

**CITY COUNCIL
REGULAR MEETING
January 12, 2004**

CALL TO ORDER BY THE MAYOR

The regular meeting of the City Council of Mount Holly was called to order at 7:00 P.M. by Mayor Hough. The following were present:

Mayor Bryan Hough
Mayor Pro-Tem Michael Helms

Jamie Guffey, Assistant to City Manager
for Finance/Administration
Danny Jackson, Assistant to City
Manager for Community Development

Councilman Jim Hope
Councilwoman Phyllis Harris
Councilman Frank McLean
Councilwoman Pat Hubbard
Councilman David Moore

Benson Hoyle, Police Chief
John Calder, Fire Chief
Don Price, Utilities Director
Mike Santmire, Street & Solid
Waste Director

City Manager David Kraus
City Attorney Kemp Michael

Greg Beal, Community Dev. Officer
Ryan Baker, Fire Inspector
Megan Hanks, Communication Director

INVOCATION

The invocation was led by Rev. Mack Pressley, Chapel Baptist Church.

PLEDGE OF ALLEGIANCE

Boy Scout Troop 59 led the Council and audience in the ceremony of the Pledge of Allegiance.

APPROVAL OF THE AGENDA

The agenda was approved with amendments, namely, move Consent Agenda #4 to New Business #5, and delete Unfinished Business #3, upon motion by Councilman Helms, seconded by Councilman McLean, with all in favor.

CONSENT AGENDA

Councilwoman Hubbard **MOVED** to approve the Consent Agenda with 3 items, seconded by Councilman Helms, with all in favor. The items approved were:

CA#1. To Accept and Approve the Minutes. The minutes of December 2 and 8, 2003 were approved as written.

CA#2. To Approve Supplemental Appropriation for Police Department. To allocate money received from County for undercover drug operations on behalf of the Mount Holly, Belmont, Stanley, Lowell and Dallas Police Departments. (copy attached)

CA#3. To Approve Debt Setoff. An agreement with the N. C. Department of Revenue to withhold any uncollected bill of the City in excess of \$50 from the taxpayer's state income tax refund, with no charge to the city; a fee of \$15 is charged to the taxpayer.

PRESENTATIONS

PR#1 Oath of Office.

District Court Judge Ralph Gingles administered the oath of office for David Moore as a councilman to fill the vacant seat of Councilman Hough who was elected Mayor. He was accompanied by family members: his mother, Nancy Moore, his sister, Penny Self, and his Pastor, Joe Harding, Jr. Judge Gingles said it was a pleasure to be here and wished Councilman Moore well. The Council and Mayor welcomed him to the board.

PR#2 Presentation of Certificate of Five Years of Service.

Last month, Rene Jackson was at school, for which the Council commends her. Mayor Hough said the City enjoys recognizing our employees for their service, and this recognition is for five years of service by Ms. Jackson to the City.

PR#3 Presentation of Veterans' Flag.

Mayor Hough stated that the Council had that evening had a dinner for nearly forty of the veterans in our community. The city is looking to form a veterans committee. We have a flag that we will dedicate tonight, which will be flown on special occasions to honor our veterans. Mayor Hough read a speech written by Mike Santmire. He then asked the veterans in attendance to stand and be recognized. The flag will be on display in the front lobby when not being flown.

PR#4 Update on Riverfront Waterline.

Bill Rice, with Squires Enterprises, was recognized. There was a delay from their original expectation for completion due to flood line issues, because FEMA had recorded the wrong map. A lot of progress out there was halted until that was corrected, and now they are moving forward. On the water line, they have released this to the engineer to obtain easements for the water line extension. Once the easements are signed, then the lines should be installed in the spring. The letter of credit was renewed to guarantee the work. Mayor Hough stated that the Council would like him to send in a monthly status report.

PR#5 Citizen Presentation on Skateboard Park.

Mr. Hinkle was not present.

The Council took a five minute recess.

PUBLIC HEARINGS

PH#1 To Consider Amending Zoning Ordinance for Moratorium in Downtown

Councilman Helms moved to go into public hearing, seconded by Councilwoman Harris, and unanimously carried. Mayor Hough recessed the regular meeting and opened the public hearing to consider amending the zoning ordinance with regard to a temporary moratorium on development downtown.

City Manager David Kraus stated that this is for the purpose of halting construction and alterations of buildings in the downtown district for a short period of time. The reason this is being done is so that Council can set up development standards to coincide with the bond referendum initiatives.

Bryan Richardson, 130 W. Charlotte Avenue. He is the owner of BBQ Depot in the downtown business district, and is in the Downtown Business Association, and was part of the Vision process. He stated that the decisions this Council will make would have a great effect on his business and others. He expressed conflicting feelings about this proposal; there is the issue of private business owners' goals versus the city's. His customers have told him about Mr. Taylor who had a car dealership in the building he now occupies. This history must be protected. The owner of this property wants to just look at the bottom line. We need the standards in place to protect our history. The one constant in the Vision meetings was the need to preserve our history and historical structures. Let us not forget our rich history.

Mike Johnson, 300 Woodlawn Avenue. We own a building that part of it goes back to 1906. Through the Vision process one thing that was overwhelming was what they wanted to see downtown look like. It is obvious that it will take months to get all the info needed to make good decisions. Educate the property owners as to what options they have. Our family is willing to work with the historical interest.

Carlton Broome, 116 Patrick Lane. I echo their thoughts. I encourage the property owners and developers to work closely with the Council and you will find that your property will be worth more when this is done.

Don Willis, 230 Dogwood Drive. I represent Jones Brothers group which operates the grocery store on Main Street, and am a part owner of the real estate. I disagree with some aspects of this, but I have been here since I was 15 and we will support Mount Holly. Jones Brothers has been in business 60 some years, that building was built in 1950 or 60s. It has no historical significance; it has a limited future as a grocery store in today's society. As a result, I foresee this property being on the market and I'd like to be able to market it to someone that will be inclined to promote the growth of Mount Holly, but we don't want to be limited about what we can do with our property. Property owners need to be able to make the properties attractive to potential investors. Historical zoning would restrict the marketability because of the restrictions by the historical preservation committees. We have no problem with facades, but not being able to alter the building or tear down the building and rebuild limits what we can do with that property. I have a problem with people not financially affected by this telling us what to do with our property. The Springs house is sitting there after a number of years still empty, and I hate to see because of historic regulations our downtown like that.

Eddie Nixon, 340 Glen Arbor, Belmont. I am a son of O. L. Nixon, owner of property on Main Street. My father is in Stanley Total Living Center with Alzheimer's disease. This kind of care is very expensive. There may in the future be a need to sell that property. If restrictive guidelines are put in Mount Holly there is a chance this property cannot be sold when it needs to be. I feel these restrictions could hamper the sale and value of this building. Thank you for recognizing the veterans, my father was in the second world war.

Paul Abernathy, 117 North Main. I am a Community Foundation member. Last year we started the Vision process, and one of the things that became apparent is the unique personality of our city; a lot of people think it is important to maintain that. We don't want a contentious relationship with property owners; we hope to find an equitable way to solve the problem. Greenville and Davidson are good examples where this has happened. I think Mount Holly is a place with a lot of smart people and we can come up with solutions.

George Rhyne, Todd Road, Carlyle, Pennsylvania. 108 W. Charlotte Avenue is my deceased father's building. Historical things happened there but it is not an architectural treasure. I have conflicting thoughts about this. I lived off and on here since 1948. If you wanted to create a small town setting the opportunity was missed about forty years ago when it would have been useful. You have modern buildings everywhere downtown. It may be a little late to do a historical district zoning. You have a tremendous challenge. I have shopped at Jones Brothers, but it is not an architecturally glorious building. One of the things you are looking at perhaps is a kind of development that might fill in the gaps between the historic buildings. I live in a town where we have a historic district, 16 blocks where some buildings date to the 1780s. Four years ago on a vacant lot and adjacent to a hardware store, a national hotel came in, and they worked with the people to maintain the façade in harmony with the town. A historic aspect with new construction is not incompatible.

Councilman Helms moved to go out of public hearing, seconded by Councilman McLean, and unanimously carried. Mayor Hough adjourned the public hearing and resumed the regular meeting.

Councilwoman Hubbard, if I understand the packet correctly, we made a motion to have the moratorium last month but now we are passing a resolution to do this; why? City Manager David Kraus stated we are tonight putting this into our zoning ordinance. Councilwoman Hubbard asked, did the 120 days start last month, or will it start tonight? City Attorney Michael said that is up to the Council. 120 days may or may not be enough time to do this. Mr. Kraus said this stops development temporarily, whether it be new construction or not. This does not dictate it will be a historic district or not, that will be decided later. Mr. Michael said this moratorium does not impact the use of the buildings in this area. It does not affect interiors. Mayor Hough stated if they tore down the Jones Brothers and built a new modern building the Vision would not be followed. Mr. Michael

said the regulations have not been made yet; this action tonight does not automatically mean that new construction will not be allowed by the new regulations. Councilwoman Hubbard asked if Council could put something in place so that we can get input from the property owners while we are forming these regulations. Mr. Kraus stated that staff feels that we need a consultant on this and we expect that the property owners will be included in the process. Danny Jackson stated that this is just the initial step, so we can step back and see what we do want to do. During the process, we intend to take public input. Mr. Kraus stated no determination of what the district will look like have been made yet.

Motion: Councilwoman Hubbard **MOVED** to approve Resolution #01-12-04A, seconded by Councilman Moore. (copy attached)

Discussion: Councilman Hope stated that he has a potential for a conflict of interest and will abstain from any votes on this matter.

Danny Jackson, you have two choices of where to put this in the zoning ordinance. We recommend you use Section 15.2A of Mount Holly Zoning Ordinance.

Motion Amended: Councilwoman Hubbard amend her motion to state "120 days hereafter", and to fix the heading to indicate that it shall be in Section 15.2A of the Zoning Ordinance, with Councilman Moore accepting the amendment.

Vote: five ayes. CARRIED.

Mayor Hough asked that any property owners in attendance tonight, please make sure we have your name and phone number so we can contact you in the near future.

PH#2 To Consider Annexation of the Circle K Property

Councilman Helms moved to go into public hearing, seconded by Councilman McLean, and unanimously carried. Mayor Hough recessed the regular meeting and opened the public hearing to consider annexation of the Circle K property upon request by Dr. Murphy.

City Manager David Kraus stated that the property is located at 101 Belmont-Mount Holly Road and is contiguous and he has found that the petition was sufficient. There were no comments for or against.

Councilman Helms moved to go out of public hearing, seconded by Councilwoman Harris, and unanimously carried. Mayor Hough adjourned the public hearing and resumed the regular meeting.

City Manager Kraus showed the survey plat of the parcel showing the new property to be annexed and that it is adjacent to the city limits. There is a proposed ordinance to annex on the table if Council wishes to proceed. Councilman Hope asked what expenses for services have to be made by the

City. Mr. Kraus stated that we don't provide garbage pickup to commercial property, so there would be police, fire, water and sewer. He already has water, and he would bear the cost of running the sewer line. Councilman McLean said there is a gas line that runs between this property and our current city limits which might make that difficult.

Motion: Councilman McLean **MOVED** to approve Res. 01-12-04B for annexation of Dr. Murphy's property contingent on the owner agreeing to extend sewer at his own expense, with an effective date of February 29, 2004, seconded by Councilwoman Harris. (copy attached)

Discussion: Councilman Hope said we need him to pay for any easements required. Yes, he will.

Vote: unanimous. CARRIED.

NEW BUSINESS

NB#1 To Make Appointments to Beautification and Recreation Committees

Mayor Black stated that he would appoint Councilman Moore to the Beautification and Recreation Committees.

Motion: Councilman Helms **MOVED** to approve the appointment, seconded by Councilwoman Hubbard

Vote: unanimous. CARRIED.

NB#2 To Consider Supplemental Appropriation of Contingency

City Manager Kraus said we need a consultant to determine the best use of the A & E building. Also, we need to do a roof repair on this building. We can take the funds to do so from fund balance or from contingency. Councilman Hope asked, do you have a reason for recommending doing it that way? Jamie Guffey said that it was better to do it from fund balance. Mr. Kraus was more comfortable taking it from fund balance. Councilwoman Hubbard clarified that any excess in contingency goes to fund balance at the end of year? Yes, that is true. Mrs. Hubbard asked, if we appropriate tonight could you get the roof fixed right away, and then we would have to decide the consultant to use for the A&E Building. Yes, he agreed. Councilman Hope asked if the \$45,000 is for both? Yes, it is.

Motion: Councilman Hope **MOVED** to approve the appropriation from fund balance of \$45,000, divided as \$20,000 to repair the roof of City Hall, and \$25,000 to set aside to hire a consulting firm for use of the A&E Building, seconded by Councilman Helms.

Vote: Unanimous. CARRIED.

NB#3 Closeout of Lee Street Sewer/Dutchman's Creek Outfall

Mr. Don Price, and Mike Wolfe from W. K. Dickson, Engineers, were recognized. Mr. Price said that the City has received a final payment request from the contractor on the Lee Street/Dutchman's Creek sewer project. The sewer line is fine. However, the paving is not; it has failed. He had pictures to show Council.

Mr. Wolfe sent Mr. Crowder a letter requesting replace pavement. The response was faxed tonight at 5:00 PM, stated that they will be glad to do this as soon as weather permits. Mr. Price suggested Council withhold payment until they complete warranty work. It is up to Council as to liquidated damages. Mr. Kraus said that would be for additional engineering services required. Attorney Michael asked how much money the City is holding. Mr. Price said about \$20,000. Liquidated damages would be about \$32,000. Mr. Wolfe stated that the one year warranty is in effect until August. We still have his bonds. Mr. Michael asked what if the City did not make the decision on the liquidated damages yet? Did he ask for additional days? Mr. Price said, yes, he had, and we gave him some; Mr. Wolfe said, that was last spring. Mr. Kraus stated it is true that he cannot pave right now. The consensus of Council is not to closeout at this time.

Mr. Wolfe said this is W. K. Dickson's 75th anniversary, and they hope to plan a special event for it, and invite Council.

NB#4 To Consider Increase in Fee for Garnishment.

Mr. Jamie Guffey stated that currently when the city does a garnishment on bank account or payroll checks, we charge \$25.00. The Tax Collector recommends that we increase the fee to \$50.00, because of staff time, certified mail, and other fees.

Motion: Councilwoman Hubbard **MOVED** to increase the garnishment fee to \$50, seconded by Councilman Moore.

Vote: Unanimous. CARRIED.

NB#5 Approve Final Plat for Phase III of StoneWater Subdivision

Mr. Danny Jackson stated that the overall plat was correct, but there is some question about water pressure which he had not had time to resolve with the engineer. Mr. Kraus stated that whatever it takes to fix the water problem probably will not affect the layout of the lots.

Motion: Councilwoman Hubbard **MOVED** to approve the final plat for Phase III StoneWater Subdivision, contingent upon staff approval, seconded by Councilman Hope.

Vote: Unanimous. CARRIED.

UNFINISHED BUSINESS

UFB#1 To Consider Stormwater Issues

Mr. Don Price, Utility Director, gave a report on the Stormwater Management Program. We submitted a permit application to the State. The League of Municipalities informed us this was stalled for various reasons. It should come in about ninety days. At that point, we have to do certain things; there are six major tasks required by the unfunded mandates. Mr. Price provided information about impervious surface area within Mount Holly and how it was calculated, with suggestions for fee structures. First, we have to have public education and outreach on the impact of the new regulations. We should involve industries.

We can add notices to the billboard in the front lobby at City Hall. Next, we need public involvement, perhaps a forum annually, or a booth at Springfest, and regular meetings with the Mountain Island Lake watch committee. We will need illicit discharge detection and elimination, namely, smoking lines when we get a complaint. We will need an ordinance adopted for this. Construction and Post Construction Site Stormwater Runoff Control will be required. Fifth, we should focus on good housekeeping ourselves in city facilities. He presented a map to Council which staff is working on which shows watershed districts. Mr. Kraus said that fees traditionally are charged based on impervious surface per residential unit. Mayor Hough said he could not determine how Mr. Price came up with the rate. Councilwoman Hubbard asked, when we do rate structures will they be individual to each particular watershed? Mr. Price said no, it will be all the same rate for residential; industrial and commercial is based on the amount of impervious surface on the property. Councilman Hope asked, when this is implemented, will we need more staff? Mr. Kraus stated that he expects we will need two or three people. Mr. Price stated that each watershed will have to be monitored. Councilman Helms said that the City needs to let it be known that this is an unfunded mandate from the federal and state, and we need to put that in our newsletters and any correspondence we send out on this to the citizens. Mayor Hough asked, have we discussed sharing personnel with other small cities? Mr. Price said not yet. The Mayor wanted to know when he will recommend the rate. Mr. Price expects to make a recommendation in March or April. Mayor Hough wondered if he could give an estimate now. City Manager Kraus stated that Gastonia's rate is between \$2 and \$3. Councilman Hope asked who sets that? Mr. Kraus replied that the Council sets that, and that although the action is mandated, the amount charged is not mandated. Mayor Hough said he felt the Council needs more explanation as to why we need two to three employees for this. Mr. Price said that monitoring requires a lot of man hours, not to mention repairs. Mayor Hough asked how many illicit discharge reports has Gastonia had since they started? Mr. Kraus said it can be simple like a dishwasher that is not hooked to sewer. Councilman McLean suggested that if we contract this out, then we would not be the ones going onto private property. Mr. Kraus said that in the packet shows the number of complaints Mr. Price has received; a large number of them are storm water related.

UFB#2 Proposed settlement of Belmont Abbey Water Bill

City Manager Kraus recommended that Council go into closed session to discuss this attorney-client matter.

Councilwoman Harris moved to go into closed session for attorney-client matters, seconded by Councilman McLean, with all in favor.

Councilwoman Harris moved to return to open session, seconded by Councilman McLean, with all in favor.

PUBLIC COMMENT

Mayor Black opened the floor for public comment.
None.

ROUND TABLE

Councilwoman Hubbard stated that the property that was the Mt. Sinai church has been determined by an engineer to be impossible to renovate. The owners have asked if the City would be interested in the property for a park or for anything else, I said I would mention it to Council.

Councilwoman Hubbard recalled that back in the summer or fall, the Council had a joint meeting with the Belmont Council. We talked about having a joint meeting over here, and she wondered if that's in planning. Mayor Hough said there have just other priorities and we haven't gotten to it yet.

Councilwoman Hubbard said she has had conversations with Leigh Ann Carpenter, the tax collector about printouts. When we get tax bills they are easy to read, but when you get tax balance printouts off the computer, they are unreadable for the common person; she asked that staff please look at this and suggested that it needs reprogramming.

Councilwoman Hubbard said that the Springfest 2004 first meeting is Jan. 22 at 7:00 in the Archives Room. If anyone knows of other volunteers, send them.

Councilwoman Harris reported that a lady called her last night, and asked if they already have a sewer tap, then what do they do. They pay for it to be hooked up to house by their own plumber and they notify the city.

Councilman Hope stated that Max Pendleton thanked the Council and staff for pursuing naming of the bridge after his son and would like to attend when we go to the Mecklenburg County meeting.

Councilman Moore said that a resident approached him about a dilapidated house at the corner of W. Glendale and Hawthorne. Is there anything we can do to get that fixed or torn down? Mr. Kraus stated that the house is on the report being handled by Ryan Baker.

Mr. Kraus asked if there are any more items council members want added to the agenda for the Council retreat, please give them to him. He also reminded them of the Mtn. Island Lake meeting on the 14th and asked who would be going.

Mr. Mike Santmire reported that staff sent out letters about the trimming of trees on Summitt Avenue. He stated that he got instructions from Harry Suddreth from Low Meadows Greenhouses. Also, letters went out regarding sidewalks on West Henry Street.

Mayor Hough asked Megan Hanks to update Council on the 120th anniversary events for the City. Mayor Hough said we need to get volunteers for the Veterans committee; Councilman Hope volunteered.

City Manager Kraus stated that the senior citizen drop-in will be at City Hall from 8-11 AM a week from this Wednesday in the Archives Room, after which they will come into Council chambers for a Q&A session. We will have representatives from the Gaston County Museum. Immediately after that the pie tasting will be held at the Presbyterian Church next door.

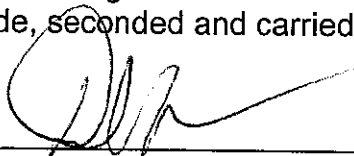
Mayor Hough reminded Council of the Main Street Conference, February 28th through 30th, to be held in Morganton.

Councilman Moore will go to the elected officials seminar in February. Mr. Kraus stated that the seminar is for all officials who wish to go; Cornelius is taking the whole Council.

Councilman Hough passed along an invitation to Council to be at Kendrick Industrial Park on Jan. 28th, at 11:00 AM for the groundbreaking ceremony for a new industry.

ADJOURN

There being no further business, the meeting was adjourned, upon motion duly made, seconded and carried.



Clerk

Mayor

cpm