



1. Agenda Outline

Documents:

[2101 03 09 BOC SPECIAL JOINT MEETING AGENDA OUTLINE.PDF](#)

2. Agenda Full Version

Documents:

[2021 03 09 BOC SPECIAL JOINT MEETING AGENDA FULL VERSION.PDF](#)

3. Parking Image

Documents:

[PARKING IMAGE.JPG](#)

In accordance with ADA regulations, persons in need of an accommodation to participate in the meeting should notify the County Manager's office at 828-764-9350 at least forty-eight (48) hours prior to the meeting.



**BURKE COUNTY
BOARD OF COMMISSIONERS
SPECIAL JOINT MEETING
HICKORY CITY COUNCIL
HICKORY REGIONAL AIRPORT
FBO CONFERENCE ROOM
3103 9TH AVE. DR. NW, HICKORY
TUESDAY, MARCH 9, 2021
11:00 AM**

-
- 1. CALL TO ORDER**
 - 2. APPROVAL OF THE AGENDA**
 - 3. DECISION ITEM**
 1. CM - MOU for Partnership with Hickory to Construct Airport Hangar at the Hickory Regional Airport in Burke County - Presented by Bryan Steen, County Manager and/or Warren Wood, Hickory City Manager
 - 4. ADJOURN**

For safety, attendees are required to wear face coverings and complete a COVID-19 health risk assessment before entering the meeting room. In accordance with ADA regulations, persons in need of an accommodation to participate in the meeting should notify the County Manager's office at 828-764-9350 at least forty-eight (48) hours prior to the meeting.



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Burke County, North Carolina
Agenda Abstract
Meeting Date: March 9, 2021



Decision Item

Subject Title: CM - MOU for Partnership with Hickory to Construct an Airport Hangar at the Hickory Regional Airport in Burke County

Presented By: Bryan Steen and/or Warren Wood

Summary of Information: The following draft MOU (Memorandum of Understanding) outlines a partnership between Burke County and the City of Hickory to construct an airplane hangar at the Hickory Regional Airport.

A special joint meeting with the Hickory City Council is scheduled for March 9, 2021 at 11 a.m. at the Airport to approve the MOU.

Budgetary Effect: None for FY 20-21. The City of Hickory will pay to design and construct the new hangar--a potential construction cost of up to 1.2 million for the project. Burke County will contribute 50 percent (\$600,000) of the actual cost from increased property tax revenues generated above the established baseline.

County Manager's Recommendation: Approval is recommended.

Suggested Motion: To approve the Memorandum of Understanding between Burke County and the City of Hickory as presented.

**STATE OF NORTH CAROLINA
BURKE COUNTY**

**MEMORANDUM OF
UNDERSTANDING
TO BUILD AIRPORT
HANGAR AT HICKORY
REGIONAL AIRPORT
IN BURKE COUNTY**

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) made and entered into this ____ day of _____, 2021 between THE CITY OF HICKORY, a North Carolina municipal corporation, hereinafter referred to as “City,” having a mailing address of P.O. Box 398, Hickory, NC 28603 and BURKE COUNTY, a body politic and corporate, hereinafter referred to as “County,” having a mailing address of PO Box 219, Morganton, NC 28680.

WITNESSETH:

WHEREAS, the City is the owner of the Hickory Regional Airport, situated primarily in Burke County;

WHEREAS, City and County agree that an increase in aircraft tax base is mutually beneficial to City and County by providing additional property tax revenue;

WHEREAS, the existing hangars at the airport are not sufficient to attract additional aircraft;

WHEREAS, an addition of aircraft hangar(s) will provide space to attract additional aircraft;

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties reduce their agreement to writing and agree to the following:

1. City agrees to design and construct an additional hangar in Burke County of approximately 12,000 square feet to provide opportunities for additional aircraft to relocate to the airport.
2. City will share any documents related to design and/or construction that County wishes to have.
3. City intends to use the new hangar solely for aircraft with tax values in excess of \$1 million; it is anticipated that each hangar can accommodate three or four aircraft.
4. City will pay all design and construction costs for the new hangar, estimated to be approximately \$1.2 million.

5. City and County agree on a baseline of \$37,641,250 in aircraft property tax values as of January 1, 2020 as determined by the Burke County Tax Department (the “baseline”).
6. Upon the completion and placement into operation of the new hangar, County agrees that for any new aircraft property tax values determined by the Burke County Tax Department that exceed the baseline, County will pay an amount equal to 50% of any additional aircraft property tax revenue for that tax year to the City to partially reimburse the City for the cost of the new hangar.
7. Each year thereafter, as long as aircraft property tax values exceed the baseline, County will continue to pay the City an amount equal to 50% of additional aircraft property tax revenue for that year until 50% of the new hangar cost is reached; provided, however, that if the new hangar is financed, County will reimburse City for its 50% share of the loan until the loan is satisfied.
8. Payment will be due and owing on April 1 of each year, for the previous year’s calculated payment. In calculating the cost of the new hangar, no credit shall be given for the value of the underlying real estate owned by the City.
9. County’s liability hereunder is limited to one-half of the design and construction costs of the new hangar, or Six Hundred Thousand Dollars (\$600,000), whichever is less. County shall have no obligation or liability for any payment to City other than that calculated as provided above from increases in the baseline.
10. County will acquire no ownership interest in the new hangar, nor will County have any right or interest in the revenues to be derived from the leasing of the new hangar.
11. City shall provide and maintain at its own expense the following insurance coverage for its airport operations:
 - a. Commercial General Liability and bodily injury and property damage with a combined single limit of not less than One Million Dollars (1,000,000) per occurrence and an aggregate limit of not less than Three Million Dollars (\$3,000,000); Automobile Liability with a combined single limit of not less than One Hundred Fifty Thousand Dollars.
 - b. Fire Insurance with Extended Coverage upon the new hangar to the building’s full insurable value.

- 12. City will assume all liability and will release and hold harmless the County and its employees from any liability regarding the design, construction, operation or use of the hangar.
- 13. City and County will mutually decide if they wish to provide for additional hangar construction under the terms of this agreement (beyond the initial hangar) and shall reduce their agreement on such additions to writing.

IN WITNESS WHEREOF, the parties hereunto have caused these presents to be executed, this the _____ day of _____, 2021.

**CITY OF HICKORY,
A NC Municipal Corporation**

By: _____
Hank Guess, Mayor

ATTEST: (SEAL)

Debbie D. Miller, City Clerk

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Melissa Miller, Finance Officer
City of Hickory

Approved as to form on behalf of the City of Hickory

Arnita M. Dula, Deputy City Attorney

[Signatures continued on following page]

**BURKE COUNTY
A Body Politic and Corporate**

By: _____
Jeffrey C. Brittain, Chairman,
Burke Co. Board of Commissioners

ATTEST: (SEAL)

Kay H. Draughn, Clerk to the Board

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Margaret Pierce, Finance Officer
Burke County

Approved as to form on behalf of Burke County

J.R. Simpson, County Attorney

**STATE OF NORTH CAROLINA
COUNTY OF BURKE**

I, _____, a Notary Public of said county and state, certify that Debbie D. Miller, personally came before me this day and acknowledged that she is the City Clerk of the City of Hickory, a North Carolina municipal corporation, and that by authority duly given and as the act of the City Council of the City of Hickory, the foregoing instrument was signed in its name and by its Mayor, sealed with its corporate seal and attested by her as its City Clerk.

Witness my hand and seal this ____ day of _____, 2021.

Notary Public

(SEAL)

Attachment: Burke County MOU - Airport Hangar Construction (with Hickory revisions) (3285 : CM - MOU for Partnership with Hickory to

My Commission expires: _____

**STATE OF NORTH CAROLINA
COUNTY OF BURKE**

I, _____, a Notary Public of said county and state, certify that Kay H. Draughn personally came before me this day and acknowledged that she is Clerk to the Burke County Board of Commissioners and that by authority duly given and as the act of the Board of Commissioners, the foregoing instrument was signed in its name by its Chairman, sealed with its corporate seal and attested by her as its Clerk.

Witness my hand and seal this _____ day of _____, 2021.

Notary Public

(SEAL)

My Commission Expires: _____



Available Parking