

**Minutes**  
**Western Piedmont Council of Governments**  
**Bimonthly Policy Board Meeting**  
**Tuesday, March 28, 2023**  
**City of Hickory – ASU Hickory Campus**

**Members Present**

Jill Patton, Chair  
Joseph L. Gibbons, Vice-Chair  
George Holleman, Treasurer  
Larry Chapman, Secretary  
Larry Yoder, At-Large  
Randy Burns, At-Large  
Cole Setzer, At-Large  
Marla Thompson, At-Large  
Johnnie Carswell, Alternate  
Ronnie Setzer  
Mike Labrose  
Donald Robinson  
Dale Sherrill  
Ramona Duncan  
Joie Fulbright  
Jim Green, Alternate  
Dr. Caryl Burns  
Tracy Townsend, Alternate  
Charlotte Williams, Alternate  
Ben Honeycutt  
Phyllis Pennington, Alternate  
Chris Jernigan  
Jerry Hodge  
Beverly Danner, Alternate  
Kendra Edwards, Alternate  
Bobby Mosteller  
Charlie Watts  
Erisha Lipford  
Helen Chestnut  
Tommy Luckadoo

**Local Government/Agency**

Hickory  
Lenoir  
Taylorsville  
Hudson  
Alexander County  
Burke County  
Catawba County  
Long View  
Burke County  
Cajah's Mountain  
Caldwell County  
Catawba  
Claremont  
Connelly Springs  
Conover  
Conover  
Granite Falls  
Granite Falls  
Hickory  
Hildebran  
Long View  
Morganton  
Newton  
Newton  
Rhodhiss  
Sawmills  
Valdese  
Appointed  
Appointed  
Appointed

**Members Absent**

Bob Floyd, Past Chair  
Kelvin Gregory  
Robbie Wilkie, Alternate  
Dennis Anthony  
Barbara Pennell  
Sheila Perkins  
Mike Smith, Alternate

Town of Cedar Rock  
Brookford  
Caldwell County  
Drexel  
Gamewell  
Glen Alpine  
Hildebran

Holly Crafton-Lay, Alternate  
Allen Spencer  
Wayne Annas  
Yates Jensen, Alternate  
Amparo R. Alfaro  
Jeanna Price  
Malla Vue  
Tonia Stephenson

Maiden  
Rhodhiss  
Rutherford College  
Rutherford College  
Appointed  
Appointed  
Appointed  
Appointed

**Guests/Others Present**

Alan Glines  
Randy Feierabend  
Donald Duncan  
Elizabeth Krige  
Tamara Brooks  
Tom Hart  
Sherri Bradshaw  
Rick Beasley  
Hank Guess  
Danny Seaver  
Yaidee Fox  
Jon Greer  
Chase Winebarger  
Seth Eckard  
Megan Hayes  
Tracey Trimble  
Danielle Buckins  
Jeff Brooks

Burke County  
Cajah's Mountain  
Caldwell County  
Catawba  
Connelly Springs  
Conover  
Drexel  
Hickory  
Hickory  
Hickory  
Hickory  
Hudson  
Town of Sawmills  
Valdese  
App State  
Western Piedmont Sister Cities  
Duke Energy  
Duke Energy

**WPCOG Staff Present**

Anthony Starr, Executive Director  
Sherry Long, Assistant Executive Director  
David Pugh, Director of Administrative Services and Human Resources  
Andrea Roper, Director of Finance  
Ben Willis, Director of Community and Economic Development  
Alison Adams, Director of Community and Regional Planning  
Tina Miller, Director of Area Agency on Aging  
Stephanie Hanvey, Director of Regional Housing Authority  
Jason Toney, Communications Specialist  
Elizabeth Hilliard, Executive Administrative Assistant

**Call to Order/Welcome**

A regular meeting of the WPCOG Policy Board was called to order at 6:45 pm by Chair Patton. Chair Patton thanked the City of Hickory for hosting. City of Hickory Mayor Hank Guess, and Megan Hayes,

Associate Vice Chancellor and Communications Officer with ASU Hickory, welcomed the Policy Board to Hickory.

### **Introductions**

Introductions were made by everyone in attendance.

### **Minutes of Previous Meeting**

Minutes of the previous meeting were considered. Mr. Joie Fulbright made a motion to approve the minutes from the January 24, 2023 meeting and Mr. Larry Chapman offered a second. The motion passed unanimously.

### **Unfinished Business/Reports**

There was no unfinished business.

### **New Business**

#### Duke Energy Presentation Regarding Grid Investment, Storm Preparation, and Economic Development

Ms. Lisa Parrish, Government and Community Relations Manager for Duke Energy, and Mr. Jeff Brooks, Principal Communications Manager for Duke Energy, presented information regarding the importance of grid investment, storm preparation, and economic development. Given all the recent occurrences experienced in North Carolina with the grid system, Duke Energy gave an update to the WPCOG Policy Board regarding significant investments being made in our region. Included in the discussion was a recap of the rolling blackouts that occurred on Christmas Eve 2022, and the Moore County vandalism and what Duke Energy is doing to the grid to make it more secure and reliable. Examples included the smart investments being made in the electric grid to restore outages faster after storms, improve reliability, and attract new business and industry to our counties and state.

Staff recommended that the Policy Board receive the information and provide input to the Duke Energy representatives. No action was required by the board.

#### FY 2021-2022 Audit Presentation

Mr. Alan Thompson, Partner, Thompson Price Scott Adams and Co., P.A., an independent auditor, presented their observations and report to the Board regarding the financial audit of the WPCOG for the fiscal year ending June 30, 2022. The audit is required by state law and various regulation of funding entities. Mr. Thompson reported this was an unmodified and clean report.

The Auditor Highlights were included in the agenda packet for board members.

Staff requested that the Policy Board review the audit information. A motion that the Board accept the audit report as presented was made by Mr. Larry Yoder and second offered by Mr. Jerry Hodge. The motion passed unanimously.

#### Western Piedmont Sister Cities Association 30<sup>th</sup> Anniversary

Mr. David Pugh, Director of Administrative Services and HR, stated the Western Piedmont Sister Cities Association (WPSCA) is comprised of a four-county region, which encompasses Alexander, Burke,

Caldwell, and Catawba Counties. Participating members in the WPSCA include Alexander and Catawba Counties as well the municipalities of Hickory, Morganton, Sawmills, and Taylorsville. Local governments pay annual membership dues and may contribute additional funding, which is combined with corporate and scholarship foundation monies for specific activities, events and exchanges.

The Western Piedmont Council of Governments' role is to provide assistance to the WPSCA Secretary through tasks such as meeting coordination, administrative items, and financial bookkeeping. Ms. Tracey Trimble, WPSCA Chair and Catawba County Designee, stated the information below is an excerpt from the WPSCA press release for the 30<sup>th</sup> Anniversary. It explains the history of the Sister Cities partnership with Altenburger Land, and outlines some of the festivities planned for the 30<sup>th</sup> Anniversary Celebration.

*On March 24, 1993, the Western Piedmont Sister Cities Association (WPSCA) became an official non-profit organization. WPSCA chose to pursue its first relationship with Germany because of the Western Piedmont's strong cultural and business ties to Germany along with its rich Lutheran heritage. In 1997, WPSCA made international history by becoming the first ever region-to-region member of Sister Cities International (SCI). Sister Cities programs promote peace and understanding through joint exchanges that focus on arts and culture, youth and education, business and trade, and community development; all of which are essential in creating, growing, and maintaining people-to-people relationships and diplomacy around the world. Over the last 30 years, there have been countless in-person exchanges, programs, and official delegations between the two regions, including high school and sports exchanges, government and business exchanges, arts and cultural exchanges and community service projects and exchanges.*

*This year (2023) marks the 30-year partnership for the region. WPSCA plans to celebrate throughout the year. There is a planned in-person delegation from Altenburger Land, consisting of representatives from each themed meeting visiting the region in October during Oktoberfest. WPSCA is planning to bury a time capsule at the Western Piedmont Council of Governments while the Altenburger delegation is here in person. If you are interested in being part of this special year of celebration, please visit [www.westernpiedmontsistercities.com](http://www.westernpiedmontsistercities.com) or contact Tracey Trimble.*

The Proclamation Celebrating the 30<sup>th</sup> Anniversary of the Western Piedmont Sister Cities Association was included in the agenda packet.

Staff requested that the Policy Board approve the WPSCA 30<sup>th</sup> Anniversary Proclamation.

A motion that the Policy board adopt the Proclamation Celebrating the 30<sup>th</sup> Anniversary of the Western Piedmont Sister Cities Association was made by Mr. Joseph Gibbons and second offered by Mr. Larry Chapman. The motion passed unanimously.

#### WPCOG Resolution #2023-01 – Supporting Statewide Prosperity Zone Realignment

Mr. Anthony Starr, Executive Director, stated the State of North Carolina created eight Prosperity Zones in 2014 with the elimination of the previously designated economic development regions (Session Law 2014-18, Parts III & IV). The designation of the Prosperity Zones intended to improve collaboration

among state agencies and to improve customer service. However, the Prosperity Zones do not have a dedicated administrative structure, have been largely ineffective, and duplicate efforts of Councils of Governments (COGs). Many COGs already serve as the U.S. Economic Development Administration's designated economic development districts, Appalachian Regional Commission's local development districts, and federally created area agencies on aging and workforce development boards. The assigned geographies of the Prosperity Zones do not follow natural economic, transportation, political, or cultural patterns and are often too large to foster cooperation within those regions. A map of the Prosperity Zones and COG Regions was included as an attachment in the agenda packet.

Furthermore, several COGs, such as the Upper Coastal Plain, must operate within multiple Prosperity Zones. North Carolina's COG are a better Prosperity Zone boundary line, as they reflect natural patterns within the state and already contain human infrastructure among a range of programs including planning, transportation, workforce development, community and economic development, etc. Per the map comparison included in the agenda packet, using COG regions as the basis for Prosperity Zones would decrease duplication and confusion for local governments and facilitate better coordination of services. COGs maintain strong engagement with local governments and community partners.

The language in WPCOG Resolution #2023-01 conveys both support for our sister COG's across North Carolina needing the Prosperity Zone realignment, while expressing the desire for the WPCOG area to be in its own Prosperity Zone. The WPCOG Resolution #2023-01 was included as an attachment in the agenda packet.

Staff requested that the Policy Board approve Resolution #2023-01.

A motion that the Policy Board adopt Resolution #2023-01 for the Western Piedmont Council of Governments to Support a Statewide Prosperity Zone Realignment was made by Mr. George Holleman and second offered by Mr. Larry Chapman. The motion passed unanimously.

#### Update on American Rescue Plan Act Utilization from Aging Department

Ms. Tina Miller, Director of Area Agency on Aging, stated the Area Agency on Aging received \$1,651,663 in American Rescue Plan Act (ARPA) funding for services to older adults and caregivers. She presented an update on the grant, utilization and an overview of new services implemented: outreach with a community health worker; information and options counseling; and chore and enhanced chore services.

No Board action requested. This is for informational purposes only.

#### Hickory MSA Residential Building Permit Trends

Mr. Anthony Starr, Executive Director, stated the results from the 2010 and 2020 Census show population loss for three of four counties in the Hickory MSA (Alexander, Burke and Caldwell) over the past decade, while Catawba County experienced a moderate population gain (4.1%) between 2010 and 2020. Significant housing growth is a key factor in spurring future population and employment increases in the region over the next decade.

The data shown in the presentation indicated an increase in both site-built single-family and multi-family developments in the region since 2020. In fact, the number of multi-family units added in the Hickory MSA in 2022 was close to the number of site-built single-family units added.

Single-family development remains concentrated near area lakes, near Collettsville in Caldwell County, and around Hickory. Many of single-family homes may be seasonal homes, so there is some question how much population these homes are bringing to the region, although they definitely add to the tax base. Multi-family developments (includes attached townhomes and/or apartments) have been mostly concentrated in Conover, Hickory and Southeastern Catawba County. This trend may continue over the next several years.

This information was provided to local governments so they might encourage housing growth to reach a target of 1 to 2% population growth per year.

The Hickory MSA Residential Building Permit Trends was included in the agenda packet. Staff requested that the Policy Board provide feedback. No formal action by the Board is needed at this time.

#### Approval of WPCOG's Annual Administrative Plan

Ms. Stephanie Hanvey, Director of Regional Housing Authority, stated the US Department of Housing and Urban Development requires all public housing agencies (PHAs) to prepare and adopt Annual and 5-Year agency plans. This year we are required to prepare and adopt an Annual Administrative Plan (July 1, 2023-June 30, 2024). HUD prescribes a standardized plan format for PHA plans, which provides very brief information relating to the day-to-day operations of the program. As usual, HUD has made some plan suggestions on policies and procedures to make things less burdensome on our tenant population. RHA staff has also made some local plan changes to assist our tenant population more efficiently. The plan provides public information about the way that the RHA's housing programs are operated and afford opportunities for client and public review and input. The required public hearing was held at 9:00am on Monday, March 27, 2023. Upon board approval, the RHA Annual Administrative Plan is due in the Greensboro HUD office no later than April 15, 2023.

The Annual Plan Amendments were included in the agenda packet.

Staff requested that the Policy Board approve the RHA's Annual Administrative Plan for the fiscal year (July 1, 2023 – June 30, 2024). These amendments will be sent to HUD by April 15, 2023.

A motion that the Policy Board approve the Annual Administrative Plan for July 2023 for submission to HUD by April 15, 2023 was made by Mr. Larry Yoder and second offered by Mr. Jerry Hodge. Motion was passed unanimously.

#### RHA Family Self-Sufficiency (FSS) Action Plan

Ms. Stephanie Hanvey, Director of Regional Housing Authority, stated In September 2020, HUD published a proposed rule to implement the changes required by the Economic Growth Act and to

streamline the FSS Program. HUD required all PHA's to resubmit their revised action plans by September 30, 2022 and our FSS Action Plan was approved with all changes at that time.

Housing authorities are required to send any administrative plan amendments to HUD annually. Since the RHA recently revised our FSS Action Plan in September 2022, there are no additional amendments that need to be made at this time. The RHA will re-submit the FSS action plan as it is to meet the HUD April 15, 2023 annual deadline. This plan will remain in effect for the upcoming fiscal year beginning July 1, 2023 - June 30, 2024. The required public hearing for the RHA's Administrative Plan/FSS Action Plan was held at 9:00am on Monday, March 27, 2023. Upon board approval of the RHA's Annual Administrative Plan, the RHA will send both the updated Administrative Plan and the current FSS Action Plan to HUD's Greensboro office no later than April 15, 2023.

No Board action is required because the FSS Action Plan is not being updated at this time.

#### 5<sup>th</sup> Amendment of the FY 2022-23 Budget

Ms. Andrea Roper, Director of Finance, stated the 5<sup>th</sup> Amendment of the FY2022-23 budget reflects a total budget of \$25,227,227 and an operating budget of \$9,188,703 which represents an increase of the total budget from the January 24, 2023, budget adoption of \$413,771.

The 5<sup>th</sup> Amendment of the 2022-2023 Budget includes:

- An increase in Environmental Protection due to a new trail project contract.
- Increase of \$37,413 in Community Development due to additional funding for home rehabilitation projects.
- Community and Regional Planning decreased mainly due to the termination of a GIS contract.
- Economic Development decreased due to the increase in Community Development project work.
- Regional Public Housing increased \$15,699 due to an increase in administrative funding.
- Workforce Development increased \$351,656 to account for the Conover Station lease liability (NCWorks Career Center), required per GASB 87.
- GASB 87 – Indirect Leases reflect lease liabilities funded with indirect funds.
- Compensated absences increased due to personnel changes and to better reflect planned staff absences.
- Contractual increased \$61,363 due to the additional home rehabilitation funding and contractual expenses for Regional Public Housing.
- Transfer to Capital Reserve Fund decreased due to an increase in indirect salaries.
- Aging Special Revenue Fund increased to reflect additional funding for providers.
- Section 8 Special Revenue Fund increased to reflect additional administrative funding.
- Capital Reserve Fund decreased due to the decrease in transfers from the general fund.

The Budget Summary Sheets were included in the agenda packet.

Staff requested that the Policy Board review and approve the Fifth Amendment of the 2022-2023 Budget.

A motion that the Policy Board approve the Fifth Amendment of the 2022-2023 Budget as proposed was made by Mr. Larry Yoder and second offered by Mr. Larry Chapman. Motion was passed unanimously.

#### 1st Reading of the FY2023-24 Budget

Ms. Andrea Roper, Director of Finance, stated The 1<sup>st</sup> Reading of the FY2023-24 budget reflects a total budget of \$25,930,820 and an operating budget of \$9,867,328 which represents an increase of the total budget from the January 24<sup>th</sup> 2023 budget amendment of approximately 4.5% or \$1,117,364.

Some key parts of the budget are uncertain at this time and that is normal for the first reading. The 1<sup>st</sup> Reading of the FY2023-24 Budget includes:

- 73 full and part-time staff positions.
- WPCOG dues rate increased by \$.042 per capita plus dues increases for the MPO as approved by the Board in January.
- Financial administration services for two local governments and one local non-profit.
- Town planning services for 11 local governments.
- Long range planning services for 5 local governments.
- Code enforcement services for 12 local governments.
- Administration of several new community & economic development projects (building reuse, infrastructure, home outreach, economic development, etc.).
- GASB 87 – Indirect Leases reflects the future value of lease payments funded with indirect funds.
- The budget includes a 2% cost of living adjustment (with a minimum \$1,000 increase) for all staff in July and an average merit increase of 3.75% effective in January 2024. An increase to the 401k contribution rate of 1% is also included as a number of local governments are considering such increases to retain employees.
- A group insurance increase (\$75,875) reflecting a projected health insurance rate increase of 9%. We usually do not receive quotes until early May for FY24 and this number will be adjusted at that time.
- The decrease in contractual is attributed to the NC DEQ ARPA rehab & emergency single-family rehab grants projected to end in FY23.
- Supplies decreased \$39,674 due to the reduction in ARPA and other specialized grant funding.
- Capital Outlay decreased \$25,000. Excluding transfers to the Capital Reserve Fund, no major equipment purchases are planned at this time.
- Increase in contingency due to indirect and fringe funds generated by several new positions allocated to contingency along with new project funds anticipated to be utilized in FY24.
- Compensated Absence Liability increased \$84,547 due to the OPEB (Other Post Employment Benefit) Trust expected to be fully funded in FY23. This allocation may increase with the availability of funds. Funding the compensated absences liability improves the net position of the WPCOG.



- Decrease in the Burke River Trail Project Special Revenue Fund due to the completion of work in FY23.
- The proposed budget includes approximately \$314,216 in anticipated contracts for FY24. This amount is \$192,714 higher than the FY23 anticipated contracts amount at this time last year. The unfunded areas at this point are within the Community & Economic Development Department. A number of new projects are anticipated but not yet finalized.

The fund balance allocated decreased due to an increase in assessment dues, annual meeting contributions and the removal of the radar project.

The Budget Summary Sheets were included in the agenda packet.

Staff requested that the Policy Board review and approve the First Reading of the FY2023-24 Budget.

A motion that the Policy Board approve the First Reading of the FY2023-24 Budget as proposed was made by Mr. Jerry Hodge and second offered by Mr. Chris Jernigan. Motion passed unanimously.

### **Other Business**

#### Executive Director's and Staff Reports

Mr. Anthony Starr, Executive Director, reviewed the Executive Director's Report providing details and current operations of the WPCOG and issues that may be of interest to board members.

### **Administration**

- Work continues for the search for a new county manager for **Alexander County** and staff began assisting **Drexel** for selecting a new town clerk.
- Staff is hard at work performing the final preparations for the WPCOG Annual Meeting on Wednesday, April 5th @ the Hickory Metro Convention Center. Start time is 6:00pm. Digital invitations have been sent out via email, so please remember to RSVP by March 22<sup>nd</sup>.
- Staff released the RFQ for architectural services for the expansion of the WPCOG office. The Executive Committee approved the RFQ in February. We are using the services of a lobbyist to assist in securing additional funding for the project beyond the \$1 million appropriated last year by the General Assembly.

### **Community and Economic Development (CED)**

- CED staff have worked with the region to develop a proposal for HUD to utilize ARP funding to address homelessness in the area. Staff completed the proposal is ready to submit it to HUD for approval. Upon receiving the green light, WPCOG will commence with program implementation, with a target of kick starting operations by the first quarter of 2024.

### **Regional Housing Authority (RHA)**

- The RHA recently discovered that a landlord improperly leased to her daughter and this constituted fraud. HUD rules prohibit landlords from renting to family members and landlords are informed of this requirement. The landlord must repay approximately \$22,211 to the WPCOG and staff referred the matter to law enforcement for potential criminal charges. The landlord confessed to law enforcement. RHA staff did an excellent job in detecting the fraud and documenting the case.

### Staff Reports

Ms. Alison Adams, Director of Community and Regional Planning, stated May 2, 2023 is the National Night Out in Long View at the Long View Recreation Center and invited the board to attend. She also shared a reminder to visit Foothills Experience

(<https://maps.wpcog.net/arcgis/apps/MapSeries/index.html?appid=6b4a976ae3ab4a6fa4b30a5ddc909014>).

### Next Meeting

The next Policy Board meeting is scheduled for May 23, 2023 and will be hosted by the Town of Valdese.

### Adjournment

Chair Patton adjourned the meeting at 8:04 pm.

Respectfully submitted,

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Jill Patton  
Chair

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Larry Chapman  
Secretary