CITY OF MOUNT HOLLY

MOUNT HOLLY CITY COUNCIL
WORK SESSION

FEBRUARY 2, 2006
CITY HALL

The Work Session of the City Council of Mount Holly was called to order at 6:30 p.m. by Mayor Robert Whitt. The following were present:

Mayor Robert Whitt
Mayor Pro-Tem Phyllis Harris
Councilwoman Pat Hubbard
Councilman Jim Hope
Councilman Jerry Bishop
Councilman Frank McLean
Councilman David Moore
City Manager David Kraus
Assistant City Manager Danny Jackson
Assistant City Manager Jamie Guffey
Police Chief Benson Hoyle
Street and Solid Waste Director Mike Santmire
Fire Chief Dale Oplinger
Community Development Planner Greg Beal

The invocation was led by Councilman Frank McLean.

Mr. Kraus asked to move #8 to the regular meeting, wish to add Belmont Chamber of Commerce and add discussion of awnings. Mr. Michael stated #4 has been removed from the board at this time.

1 – Mr. Kraus stated architect and construction manager at risk are present. They have been coming up with an accurate cost estimate and revisions have been made. They are here to present what it will cost in each phase so we can analyze costs for each phase. Mr. Creech stated we have looked in this building in phases and he had a diagram for review of the Council. Elevations of the building have been resigned a little bit. The existing building is a utility brick building. It has a small amount of insulation in between but basically this brick is a thermal construction for the outside and is not preferable for occupiable space. There is a strong potential of mold, etc. There was a summary letter handed out to Council explaining the phases, costs associated, etc in detail by tabs. Phase two is basically the update of the police station. Phase three is the retail space. Phase four is the grand hall. There is a wall in the grand hall that is existing. We are going to insert steel columns in this wall and tie back into another existing wall due to lateral wall and structural issues. Structural integrity issues are due to removal of the floor on the second floor and we have to compensate for those cross beams that are being removed. Phase five is council chambers. Phase six is second floor office space. Phase seven is site work as described on map detail provided to Council. The site will be stripped away. We will run new curbing gutter, new sidewalks, add security fencing, barbed wire fencing, security parking, landscaping, irrigation, etc. The area in red is a brick paver and concrete design. We could take the brick pavers out and use a concrete paver to save money if desired by council. Phase eight is the training room. Phase nine is the ancillary building used for storage for the police department. Some of these phases have to be done in a specific order due to location in the building, etc. Since we don't know who might go into the retail / lease space, we have not shown any partitioning in that area right now. Ms. Hubbard asked about seven doors across retail space, what is ball park square footage for each area. The answer was 70 or 80 feet deep.

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Mr. Kraus asked if there is a contingency built in. There is no contingency or escalation. The numbers are market numbers as of today. Contingency of 5 to 10% should be added. Description was given about roofing choices, sandblasting brick, etc. Surface gets more porous with sandblasting. Mr. Whitt asked about bricking on the outside building and to what extent it would be. He was answered by just a portion would be bricked around. Some portions will be sandblasted and possibly repainted. Both ends of the building will be prime entrances. As homogenous as these elevations are right now, they are representative of it being painted. The plain with the windows is to remove the glazing from existing metal windows and sandblast them and then reglaze, reprime and paint them. They windows themselves are in pretty good shape and contain historic value for the building. Ms. Hubbard asked about long term energy efficiency with the windows being single-pained. Mr. Whitt asked if phase 1 façade and roof and phase 2 police station and site work and ancillary building. Would that be a fair start for utilizing the building? Yes was the response, at a minimum. To allow for that scenario, we have added a small public toilet off the police station lobby. Included on the grand hall are three entry ways with cable suspended candle-lights. It avoids a higher cost when you complete the grand hall. Mr. Whitt and architect talked about total price of 4 million associated with getting police station in there. Phase two could be amended to include outside work to make building available for police station occupancy only. Mr. Whitt asked if architect / construction supervisor had met with staff yet. They have met with staff but not with the construction committee yet. Mr. Whitt asked if council would like for construction committee to meet with the architect / engineer. Ms Harris stated she is confused about what is going on, either we are going to go with this or we are going to not do it. Mr. McLean stated this building is not in as good of shape as we initially anticipated. He also stated he does not want the police department there if they cannot fully function. He agrees with Ms. Harris, either we do it or we don't. Ms. Harris stated this idea came from the citizen's vision process. I want us to figure out a way to start moving forward. We have already spent a lot of money on this building and we have wasted a lot of time. The architect stated the total sq footage was 47000 sq feet. Turn key is over 120 a foot for a government building. In a new building, turn key would be 205 per foot. This budget is really just a preconstruction estimate, not a bid. Mr. Moore stated we are so deep into this project, I don't think the construction committee is going to make a difference at this point. They may could have at beginning stages. I don't see it making any major change. Mr. Whitt stated I am not asking to delay the project, just more information on the table. The architect stated he was very willing to meet with the committee. Ms. Hubbard stated it would be good to have the committee look at it while we are still going forward just in case they see something large. If they are minor things, I don't see us making any changes. Mr. Bishop stated we may run into other problems but I think we should go forward without delay. Mr. Kraus stated once you get into it, you never know what you will find. Mr. Hope stated it is not a question of whether we go forward or not, it is what phases we are going to attack. We purchased 3 years ago and we could have had this done for 4.5 million and I don't want to see it piece-milled more than it has to be. The construction committee should look at phases and offer comments and suggestions on the phases. We should get as close to doing this in entirety as we can. This time next year it will cost even more. We decided to buy that building three years ago and we need to be responsible and good stewards to our citizens and move forward. We need to keep moving with vigor. Mr. Whitt stated I did not mean to insinuate that the construction committee would have decision making abilities on this project, just input. Mr. Whitt stated the granite on the streets downtown is a good example of something we could have benefited from the construction committee comment. Mr. Hope stated the construction company gave us linear feet on the granite. Mr. Kraus stated there will be things we will run into that we are not aware of thus necessitating the need of a contingency. Mr. Creech is working on the demolition information and façade improvement as well. Mr. Kraus stated we need to pick phases and decide on how much to spend. We cannot enter a contract without this. Mr. Bishop stated I would like for Mr. Kraus to find out what it would be for the turnkey project for our information. The architectural firm stated this will be such a great hub for this city. Let citizen functions and the balance of that help you in your decision making. Mr. Hope stated Council realizes demo price comes out of this, it is not additional.

2 – Hydro Electric Relicensing by Duke Energy – David Hargett, Duke Power, and Greg Robinson from Duke Power. Greg stated he is director of licensing area of Duke. As I left today, we are having our last negotiating session and I am thankful I was coming here. In the package provided (attached), I will briefly overview this. In the 1950s when Duke petitioned to build Cowan's Ford, we were required to get a license. On page 4 you will find a diagram of how we divided up the stakeholders as part of our relicensing. We would like to have local voices as a part of this . we divided the river into 4 areas. We had 160 stakeholders working for three years to craft this agreement. On page 5, you will see recreational information. In order to provide passive recreation for local folks, we have done surveys for two seasons, and we will provide this information to the government as well. The current agreement and principal addresses 270 new facilities up and down the river. Mr. Kraus stated changes coming with relicensing will be building and installing and maintaining amenities, such as River bend, gateway, etc. Page 6 gives you a feel for shoreline management. In the basin today, there are 2.1 million people, 225 miles of river. We are looking at a population projection of about 4 million. We had to get an understanding of what was there so we could plan for our future. On page 7, one our big issues is water quality. In the late 50s there was not a clean water policy. With the clean water act, we will have to change out equipment, add equipment to raise oxygen level and we are in the process of planning those things right now. Protecting buffer zones is being addressed as well. Mr. Kraus stated they will be inspecting buffer zones before allowing dock permits. Mr. Robinson stated we do not have lake level requirements now. In the new license, we will have this but we already operate this way. Mr. Bishop asked if this will help us with the interbasin transfer. The state of NC will make the decision on that. We will require that all permitting that we are required to do is full and adequate if NC agrees to this. We will work with the state of NC closely. Human growth will put huge demands on us. Industrial growth is occurring as well. This relicensing caused us to gather all big water users together and get a holistic view of the basin. Minimum flows will be required for fish, for downstream flowers and flooding, human needs downstream. Drought preparation is huge and we have plans put together for how to deal with this. On page 10, low inflow protocol addresses drought proceedings. This document has five stages from zero up to four. The idea is to manage the river to never get into that situation. We can all work together with this procedure. Mr. Kraus stated this will dictate our water restrictions, voluntary, mandatory, etc. Mr. Robinson stated we work very hard to set criteria high enough such that we can do the best we can to stay out of a bad situation. We are the only power company that does not charge for water withdrawal form the reservoir. Fees is a four letter word but the notion is right. The water management group came up with very creative ideas for community involvement. Mr. Robinson went over community group involvement versus fee. Mr. Kraus stated since this is not going to replace energy, the fee should be based on the budget of projects. As long as you are in the group, you don't face water withdrawal fees. If we think ahead and do this right, we can manage our way a little better than we did during the last drought. Council will have to vote and schedule a public hearing since we are a stakeholder.

Mr. Hope stated I have been on this council for 14 years and we have had an equal relationship with Duke Power. One of the pinnacles in our vision process is going to be our greenways. The first phase of our greenway will come from Tuck Park and intersecting with the greenway and downtown. We directed our staff to contact the property owners. We met with resistance before we even had the opportunity to present our ideas. I am asking you to use your influence to help with us on that greenway along our river. Mr. Hargett stated this is being looked at right now. Mr. Hope stated we have grants to be written. We all appreciate all you can do. Mr. Hargett stated we will do all we can.

5 minute recess.

3- Stormwater Control - Mr. Jim Gilpin stated stormwater control is a pollution control mechanism. With that in mind, just to catch you up. You have approved a stormwater management plan and that has been sent to the state. To implement that plan, a water quality manager has been selected, Mr. Bo Eller. He is working with us to get his feet on the ground and he going to serve you well. A committee has been formed and will be chaired by Wendy foster. This committee will look into implementation of the plan. We met this afternoon to review the ins and outs of stornwater. To give you a flavor of things, there are six tenants of the stormwater management plan. There will be also the need to have ordinances to be sure the water quality can be maintained. These are under review by myself and the committee. These will be reviewed by Mr. Kemp Michael before being presented to the council. We need to update the stornwater map. About three years ago, Mount Holly had a consulting firm to prepare a stormwater map and it needs to be updated. A second thing is that a manual needs to be developed for structural best management plans. This will tie into a high density option.. To summarize, we are taking the six tenants and working on five of them simultaneously. I do not have a handout but we are making progress as we speak. Stonewater Bay is a high dollar development, nice homes, reasonably sized lots. Crescent did an A1 job to control sediment control and stormwater run off. Crescent sold off to other people. The other people are not being as good of a steward of the property. There was an agreement signed between Gaston Co and Mount Holly for sediment erosion and stormwater control. There has been disappointment of enforcement of this in Stonewater Bay. I was asked to take a look. I did so. In my meeting with GC control officer, we reviewed various parts of stonewater bay and I was not happy with what I saw. I asked why they abandoned this catch basin and he stated because it is not sediment and erosion control issue, and is a stormwater control issue. These should be dovetailed and I do not think we saw this eye to eye so to speak. Part of the discussion included GC currently looking into the impact of one acre to ½ acre. IF that be the case then he would have more teeth in the GC regulations to enforce a plan and fine if necessary. Right now because they are less than one acre lots, he does not have that authority. The draw back would be losing man power to this.

4 – To consider Broadleaf Development. Mr. Kraus stated we have a site plan map in the archives room if you would like to see it. It is approximately 300 acres, 620 homes. It is located at old 16 and 273, and drains toward Dutchman's Creek. This came about prior to the moratorium. Mr. Bishop stated I do not see how with our public works we can go ahead and accept this as we are still in the same situation. It does not change the fact about provision of services.

Mr. Bishop made a MOTION to deny the annexation of this development, SECONDED by Ms. Harris. Opposed by Ms. Hubbard and Mr. Moore. All others in favor of the motion. Motion passes.

5 – Tony Stilwell and Bo Eller – Mr. Stillwell from Waste Water treatment for Mount Holly stated we need two aerators. We have five in our largest basin that have been there for over 30 years and we need to replace them. Clariant gave us some and we redid the motors and they broke and it is not feasible to replace them again. According to the state, we have to maintain and operate all equipment at the sewer plant as it is or was rather than put in the floating aerators. The price is 19,500 each, approximately 3500 for installation. We are handicapped with only three aerators operating and the solids are settling out in the corners. Mr. Kraus stated in this case it is cheaper to replace them than repair them. Mr. Hope asked don't we have in our water and sewer bill, don't we have this built in for repair and replacement? Mr. Kraus stated it is part of capital management and it is not in the approved budget. Mr. Kraus stated due to the amount of the repair or replacement of this we have to have a vote. Mr. Stillwell stated we have 13 aerators in the city and need to budget for three next year. Mr. Hope stated when we went up on our water and sewer rates this was to take care of this. Mr. Kraus stated the money is there it is just not appropriated. This has to be appropriated before we can spend it. It has to come out of capital reserve by approval of council.

Mr. Hope made a MOTION to allow a supplemental appropriation from capital reserve to cover the cost of three aerators with the understanding that the money will be returned if all three are not purchased. SECONDED by Ms. Hubbard. All in favor. Motion passes.

6. Gaston Iron Works Water Issue– Mr. Kraus stated this is located on Legion Road, same side as the cemetery. It is two inch PVC line that runs all the way to the Gastonia Iron Works. They have hooked up four or five houses. There are 7 houses on this line and they work out the water bill amongst themselves. They are all outside customers. The problem is this, it is not kosher, or legal to tie people on to a service. The account is in the name of a resident but he is paying industrial rates because it is for Gastonia Iron Works. Mr. Eller stated I brought this up 4 years ago. Mr. Kraus stated we can cut all of them off, or take over the line and drop meters at every house but it does not meet our specifications. Mrs. Harris said if we cut their water off – what they are doing is not legal. So, why are we worrying about cutting their water off? Mr. Eller stated the only way we found out about the additional illegal hookups was due to a leak. Mr. Eller stated it should have been certified by the state and that is a big issue. Mr. McLean stated we can send a letter to those people and they will have to be put in a ¾ inch and be changed out of city rates and perform water tests before we accept it. Mr. Eller stated the two inch line is not the issue, the tack ons are the problem. Mr. Michael stated when the state approves a line they are looking to see if there is a poison risk. I suggest they test the water, allow lateral taps and let every house pay a meter setting fee and charge them a rate. I don't know if we can find out if it was inspected years ago or not. One thing you cannot do is cut their water off. They could have been given permission by the mayor then or whatever and we don't know. Mr. Mclean said we send them a letter and determine a cost for the parts / meter, etc and take over maintenance.

Mr. Mclean made a MOTION to write a letter they have to purchase a meter and pay the outside rate for water usage and the city takes over ownership of this line and give the citizens a time line of three months in which to apply for the tap and six months to pay off their meter, parts, etc. SECONDED by Ms. Hubbard. All in favor.

7. Council Retreat – Mr. Whitt said it is set for Greensboro the 17th and 8th. What time would you like to start and be sure you get to David Kraus what you want to cover. Mr. Hope asked about itineraries. Mr. Moore stated we should start after check-in and lunch. Mr. Whitt stated 1pm – all in agreement. We will have an agenda ahead of time.

8. Consider draft agenda items. There has been a push for David Kraus to join The Belmont Chamber of Commerce. No from Harris, No from Hope. Consensus by Council for Mr. Kraus not to join the Belmont chamber. Mr. Kraus stated we had direction to go with the awnings and as we approached the business owners. The foundation has asked us to consider additional types of awnings. Out of courtesy to the foundation I agreed to let them make their foundation. Ms. Hubbard stated it is her understanding what they are planning to come to him with are several different awnings so they do not all have to be the same that would go together in our "motif". Mr. Kraus stated Leigh Brinkley is working on this and I will bring any information I have on the 13th.

Mr. Whitt stated I assume we will take off 2 and 3 under unfinished business, as well as #4. Mr. Kraus stated in terms of annexation items, Landcraft did submit engineering numbers and we felt they were not adequate so they may go back to wanting more time or voting to no longer proceed with annexation. We need to execute prior to effective date of annexation. Mr. Michael asked Mr. Jackson what date the passage of those annexations were. You can extend this to the end of that month but you have to address it by March. Mr. Jackson stated Hinshaw has not submitted financial information yet and we have not received information from JP Development either. Mr. Kraus stated decision needs to be made by the 13th. Mr. McLean stated #6 – I keep getting phone calls from Lee Tallent and this needs to be straightened out before then. Mr. Kraus stated if we take no action before the 13th we are stuck with this annexation. Mr. Moore stated there are still issues with easements on this. Mr. Kraus stated the development does not have to go through Mr. Tallent's property. It was only going through there to eliminate a pump station. They can upgrade and go into another direction.

ROUND TABLE

Mr. Moore – nothing further

Mr. McLean – 26 people at the first SpringFest meeting. That was great.

Mr. Hope asked for an update on horses and I have had a few phone calls to share about this. Mr. Jackson stated all animals have been removed. There was an agreement that has been submitted to the attorney. The comments that I have been harassing the owners about the horses came from the owner.

Mr. Bishop – nothing further.

Ms. Harris stated at the last NPO meeting I went to, I was listening to Hank Graham tell us about City of Gastonia is applying for the same grant that we are applying for but the NPO was writing their grant for them. None of the other municipalities are paying anything into this. Mr. Kraus stated it is a control issue. Mr. Hope asked if this had to do with the population as well. They asked us to endorse a letter of recommendation for the city of Gastonia. We were not informed that the NPO had to endorse our project. I am in shock and maybe we need to investigate this. If the City of MH needs help, all we have to do is ask. Mr. Jackson to clear this up, the staff of NPO is housed with the City of Gastonia. Their funding comes from the government. The other jurisdictions can chip in.
In addition, I had a call from Pete Brown today and he said on 1/28 at 4 am someone broke into his lot and stole a car. He has called the police dept and no one will call him back. I want David to look into this and get in touch with Mr. Brown tomorrow.

Ms. Hubbard – Last year the parents at the middle school came to us and asked about using the tuck center for an 8th grade dance. Using it was not the problem, the 40 dollars per hour was. The school would not sponsor the dance and the parents had to do it. The money was prohibitive. We talked about not setting a precedent. Mr. Hope paid for this for the middle school. It has come up again. Since that time, we have not had another group come before us and ask us to do this. I would like to recommend that we waive the fee every year the parents choose to do this. Ms. Harris asked Mr. Jackson about waiving fees for other groups. Mr. Jackson stated unless it is a nonprofit group they have to pay the fee. The problem is that this is not sponsored by the school, it is sponsored by the parents. Ms. Harris stated every year I argue this point. We have rules and regulations but then it goes against what has been prevented.

Ms. Hubbard makes a MOTION that that the city co-sponsor the 8th grade middle school to the extent of letting them use the tuck center every year for their middle school dance. SECONDED by Mr. Hope. Ms. Harris asked did they not sell tickets to these dances before? I think we are opening ourselves up for problems. After sitting through recreation meetings. Mr. Hope asked how much money are you asking for? Mr. Jackson stated it is 50 per hour. Mr. Whitt stated it is hard to say yes to one and no to the next. Mrs. Harris stated these rules were to help Danny's staff and these are rules and regulations. Mrs. Hubbard votes yes, all others opposed. Motion did not carry.

Mr. Whitt – stated I have written letter to government relating to our post office at request of Mf. Moore, and a copy will be in packet this week. I also wrote David Hoyle with regard to help with the main road coming in by McDonalds. He brought in a water analysis bottle that was attached to his mailbox and asked about it. Mr. Kraus stated that is not the city, it is a private company trying to make money.

Mr. Kraus – stated he met with National Gypsum today. I have to get raw water supply contract to Kemp and we will be adopting a raw water rate. Contract is drafted and we are going to make some amendments. They are doing a lot on the intake side and right now we are negotiating them giving us a generator for the intake. In your memos, we talked about vehicle take-home policy and the housing dept wishes to be considered separately as they are federally funded. Mr. Jackson stated housing authority is separate and those vehicles are paid for by HUD. Those two employees are paged at all hours and required to go out. Seeking Council to allow them to be separate and allow those vehicles to be take-home vehicles. Consensus to allow this.

Motion by Mr. Hope to go into closed session and seconded by Mr. Bishop to discuss personnel matters.

Minute clerk dismissed at this time.

____________________ **MOVES** to adjourn. **SECONDED** by ________________. Motion carries.
Meeting adjourned by Mayor Whitt at ________________P.M.

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Clerk

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Mayor

jmb