room, that it was for generations beyond, that D.R. Reynolds was looking out 25 to 40 years to inform their construction of the building. Mr. Rawson reported that he had been working with Police, Fire, and Town Manager Herms to discuss the needs, wants, and where they perceived things going in the future, and that they were now at the point of coming up with a footprint, but that as of the present day, no footprint had been drawn, and that direction was needed from Council to move either forward on Massel Avenue or dig deeper into alternate options.

Town Manager Herms established that the natural elevation of the Massel Avenue property was being considered, that a parking lot was already existing near the top of the property which could be used for Police, and that Fire would be on the bottom. Town Manager Herms affirmed that the goal was to have two (2) distinct entrances for both facilities, but to do this in the most economical way possible, and that this is what had been come up with. Mr. Rawson added on that the plans were not to interconnect the facilities, that no elevator would be necessary, and that the facilities would have their own, separate, meeting rooms on the first floor, so that handicap accessibility would not be challenged. Further specifications of the facility were discussed between Mr. Rawson and Town Manager Herms.

Councilman Ogle requested clarification that both the 215 Main property along with the Faet Street property were no longer being considered. Mr. Rawson responded in the affirmative. Councilman Ogle responded that this left the Town with constructing a new building. Mr. Rawson responded in the affirmative.

Councilwoman Zimmerman recounted that the given target prior to proceeding, to provide cost estimates, was the end of the second quarter in 2026. Mr. Rawson responded in the affirmative, that they hoped by early in the third quarter, the project would be permit ready, but that they would not submit for permits until Council had approved the cost of construction. Mr. Rawson stated that a guaranteed maximum price would be provided at that point, and that D.R. Reynolds was then responsible for receiving at minimum three (3) prices on every trade of the project. Town Manager Herms shared that this would line up well with the Town's budget schedule as well as the Town's modeling schedule.

A motion was made by Mayor Pro Tem Lowman to authorize the Town Manager to engage in whatever site assessment was necessary to move forward with the Massel Avenue Property. Seconded by Councilman Ogle. The vote was unanimous and the motion carried.

A motion was made by Mayor Pro Tem Lowman to authorize the Town Manager and the Town Chief Financial Officer to engage in selling of the 215 Main Street property and 121 Faet Street property, as the time was appropriate. Seconded by Councilwoman Ward.

Councilman Ogle questioned when these properties could be placed on the market. Town Manager Herms responded that the 215 Main Street property would be placed on the market quickly, and the 121 Faet Street property would be subject to the Fire Departments move out date, which was stated should be in twelve (12) to eighteen (18) months. Town Manager Herms specified that the goal of opening the new facility would be December of 2027. Mr. Rawson commented that this was not a stretch and would be a feasible date.

The vote was unanimous and the motion carried.

APPROVED CONTRACT FOR STREET PAVING & REPAIRS

Mr. Weichel provided context that in prior years the Town had done a paving study, and in 2024, field observations were done to follow up on said paving study. Mr. Weichel resolved that following those two (2) actions, a list was developed of almost three (3) dozen streets, within Town limits, that needed immediate attention. Mr. Weichel expounded that as a part of that list, there were smaller segments that the Town could handle in-house, that staff had gone out and gotten informal quotes for eight (8) streets to be improved, and that quotes were solicited to three (3) paving contractors. Mr. Weichel declared that Asphalt Roads and Driveways LLC had submitted the lowest responsive quote, and that the contract before the Council tonight was to enter into agreement with Asphalt Roads and Driveways LLC to improve the aforementioned segments of streets. Mr. Weichel presented a map as follows, outlining the streets which were to be improved.

Mr. Weichel outlined that these streets would fit into a smaller budget to get some work done, stating that this work did not replace a larger paving project, which may be undertaken next year if the Council were to wish to do so, but that it knocked some things out that could be done at the present time. Mr. Weichel noted that this proposal represented an even spread across the Town. Mr. Weichel then went into detail about specific roads and what work would be done to them.

Mr. Weichel affirmed the list was not comprehensive, and that the Town knew there were more streets needing attention, but that for the present moment, this project met the budget. Mr. Weichel outlined that the contract stated the contractor would have 180 days, or approximately six (6) months, to complete the work. Mr. Weichel expounded that the reason for this was as the work would have to be completed in warmer weather, stated a May timeframe was expected, and that once the contractors were to be present, work would take approximately a week to be completed.

Mayor Huffman questioned how the notification of residents would be handled, since the presented streets had not seen activity, as far as repaving, in decades. Town Manager Herms responded that historically this was done through social media posts and things of that nature, but that the main way was for the Planning Department to mail out letters, notifying residents. Town Manager Herms continued that another way to address the matter could be through an alert system, but ultimately that the Town would do as much notification as it possibly could. Town Manager Herms then referenced the future paving project, noting that notification would be more difficult for this project due to its larger scale, but that more information about this project would be provided in the springtime, during the budgeting process. Mr. Weichel mentioned that door hangers had also been used in the past as a method of notification.

Mr. Weichel revealed the grand total for the work was quoted to be \$297,606, and that the work did not just include resurfacing, but that it also included a lot of fine-tuned work. Mr. Weichel stated there were a lot of necessary repairs that were unique to each street, and that that should be kept in mind when looking at the overall cost. Mr. Weichel recounted that the overall cost was \$297,606, that the budget amendment would follow this, but that first the contract with Asphalt Roads and Driveways LLC would have to be approved.

Councilwoman Zimmerman made a motion to approve the contract for the road repair and resurfacing with Asphalt Roads and Driveways LLC. Seconded by Councilwoman Radabaugh.

Councilwoman Zimmerman stated that she was glad a move was being made on this, that she thought everyone could recognize that there were a lot of streets within the Town that needed help, that the presented roads were in worse shape than others, and that she believed this was a good step forward. Mayor Pro Tem Lowman shared that she drove the presented roads and thought this was a good start, that while she was campaigning a lot of citizens had mentioned the state of the roads, and that she was glad the Town was getting started. Councilwoman Ward questioned if any of the properties would need assistance with their pipes prior to paving. Mr. Weichel responded that this was something that was considered during the selection of the presented streets, additionally noting that citizens may notice that some streets were worse than those presented, but that they should consider that there were plans for water and sewer line replacements that were a part of the utility fund process, that the Town did not want to pave over a street and then four (4) years later have to replace water lines. Mr. Weichel stated he wanted to make sure this was done strategically so the Town got the best bang for its buck, so that it should be kept in mind that if a street looked worse than some of the ones presented, that there might be a reason for that, and that it was possible the ten (10) year Capital Improvement Plans addressed the aforementioned streets.

The vote was unanimous and the motion carried.

**CONSTRUCTION AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR A CONSTRUCTION CONTRACT WITH A STIPULATED PRICE**

THIS AGREEMENT (the "Agreement") is made and entered into by and between the Town of Valdese ("Owner"), a North Carolina municipal corporation, having a mailing address of P.O. Box 339, Valdese, NC 28690, and Asphalt Road & Driveways, LLC ("Contractor"), a North Carolina limited liability company, having a mailing address of 3497 Hickory Blvd, Hudson, NC 28638. This Agreement shall be effective as of the last date signed below (the "Effective Date"). The identified parties are at times referred to herein collectively as the "Parties" and individually as a "Party."

ARTICLE 1 – WORK

1.01 *Contractor shall complete all Work as specified or indicated in this Agreement and/or any Exhibit hereto (the "Work"). The Work is generally described as follows:*

Pavement repairs and asphalt resurfacing, complete with necessary appurtenant repairs, on seven (7) street segments within the Town of Valdese, Burke County, North Carolina identified in **Exhibit A** attached hereto and incorporated herein by reference (the "Project"), and includes all other labor, materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations under this Agreement. The Work shall also include, but not be limited to, all required asphalt patching, asphalt overlay, adjustment of utility accesses, vault and/or box frames and lids, and manhole or catch basin frames, covers, and grates, placement and conditioning of *Aggregate Base Course (ABC)* stone, application of necessary tack coat(s), and any work incidental to the scope and necessary to deliver a full and finished product. The Contractor warrants that it is a licensed contractor as required by the law of the State of North Carolina and agrees that all Work will be performed in a workmanlike manner and in accordance with industry standards and the North Carolina Department of Transportation's Quality Management System (QMS) Manual for Asphalt Pavements (latest edition), and will conform to all applicable federal, state, and local statutes and regulations governing the Work.

ARTICLE 2 – CONTRACT TIMES

2.01 *Substantial Completion; Final Completion; Time of the Essence; Liquidated Damages*

Subject to adjustments of the Contract Time as provided in this Agreement, the Contractor shall achieve Substantial Completion of the entire Work within 180 days of the Effective Date of this Agreement (the "Contract Time"). Substantial Completion is the stage in progress of the Work when the Work is sufficiently complete in accordance with this Agreement, the Owner can use the Work for its intended use, and only minor items remain to be corrected or completed that have no significant interference with the Owner's use of the Work. The time limit stated in this Agreement is of the essence of the Agreement. By executing this Agreement, the Contractor confirms that the Contract Time is a reasonable period to achieve Substantial Completion of the Work.

Upon receipt of the Contractor's written notice that the Work is ready for final inspection and acceptance and upon receipt of a final application for payment, the Owner will promptly make such

inspection. When the Owner finds the Work acceptable under this Agreement and the terms this Agreement have been fully performed, the final payment and any remaining retainage will be due and payable. Prior to issuing final payment, the Contractor will furnish to the Owner certification in a form provided by Owner that all subcontractors and vendors associated with the Project have been paid in full, no liens and/or lawsuits have been placed against the Contractor for the Work, and the total dollar amount has been paid to all subcontractors, suppliers, and others associated with this Project.

If the Contractor does not achieve Substantial Completion of the Work within the Contract Time, the Contractor shall pay the Owner, as liquidated damages and not as a penalty, a sum of \$50 per calendar day, on a cumulative basis, by which the actual date of final completion exceeds the Contract Time. The parties agree that the Owner's actual damages for such delay would be difficult or impossible to ascertain in such event and that such liquidated damages constitute a fair and reasonable amount of damages under the circumstances.

ARTICLE 3 – CONTRACT PRICE

3.01 *Lump Sum Price*

The full and total Contract Price, inclusive of all items in the scope of Work and further described in **Exhibit A**, shall be **\$297,606.00** (the “Contract Price”).

3.02 *Progress Payments*

Progress payments to Contractor over the life of this Agreement may be considered based upon the attached scope of Work for each location as described in **Exhibit A** and indicated in **Exhibit B**. Payment for completed and accepted street segments may be considered following acceptance by the Owner, provided that all scope elements have been satisfactorily completed in accordance with all industry standards and the standards set forth in the North Carolina Department of Transportation's Quality Management System (QMS) Manual for Asphalt Pavements (latest edition), accepted by the Owner or his designee, and approved for payment by the Owner or his designee. In no circumstance shall progress payments be approved for partially completed street segments. Additionally, Contractor and Owner agree that applications for progress payments, should they be necessary, may be submitted on a monthly basis for Work completed and accepted by the Owner. Under no circumstance will more than one (1) application for payment be processed during any given month in which Work is completed and accepted.

3.03 *Retainage*

In accordance with North Carolina General Statute (NCGS) 143-134.1, retainage will be withheld from each progress payment in the amount of 5% until 50% of the total value of the Contract Price has been completed and accepted by the Owner. After such time, no further retainage will be withheld provided that Work progresses satisfactorily and the Owner finds the character and progress of the Work to be in accordance with the Agreement. Retainage withheld prior to fifty percent (50%) completion shall continue to be held by the Owner until final completion and acceptance of the Project by the Owner.

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3.04 Changes to the Contract Price or Contract Time

By full and final execution of this Agreement, both Owner and Contractor do agree that changes to the Contract Price and/or Contract Time shall only be duly recognized and enforceable after execution of a written Change Order by all Parties to this Agreement. Contractor further understands and agrees that no additional work will be paid for by Owner without execution of a Change Order or Work Change Directive authorizing said work and any additional compensation or time recognized and noted therein.

For purposes of this Agreement, Contract Time shall mean the period of time, including authorized adjustments, allotted in this Agreement for Substantial Completion of the Work.

For purposes of this Agreement, Change Order shall mean a written instrument signed by the Owner and Contractor stating their agreement upon all of the following: (A) the change in the Work; (B) the amount of the adjustment, if any, in the Contract Price; and (C) the extent of the adjustment, if any, in the Contract Time.

For the purposes of this Agreement, changes to the Contract Price shall be based upon the Unit Prices included below, as those being the same derived from the Contractor's proposal (Exhibit A) The lump sum pricing quote (Exhibit A) shall include all approximated quantities listed on the quote.

- Asphalt Repair (patch) - \$3.00/square foot
- Asphalt Overlay (2-inch) - \$2.00/square foot
- Water Valve Box Riser - \$15.00/each
- Manhole Frame Riser - \$80.00/each

Other work not specified herein shall be compensated at a rate based on negotiation and agreement between Owner and Contractor prior to performance of said work. Unauthorized work outside of the terms and conditions of this Agreement will not be considered for additional compensation.

ARTICLE 4 – CONTRACTOR'S REPRESENTATIONS

4.01 In order to induce and satisfy the Owner, for the purposes of entering into this agreement, the Contractor hereby makes the following representations:

- A. Contractor has carefully examined the Work area(s), the necessary scope of Work at each location, and the contents of this Agreement;
- B. Contractor is familiar with and is satisfied to all federal, state, and local, laws and regulations that govern the Project cost, progress, and performance of the Work;
- C. Based upon the information noted above, the Contractor warrants that further site visits, investigations, exploration, examinations, or studies are not necessary to willfully enter into this Agreement;
- D. Contractor deems the scope of Work and this Agreement as sufficient to convey a full and final understanding of the terms and conditions to perform full and final performance

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and furnishing of the Work to the satisfaction of the Owner.

4.02 *Insurance*

By execution of this Agreement, Contractor does hereby affirm that it will provide and maintain satisfactory insurance coverage throughout the life of this Agreement, in accordance with the policy limitations and conditions listed herein. At a minimum, the Contractor shall provide Certificates(s) of Insurance to the Owner sufficient to satisfy the policy limitations and coverage amounts stated in this Agreement as follows:

- Workers' Compensation per North Carolina General Statute (NCGS)
- General Liability not less than \$1,000,000 (each occurrence)
- Automobile Liability not less than \$1,000,000 (combined single limit)
- Umbrella Liability not less than \$2,000,000

The Owner shall be listed as Certificate Holder and Additionally Insured on any Certificate of Insurance provided by the Contractor.

ARTICLE 5 – TERMINATION

5.01 *Termination by the Owner for Cause.* The Owner may terminate this Agreement if the Contractor (A) repeatedly refuses or fails to supply enough properly skilled workers or proper materials; (B) fails to make payment to subcontractors or suppliers in accordance with the respective agreements between the Contractor and the subcontractors or suppliers; (C) repeatedly disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or (D) is otherwise guilty of substantial breach of a provision of this Agreement.

Upon termination for cause, the Owner may, without prejudice to any other rights or remedies of the Owner and after giving the Contractor and the Contractor's surety, if any, seven days' notice, terminate employment of the Contractor and may, subject to any prior rights of the surety, if any, (A) exclude the Contractor from the Project site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor; (B) accept assignment of the subcontracts; and (C) finish the Work by whatever reasonable method the Owner may deem expedient. Upon written request of the Contractor, the Owner shall furnish the Contractor a detailed accounting of the costs incurred by the Owner in finishing the Work. When the Owner terminates the Agreement for cause, the Contractor shall not be entitled to receive further payment until the Work is finished. If the unpaid balance of the Contract Price exceeds the costs of finishing the Work, including compensation for design services and expenses made necessary thereby, and other damages incurred by the Owner that are not expressly waived, such excess shall be paid to the Contractor. If such costs and damages exceed the unpaid balance, the Contractor shall pay the difference to the Owner.

5.02 *Termination by the Owner for Convenience.* The owner may, at any time, terminate the Agreement for the Owner's convenience and without cause. Upon receipt of notice from the Owner of such termination for the Owner's convenience, the Contractor shall (A) cease operations as directed by the Owner in the notice; (B) take actions necessary, or that the Owner may direct, for the protection and preservation of the Work; and (C) except for Work directed to be performed

prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontractors and purchase orders.

In case of such termination for the Owner's convenience, the Owner shall pay the Contractor for Work properly executed.

ARTICLE 6 – MISCELLANEOUS

6.01 *Terms*

Terms used in this Agreement will only have the meanings stated in this Agreement, in Exhibits attached to this Agreement, and in further fully executed modifications to this Agreement, if necessary.

6.02 *Assignment of the Contract*

No assignment by a party hereto of any rights under or interests in this Agreement will be binding on another party hereto without the written consent of the party sought to be bound; unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

6.03 *Successors and Assigns*

Owner and Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in this Agreement.

6.04 *Severability*

Any provision or part of this Agreement held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

6.05 *Contractor's Certifications*

Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing this Agreement.

6.06 *Place of Project; Choice of Law and Forum.* This Agreement shall be deemed made in Burke County, North Carolina. This Agreement shall be governed by and construed in accordance with the law of North Carolina. The exclusive form and venue for all actions arising out of this Agreement shall be the North Carolina General Court of Justice, in Burke County. Such actions shall neither be commenced in nor removed to federal court. This Section shall not apply to subsequent actions to enforce a judgment entered in actions heard pursuant to this Section.

6.07. *Definitions.* Unless otherwise defined herein, terms in this Agreement shall have the same

meaning as those in AIA Document A201-2017, General Conditions of the Contract for Construction.

6.08 *Notices.* All notices to be given under this Agreement must be in writing and made by personal delivery, UPS, Federal Express, a designated delivery service authorized pursuant to 26 U.S.C. 7502(f)(2), or certified United States mail, return receipt requested. In addition, the party giving notice or other communication shall also send it by fax or email if the other party has provided a valid, working fax number or email address.). If a notice is sent by United States mail, it is deemed complete upon actual delivery or on the third day following the day on which it is deposited with the United States Postal Service, whichever occurs first. Subject to change, the addresses for notices are:

Owner: Town of Valdese
Attn: Town Manager
P.O. Box 339
Valdese, NC 28690

With a copy to
(which shall not constitute notice): Timothy D. Swanson
Young, Morphis, Bach & Taylor, LLP
P.O. Drawer 2428
Hickory, NC 28603

Contractor: Asphalt Road & Driveways, LLC
Attn: _____
3497 Hickory Blvd.
Hudson, NC 28638

6.09 *Indemnification.*

- A. In general. The terms of subsection (C) (Standard Indemnification Provision) below shall apply to the Contractor, subject to subsections (D) through (J), where applicable.
- B. Definitions. These definitions apply to this section unless otherwise stated. Contractor -- Each Party to this contract except the Owner. Construction agreement -- any promise or agreement in, or in connection with, a contract or agreement relative to the construction, alteration, repair, or maintenance of a roads identified in Exhibit A, including demolition and excavating connected therewith. Defend -- In this section except in subsection (C), defend means to pay for or furnish counsel at the expense of the Contractor to defend any of the Indemnitees against claims alleged or brought against any of the Indemnitees by a third party alleged or brought in any court or other tribunal, including forms of alternative dispute resolution required by law or contract, before the court or tribunal has reached a final determination of fault. Derivative parties -- with respect to a party, any of that party's subcontractors, agents, employees, or other persons or entities for which the party may be liable or responsible as a result of any statutory, tort, or contractual duty. Fault -- a breach of contract; negligent, reckless, or intentional act or omission constituting a tort under applicable statutes or common law; or violations of applicable statutes or regulations. Indemnitees -- the Owner and its officers, officials, independent contractors, agents, and employees, excluding the Contractor. Subcontractor -- any person or entity, of any tier, providing

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labor or material through the Contractor for use on the Project at issue in the applicable construction agreement.

- C. Standard Indemnification Provision. (i) The Contractor shall defend, indemnify, and hold harmless Indemnitees from and against all Charges that arise in any manner from, in connection with, or out of this Agreement as a result of acts or omissions of the Contractor or its derivative parties. In performing its duties under this subsection (C), the Contractor shall at its sole expense defend Indemnitees with legal counsel reasonably acceptable to Owner. (ii) "Charges" means claims, judgments, costs, damages, losses, demands, liabilities, duties, obligations, fines, penalties, royalties, settlements, and expenses. Included without limitation within "Charges" are (1) interest and reasonable attorney's fees assessed as part of any such item, and (2) amounts for alleged violations of sedimentation pollution, erosion control, pollution, or other environmental laws, regulations, ordinances, rules, or orders -- including but not limited to any such alleged violation that arises out of the handling, transportation, deposit, or delivery of the items that are the subject of this contract. By appropriate litigation, each Indemnitee, severally, shall have the right to enforce this section (titled "Indemnification") directly against the Contractor, but not against the Owner.
- D. Restriction regarding Indemnitees' Negligence. This Agreement shall not require the Contractor to indemnify or hold harmless Indemnitees against liability for damages arising out of bodily injury to persons or damage to property proximately caused by or resulting from the negligence, in whole or in part, of Indemnitees.
- E. Restriction regarding Fault in Construction Agreements. Nothing in this Agreement requires the Contractor to indemnify or hold harmless Indemnitees or any other person or entity against losses, damages, or expenses unless the fault of the Contractor or its derivative parties is a proximate cause of the loss, damage, or expense indemnified.
- F. Liability When at Fault. The Parties intend that nothing in this Agreement shall be construed to exclude from any indemnity or hold harmless provisions enforceable under subsection (D) (Restriction regarding Indemnitees' Negligence) and subsection (E) (Restriction regarding Fault in Construction Agreements) any attorneys' fees, litigation or arbitration expenses, or court costs actually incurred by the Owner to defend against third party claims alleged in any court, tribunal, or alternative dispute resolution procedure required of the Owner by law or by contract, if the fault of the Contractor or its derivative parties is a proximate cause of the attorney's fees, litigation or arbitration expenses, or court costs to be indemnified. Every provision in this Agreement that violates the Parties' intent expressed in the preceding sentence shall be construed and revised to the extent that it is lawful in order to make the provision conform with such intent.
- G. Insurance Contracts and Bonds. This section does not affect an insurance contract, workers' compensation, or any other agreement issued by an insurer; and this section does not apply to lien or bond claims asserted under Chapter 44A of the N.C. General Statutes.
- H. Other Provisions. Every provision in this Agreement that violates subsection (D) (Restriction regarding Indemnitees' Negligence), subsection (E) (Restriction regarding Fault in Construction Agreements), shall be construed and revised to the extent that it is lawful in order to make the provision conform with those subsections.

- I. Survival. This section shall remain in force despite termination of this Agreement (whether by expiration of the term or otherwise) and termination of the services of the Contractor under this Agreement.
- J. Compliance with Law. This section shall be applied to the maximum extent allowed by law but it shall be construed and limited as necessary to comply with N.C.G.S. § 22B-1. This section is not to be construed in favor or against any Party as the drafter. The preceding sentence is not intended to imply or direct how the remainder of this section or of this Agreement is to be construed.

6.10 *Waiver*. The failure of either Party to insist upon a strict performance of any of the terms or provisions of this Agreement, or to exercise any option, right, or remedy under this Agreement, shall not be construed as a waiver or relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue and remain in full force and effect. No waiver by either Party of any term or provision of this Agreement shall be deemed to have been made unless expressed in writing and signed by the Party against whom the waiver is asserted.

6.11 *E-Verify Requirements*. (A) If this contract is awarded pursuant to North Carolina General Statutes (NCGS) 143-129 – (i) the contractor represents and covenants that the contractor and its subcontractors comply with the requirements of Article 2 of Chapter 64 of the NCGS; (ii) the words "contractor," "contractor's subcontractors," and "comply" as used in this subsection (A) shall have the meanings intended by NCGS 143-129(j); and (iii) the Owner is relying on this subsection (A) in entering into this contract. (B) If this contract is subject to NCGS 143-133.3, the contractor and its subcontractors shall comply with the requirements of Article 2 of Chapter 64 of the NCGS.

6.12 *Iran Divestment Act Certification*. The Contractor certifies that, if it submitted a successful bid for this contract, then as of the date it submitted the bid, the Contractor was not identified on the Iran List. If it did not submit a bid for this contract, the Contractor certifies that as of the date that this contract is entered into, the Contractor is not identified on the Iran List. It is a material breach of contract for the Contractor to be identified on the Iran List during the term of this contract or to utilize on this contract any subcontractor that is identified on the Iran List. In this Iran Divestment Act Certification section -- "Contractor" means the person entering into this contract with the Owner; and "Iran List" means the Final Divestment List – Iran, the Parent and Subsidiary Guidance- Iran list, and all other lists issued from time to time by the N.C. State Treasurer to comply with G. S. 147-86.58 of the N.C. Iran Divestment Act.

6.13 *Companies Boycotting Israel Divestment Act Certification*. The Contractor certifies that that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C.G.S. 147-86.80 et seq.

6.14 *Pre-audit Requirement*. This Agreement has not been fully executed and is not effective until the Pre-audit Certificate (if required by N.C.G.S. § 159-28) has been affixed and signed by the Owner's finance officer or deputy finance officer.

6.15 *Counterparts*. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic

transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

ARTICLE 7 – CONTENTS OF AGREEMENT

7.01 *This Agreement consists of the following:*

- A. The Agreement Document, ten (10) pages in total
- B. Exhibit A, Contractor's Scope of Work and Proposal Document
- C. Exhibit B, Project Location Map

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement. Counterparts have been delivered to Owner and Contractor. All portions of the Contract Documents have been signed or have been identified by Owner and Contractor or on their behalf.

OWNER:

Town of Valdese

By: _____

Title: _____

Attest: _____

Title: _____

Address for giving notices:

CONTRACTOR

Asphalt Road & Driveways, LLC

By: _____

Title: _____

(If Contractor is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest: _____

Title: _____

Address for giving notices:

License No.: _____

Pre-Audit Statement: This instrument has been pre-audited in the manner required by the Local Budget and Fiscal Control Act as amended.

Agent for service of process:

By: _____

Title: _____

Date: _____

Approved as to Form:

By: _____

Title: _____

Date: _____

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EXHIBIT A



Asphalt Roads & Driveways, LLC

State Contractor License #86796

3497 Hickory Boulevard I Hudson, NC 28638
Office (828) 212-5300 | (828) 260-3558 | www.asphaltroadsnc.com

Bid Proposal for Repaving Streets in Valdese NC

Berry Ave

- Repairs to approximately 1,798 sq ft = \$5,394
- Applying overlay to approximately 22,806 sq ft x 2" thick = \$45,612
- 2 water valve risers and 4 manhole risers = \$350
- \$51,356 Total Cost

Bellview to Clyde

- Repairs to approximately 200 sq ft = \$600
- Applying overlay to approximately 20,898 sq ft x 2" thick = \$41,796
- 3 water valve risers and 2 manhole risers = \$205
- \$42,601 Total Cost

Bellview NE [Laurel to Walnut]

- Repairs to approximately 900 sq ft = \$2700
- Applying overlay to approximately 11,900 sq ft x 2" thick = \$23,800
- 2 water valve risers and 2 manhole risers = \$190
- \$26,690 Total Cost

Tarheel Ave NE

- Repairs to approximately 150 sq ft = \$450
- Applying overlay to approximately 16,020 sq ft x 2" thick = \$32,040
- 2 water valve risers = \$30
- \$32,520 Total Cost

Vinay Ave NW

- Repairs to approximately 550 sq ft = \$1650
- Applying overlay to approximately 13,302 sq ft x 2" thick = \$26,604
- 1 water valve riser and 3 manhole risers = \$255
- \$28509 Total Cost



Asphalt Roads & Driveways, LLC

State Contractor License #86796

3497 Hickory Boulevard I Hudson, NC 28638
Office (828) 212-5300 | (828) 260-3558 | www.asphaltroadsnc.com

Bid Proposal for Repaving Streets in Valdese NC

Hickory Ave NW

- Repairs to approximately 225 sq ft = \$675
- Applying overlay to approximately 9504 sq ft x 2" thick = \$19008
- 2 water valve risers and 3 manhole risers = \$270
- \$19,953 Total Cost

Flora Ln NE Gravel Portion

- Grade out deteriorated asphalt, leveling course of ABC compacted stone = \$1500
- Apply 2" lift of Binder, tack coat, and then apply a 2" lift of surface mix to approximately 8,120 sq ft of area = \$32,480
- 2 water valve risers and 2 manhole risers = \$190
- \$34,170 Total Cost

Bass St NW

- From Tron Ave NW to Dixie Ave NW
- Repairs to approximately 1528 sq ft = \$4584
- Applying overlay to approximately 28,389 sq ft x 2" thick = \$56,778
- 3 water valve risers and 5 manhole risers = \$445
- \$61,807 Total Cost

\$297,606 Grand total for all work.



APPROVED BUDGET AMENDMENT FOR STREET PAVING & REPAIRS

Mr. Weichel presented budget amendment 2-10, stating that the \$297,000 that was just approved would be funded in a couple of different ways. Mr. Weichel shared that the Town had Powell Bill funds that had built up over the years, that these were funds coming from the state, and that these funds were allocated annually towards the larger paving project, capital project fund, which had been set up in years prior. Mr. Weichel continued that there were some excess funds that the Town had not budgeted for, that these monies went into a separate fund balance or reserve account, that this fund had been slowly building up over the years to approximately \$171,000, and that this fund would be pulled from to cover some of the \$297,000. Mr. Weichel described that the remaining amount would be covered by an amendment to increase the expected earned interest income on idle funds which were sitting in the bank.

Mr. Weichel gave a snapshot of funds between July and December, where it was found that the Town had brought in approximately \$100,000 more dollars than what had been projected in the budget with the previously mentioned idle funds. Mr. Weichel noted that the Fed had not dropped interest rates as much as expected, and that this had helped the Town a little bit. Mr. Weichel established that \$100,000 would be pulled from that source, increasing expected revenues, and that those two (2) sources would cover the \$297,000. Mr. Weichel noted that every project required a bit of contingency, as a result a 10% contingency was built in to this project, and that this contingency would come from general fund reserves if it were needed. Mr. Weichel concluded that the majority of the project would be funded without having to pull from the Town's reserves.

Mayor Huffman entertained a motion to authorize the \$297,606 for the pavement repairs and asphalt resurfacing. A motion was made by Councilwoman Ward. Seconded by Mayor Pro Tem Lowman. The vote was unanimous and the motion carried.

Budget Amendment #

2-10

Subject: 2025-2026 Street Paving Project

Description:

This amendment covers:

- Paving Contract with Asphalt Road and Driveways LLC
- 10% project contingency

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, 2026:

Section I:

The following revenues available to the Town will be increased:

Account	Description	Decrease/ Debit	Increase/ Credit
10.3991.000	Powell Bill-Restricted Fund Reserves		171,000
10.3290.000	Investment Earned Interest		126,606
10.3990.000	General Fund Reserves (contingency)		29,760
Total		\$0	\$327,366

Amounts appropriated for expenditure are hereby amended as follows:

Account	Description	Increase/ Debit	Decrease/ Credit
10.5700.740	Capital Outlay-Powell Bill	171,000	
10.5600.450	Contracted Services-Streets	156,366	
Total		\$327,366	\$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.

APPROVED AMENDMENTS TO THE TOWN COUNCIL RULES OF PROCEDURES

Mayor Huffman recounted that at the previous Council meeting, the Council voted to get rid of the pre-agenda meeting, and as a result it was required a change to the Council's Rules of Procedures. Mayor Huffman read the following changes to the Council's Rules of Procedures:

Rule 4. Agenda

(a) Proposed Agenda. The town clerk shall prepare a proposed agenda for each meeting. All requests, supporting documents, and agenda items must be received by the deadlines set in the agenda deadline schedule. Any council member may, by a timely request, have an item placed on the proposed agenda. A copy of all proposed ordinances shall be attached to the proposed agenda. An agenda package shall be prepared that includes, for each item of business placed on the proposed agenda, as much background information on the subject as is available and feasible to reproduce. Each council member shall receive the proposed agenda and agenda package on Monday, one week prior to the meeting, and proposed agenda shall be available for public inspection and distribution or copying when it is distributed to the council members.

Mayor Huffman entertained a motion to accept the proposed changes. A motion was made by Councilwoman Zimmerman. Seconded by Mayor Pro Tem Lowman.

Mayor Pro Tem Lowman shared that she liked getting the Agenda packet a week in advance, that it gave one time to read it, to digest the information, and to be prepared for the meetings.

The vote was unanimous and the motion carried.

CONTINUED CONSIDERATION OF APPROVAL OF RESOLUTION ABOLISHING THE VALDESE HOUSING AUTHORITY

Town Attorney Swanson reported that this Agenda item came off the heels of the Valdese Housing Authority transferring its assets to the Western Piedmont Council of Governments, a change that had happened in June of the previous year. Town Attorney Swanson shared that he had received a phone call from the North Carolina Secretary of State indicating that the Valdese Housing Authority had remained somewhat of a dormant entity on its books, and that they were seeing if something could be done about that. Town Attorney Swanson stated he had put it on the Agenda for this day with anticipation that Council would be asked to adopt a resolution to abolish the authority, so that the Town could then file articles of dissolution with the Secretary of State which would remedy the issue. Town Attorney Swanson noted that after he had spoken with one of the former board members of the Valdese Housing Authority, that there was one more box he had to check in speaking with the Western Piedmont Council of Governments before the Town could do this. Town Attorney Swanson requested that instead of taking action on the present day, that the item be continued to the January Town Council meeting.

Councilman Ogle made a motion to continue the matter to the January 5, 2026 Regular Town Council Meeting. Seconded by Mayor Pro Tem Lowman. The vote was unanimous and the motion carried.

DRUG & HOMELESS TASK FORCE END OF YEAR REPORT

Chief Sharpe presented the following:

"The Homelessness/Drug Task Force has continued to meet monthly, gathering on the last Tuesday of each month at 6:00 p.m. at the First Baptist Church on Faet Street in Valdese. During the past twelve months, two members have resigned, and the Task Force currently has two openings.

As a group, we have explored a variety of approaches and researched available resources to support members of our community who struggle with substance use and homelessness. We have invited guest speakers from multiple organizations to help us strategize and identify effective ways to serve our citizens in need.

The Task Force has successfully assisted numerous individuals by connecting them with job opportunities, rehabilitation programs, temporary housing, veteran support, food and clothing resources, transportation, and other forms of assistance.

While Valdese's unsheltered population has decreased, we recognize that we have not yet resolved the underlying factors contributing to homelessness or substance abuse. Nonetheless, we continue to discuss potential solutions and develop strategies, while also taking direct action where possible. Our police department continues to offer resources as well as enforce our criminal complaints supporting both avenues within these issues.

One of our most recent guest speakers was an unsheltered individual who willingly shared their personal story, including how they became homeless and the daily struggles they face. Their testimony was eye-opening for many group members who had not encountered or been exposed to these issues on the front lines.

Chae Moore, who is Burke Counties Homeless Outreach Specialist has recently become a regular attendee of our meetings and is assisting in identifying new and untried resources.

Our group remains committed to meeting regularly and helping individuals one at a time, using the resources we have while seeking additional avenues of support whenever possible. Recently, I received a call from a homeless individual we assisted, who wished me a "Merry Christmas" and expressed gratitude for not having to be outside this holiday season. This person has remained off the streets and is finding success through a program we connected them with. Moments like this motivate our group to keep trying,

because making a difference for even one person shows that our efforts are in fact successful—one life at a time."

Councilman Ogle questioned Town Manager Herms on how many homeless people he thought were currently present in Valdese. Town Manager Herms stated he had just asked Chief Sharpe that question a couple of days prior. Town Manager Herms asserted that it depended if you looked within the Town limits versus within a mile or two of downtown, and that depending on those parameters one would have different results. Town Manager Herms stated within town limits, at one point in time, the Town had identified north of 40 individuals, and that this number could be doubled if one looked slightly further outside of the Town limits, and since that point in time, this number had been reduced to less than 20 individuals. Councilman Ogle confirmed that he had not seen as many unhoused individuals than he did a year prior. Councilwoman Ward noted that she would be meeting with Ms. Moore, Homelessness Outreach Specialist, Western Piedmont Council of Governments, to discuss a point in time count, to gather a better understanding of those whom are experiencing homelessness and what their needs may be. Councilwoman Ward expressed that if these individuals were not given the mental health support they needed, along with additional support, the situation would worsen. Councilwoman Ward continued that she loved how things had been handled with the task force, where one-on-one relationships had been built. Councilwoman Ward commended the Town's Police Officers, as well as Chief Sharpe, on what a tremendous job they had done.

Mayor Huffman then questioned Councilwoman Ward and Town Manager Herms about the reception of an opioid settlement, and how this settlement had helped with the housing of the homeless. Councilwoman Ward stated as she understood there was still some back and forth about where those funds were, and what they were for. Town Manager Herms stated that those funds were limited in what they could be used for, and that he did not believe that homelessness directly was one of those things, though that the funds could be used to combat drug use, which lent itself to homelessness. Chief Sharpe shared that these funds had supported some of the drug rehab programs, as well as Narcan programs, that the County was administering.

APPROVED APPOINTMENTS TO BOARDS/COMMISSIONS/COMMITTEES

Mayor Huffman stated that the Town of Valdese Planning Board had vacancies, that recommended appointments were for full four (4) year terms, that one of these appointments was a reappointment and that one was filling a vacant position, but that both of these positions were for voting members. Mayor Huffman continued that there was alternate position which was also unfilled, that the unfilled term was set to expire on 12/31/26, and that this unfilled alternate position would be addressed at the next Council meeting as applications were still being received. Mayor Huffman specified that it was recommended that Mr. Mark Rostan be reappointed to the Planning Board and that Mr. Jordan Greene be moved up from alternate to fill the vacant seat on the Planning Board.

Mayor Pro Tem Lowman made a motion for Mr. Rostan to be appointed to the Planning Board and that Mr. Greene be moved from alternate to fill the vacant seat on the Planning Board. Seconded by Councilwoman Zimmerman.

Councilwoman Ward questioned whether those who wanted to apply for the Planning Board would apply for the alternate position, which would be assigned in January. Mayor Huffman responded in the affirmative. Councilman Ogle asked whether a Council Member would be appointed to said alternate position. Town Manager Herms responded that this could leave the Town open to a perceived conflict of interest, as if something came before the Planning Board, and was voted on by a Council Member, it would then be voted on again by the same Council member as it came to the Council. Town Attorney Swanson added on that he had never seen this done, that he likely agreed with Town Manager Herms, and that he would recommend against doing so.

The vote was unanimous and the motion carried.

Mayor Huffman shared that the Parks and Recreation Commission had vacancies, that several applications had been submitted to Town Clerk Lail for consideration, and that these appointments were for a full, three (3) year term, and two, unexpired terms, which ended in December of 2026. Mayor Huffman stated that it was recommended that Mr. Eric White be appointed to a full term, to fill the expired seat previously held by Mr. Chip Stallings, and that it was recommended that Mr. Denver Treadway and

Mrs. Annette Skidmore be appointed to the unexpired terms of Councilwoman Radabaugh and Mr. Justin Carwell.

Mayor Pro Tem Lowman made a motion to appoint Mr. White to fill the expired term of Mr. Stallings and that Mr. Treadway and Mrs. Skidmore be appointed to fill the unexpired terms of Councilwoman Radabaugh and Mr. Carswell. Seconded by Councilwoman Radabaugh. The vote was unanimous and the motion carried.

MANAGER'S REPORT Town Manager Todd Herms reported:

Town Manager Herms declared he wanted to update the Council and the audience. Town Manager Herms provided that the Town had a productive meeting on Friday with the construction crew and engineers about the Town's pool dome. Town Manager Herms recounted that the Town had been chasing bad dirt and had finally gotten past that obstacle, and that if work were to continue without hiccups, the targeted date for completion would be the last week of January. Town Manager Herms acknowledged that it had been sleeting and snowing outside, and resolved that realistically the first of February could be the actual completion date. Town Manager Herms shared that the good news was that the Town would be able to complete the project within the previously asked for budget amendment.

Numerous events were scheduled for the months of November and December. A Holiday Event Calendar had been included in the reading materials for reference. Please review the calendar for detailed information on upcoming activities.

Town Offices Closed on December 24, 25, & 26, 2025 in Observance of Christmas and January 1, 2026 in Observance of New Year's Day.

Next Regular Council meeting scheduled for Monday, January 5, 2026, 6:00 p.m., Council Chambers, Valdese Town Hall

MAYOR AND COUNCIL COMMENTS:

No comments were shared

At 7:17 pm, Mayor Pro Tem Lowman 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 Ward. The vote was unanimous and the motion carried.

At 8:03 pm, Mayor Pro Tem Lowman made a motion to go out of Closed Session, seconded by Councilwoman Zimmerman. The vote was unanimous and the motion carried.

ADJOURNMENT: At 8:04 p.m., there being no further business to come before Council, Councilwoman Zimmerman made a motion to adjourn, seconded by Mayor Pro Tem Lowman. The vote was unanimous.

Town Clerk

Mayor

mr