

**CITY COUNCIL
REGULAR MEETING
JANUARY 12, 1998**

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 McLean. The following were present:

Mayor Frank McLean, Jr.

Mayor Pro Tem Phyllis Harris

Councilman Michael Helms

Councilman Andy Stewart

Councilman Jim Hope

Councilman Robert Black

Councilman Bryan Hough

Adm. Services Dir. Sherry Borgsdorf

Public Works Director Eddie Nichols

Planning & Zoning Dir. Danny Jackson

City Attorney Kemp Michael

Police Officer Todd Calhoun

Police Chief Jerry Bishop

INVOCATION

The invocation was led by Councilman Jim Hope.

PLEDGE OF ALLEGIANCE

Mayor McLean led the Council and audience in the ceremony of the Pledge of Allegiance.

MINUTES

Councilman Helms **MOVED** to approve the minutes of December 8, 1997, as written, seconded by Councilwoman Harris, all in favor.

PRESENTATIONS

Mayor McLean made the following presentations:

1. A Resolution honoring Julius and Margie Goldstein upon their retirement; the Mayor presented a framed copy of the Resolution to Mr. and Mrs. Goldstein.
2. To Sergeant John Wayne Sherrill, a Resolution in recognition of special police training by the FBI in Quantico, Va.; the Mayor recognized him as a valuable asset to our police dept. and our community.
3. To Zip Stowe, our Recreation Director, a Resolution honoring him for a special award he had received and his service to the city in the area of recreation .

A presentation of fiscal year 1996/1997 audit of the municipal budget by Mr. Trent Wilson, of the accounting firm of Cherry, Bekaert and Holland; he stated that their report contains an unqualified opinion, the highest form that can be given; with no exceptions noted. There are two main funds in the municipal budget, the general and the water/sewer. The overall cash position as of June 30, 1997, was \$9.6 million exclusive of the housing authority. It was \$8.6 million the previous year. Property tax resulted in \$1.7 million in revenue. Property values assessed by the County has increased. Franchise taxes increased by \$50,000. A State grant was obtained in the last year in the sum of

\$50,000. In the General Fund: Investment earnings were \$232,000; a 23% increase over last year. \$4.1 million revenue. Expenditures were nearly flat. Fund balance \$4.6 million (\$4.2 last year). State guidelines have specific criteria to determine stability; it requires unreserved fund balance no less than 8%; ours is 92%. Number of months requires no less than one month; we have 11 months. Page 53 of audit report shows property tax collection at over 97% including motor vehicles. Real and personal taxes only is over 99%. In the Water/Sewer Fund: \$3.1 million cash position overall; total revenue \$2.2 mil, \$244,000 increase; exclusive of Stanley sewer interconnect and Jadco Hughes. Revenue is from water and sewer bills, and industrial fees. Expenditures increase was primarily the early payoff of the indebtedness on Catawba Heights from when it was annexed, but that decision actually will save about \$25,000. Long term debt decreased by over \$600,000. Fund balance \$3.1 (\$782,000 increase including Jadco Hughes payment). In the Capital Reserve Fund: \$93,000 investment earnings (\$27,000 increase). Only expenditure was a transfer to Water/Sewer Fund.

One item noted was that there were a lot of line item budget amendments during year; it is only required to do budget amendments if over budget by department level.

Water/sewer billing compared to actual number of gallons pumped reveals that approximately 22% of water being pumped is not being billed. It should be 10 percent or less, so he recommended an investigation.

All Fixed Assets were inventoried; and a locator sheet was done. Some of the fixed assets are being put in expense account line, which is inaccurate.

The general warning is being made to all their clients to correct any computers with a problem in the year 2000; hopefully we will be covered by a new system being installed now.

There were no questions and the Council accepted the report for information. Mr. Wilson said many cities around are envious of our position. The annual audit will be reviewed by the Local Government Commission as usual.

NEW BUSINESS

#4 Bids for Upgrade of Organization Wide Computer Network; Mr. Paul Ashurst first said that the new software complies with the 2000 year requirements. Councilman Stewart said there is still a need to be sure that none of the other city equipment not now being installed is checked to see that it will operate after 2000.

Councilman Stewart also said we should have more than 1 bid. Mr. Ashurst said he sent out 15 requests but only received 1 bid. Phil Ponder stated he did formally advertise for bids as required by law and in addition sent out letter requests. Mr. Ponder has found very little interest on many of the things he has been bidding lately. The bid is bona fide, and came in near budget. We can risk re-bidding, but he did not recommend that. Mr. Ashurst said he had checked all configurations and found it to be a good system.

Motion: Councilman Stewart **MOVED** that the bid for hardware, installation and training be given to Software Data Services, Inc. in the amount of \$167,560.15; and the bid for programming software, application software, and file server software be awarded to ICS Computer Systems, Inc. in the amount of \$68,046.70; seconded by Councilman Hough.

Vote: six ayes, zero nays, CARRIED unanimously.

Councilman Hough asked if computers for City Council members are optional. Mr. Ponder said he just needs to find out what each councilmember needs to be able to e-mail.

PUBLIC HEARING

#1. To Consider Request to Rezone Property at 156 North Main Street from R-10 to O-U Conditional Use. Jerry Williams made the request for this change for the purpose of operating a bed and breakfast inn. Danny Jackson said the Planning Board recommends approval. The Mayor recessed the regular meeting and called the public hearing to order. Laura Rhyne, 160 N. Main; not opposed to bed and breakfast, but wants to see in writing that that is all that can be there. She said she got no notice, just found out by accident. Councilman Hough said this is a conditional use, so can only be used per the permit attached. There were no further comments, and the Mayor adjourned the public hearing and resumed the regular meeting.

Motion: Councilman Helms **MOVED** to approve rezoning 156 North Main Street from R-10 to O-U Conditional Use as a bed and breakfast inn, in accordance with the site plan submitted and the Planning Board recommendation, and based upon the Council making the following affirmative findings:

- A. The Use requested is among those listed as an eligible Permitted or Conditional Use in the District in which the subject property is located or is to be located.
- B. That the Conditional Use will not materially endanger the public health or safety if located where proposed and developed according to the plan as proposed.
- C. That the Conditional Use meets all required conditions and specifications.
- D. That the Conditional Use will not substantially injure the value of adjoining or abutting property, or that the use is a public necessity; and
- E. That the location and character of the Conditional Use if developed according to the plan as proposed will be in harmony with the area in which it is to be located and in general conformity with the plan of development of Mount Holly and its environs.

The motion was seconded by Councilman Hope.

Vote: six ayes, zero nays. **CARRIED.**

Danny Jackson said the conditional use requires a document be prepared by him and signed by the property owner and recorded at the Register of Deeds for Gaston County. Councilman Helms asked what would happen if the inn fails. Danny Jackson said the property can only be used for that, or the owner must apply for rezoning.

CONSENT AGENDA:

Motion: Councilman Black **MOVED** to approve the Consent Agenda with two items as written; seconded by Councilman Hough; as follows:

1. Budget Amendment: Water -Sewer Fund (copy attached) to pay for the water line project on Herms Avenue to serve Habitat houses and the remainder of the block between N. Lee and N. Alexander., in the amount of \$17,807.
2. Tax Releases: Tax releases in the amount of \$248.82 dated January 12, 1998.

Vote: six ayes, zero nays. **CARRIED**

NEW BUSINESS

NB#1. Regulation of Cable Television Rates

Sandra Montgomery, CCOG, presented a proposal for cable television administration services. Presently they have about 15 cities in their program. Some of the services offered are: prepare ordinances, resolutions, procedures for regulation of rates, notify Time Warner to send notices to them also, help with customer service standards required by federal regulations. Time Warner must fill out a form to file with FCC, in order for the basic service rate to be determined. At end of year, a determination is made of actual users and adjustments are made. CCOG would look at these reports. The contract between Time Warner and the FCC has conditions including one that it can only adjust once a year. To participate in this program, the City would pay a \$575 start up fee. We would be allowed to use free hours. Services are provided on an hourly basis. City Manager Ponder said he would like to address Mr. Mosier's concern about increase. Tom Mosier, 113 Antelope Drive, retired, was recognized and said he understands the City can only regulate certain things and certain ones it cannot. He expressed his concern that he wonders if this is de-regulation or monopoly. Without any approval, Time Warner bought Jones Intercable. His bill has increased 6% since October. He asked if the City can talk with Sue Myrick to see if something can be done especially since there is no competition. He could unplug; cannot use a digital satellite dish because of restrictions in his subdivision. He did not like the fact that he cannot choose items he wants, must choose a package, a monopoly attitude. He felt they billed in advance, too, so we pay more than we should during a year. He feels the things this lady might be able to do would be helpful, and have these issues addressed. Mr. Ponder stated the City can only regulate the item called "Basic Service". "Cable Service" is regulated by the FCC. His own bill has gone up from under \$20 to over \$27 since he moved here. But he has found that our basic service is lower than the normal \$9 or \$10, per CCOG. We are in the process of negotiating the franchise agreement, and the City Attorney has suggested requiring them to notify the Council when going to make a change. Mr. Ponder wants to check with other cities using this service; this is not budgeted this year, and he wants to make a decision as to whether or not to use this service before the next fiscal year. Councilman Hough stated that other people get channels on basic service that we do not, but we seem to have no say. Mr. Ponder said our system right now does not permit more channels due to our franchise agreement; they want to change that. He asked for feedback from the Council as to their concerns. Mrs. Montgomery said we hate the fact there is no choice. Franchise agreements are usually exclusive because of the expense of installing the system. The current market has been geared to long distance service although they can offer the cable and other things. The concept of promoting competition has been a failure. She also said that subdivision restrictions cannot by federal law prohibit the small dishes (meter size). The companies are allowed to bill in advance, and have control over what to offer.

No action.

NB#2 Regulation of Pot-Bellied Pigs

Mr. William Burgin, 104 West Walnut Avenue, and his wife requested amendment to Section 3-11 so that their one pot-bellied pig can be allowed, as a pet. "Miracle" is 75 pounds, and is a special breed raised to be pets. She is Vietmanese, and should weigh 55 pounds. He said he has her on a diet. They also said she is docile, and will walk with you; she is trained, and grunts differently depending on who speaks to her. Her pen is clean. They reported their neighbors say she does not smell. They sweat through their nose, and uses litter. When they bought the house, they first had the man check to be sure it would be okay, and were told it was. They built the enclosed pen as promised by December. This breed does not bite, does not run. They plan to build a yard size fence, and already have a permit for it. They said they would obtain any license necessary; and will allow inspection. Mr. Burgin said, "We will do what ever you want to allow us to keep her. My wife has raised her from a baby, and she is a family pet. We moved here, and want to stay in Mt. Holly. I teach math at Gaston College and part-time at Belmont Abbey, and my wife works at a private school." Mayor McLean asked how old it is. It is four years and two months. Mayor McLean said the Council can only adopt rules that affect the whole city. Councilman Hope asked if the City is getting complaints? Mr. Ponder said our ordinance is only one sentence and does not mention pets. He said we got a request as to whether or not we have a code on pigs; and so we had to go look at it. Councilman Hough said the concerns he had was what he has heard since he lives in that neighborhood, is that property value may drop, and that it is located near the model home. He called Jason himself and asked him because restrictions say no farm animals. They said they would look at it but have not responded. Mr. Burgin said one reason they are building the fence is to handle those questions. He does not want property values to go down either, since he lives there too. The fence will be five feet in front and six feet on rear; it is a complete solid fence. Mr. Ponder said the City does not get involved in enforcement of restrictions but the ordinance is there, and if Council wishes to change it, he needs direction. He had not done any research on this yet, and said he knows some cities allow them, but he does not have copies of their regulations yet. Councilman Helms said he would rather have the pig than a loud dog; he had previously had two of those; they are cleaner than dogs; they use litter. He personally thought we should amend the ordinance to allow these pets. Mr. Burgin said there is a distinction between a pot-bellied pig and the hog. Councilman Hough said he would have to vote against this because of the reasons he stated, and that he must represent the ones who have made the complaints to him. Councilman Black said he walked by their house Saturday and had to look closely and it was clean and quiet; his concern is what precedent we would be setting for others who want unusual pets like a goat or whatever. Councilman Hope, was undecided; he can see both points. We have people who have cobra snakes and raise rats to feed them. He was willing to look at it. Councilman Helms said it could be worded to restrict it so only this is allowed. Councilwoman Harris said she knows what the ordinance says, and she is like Mr. Hope; she has pets; this is different from what she thought. Councilman Hough said he agreed with all they had said. He has a dog also, and he could not give it up. He said he was willing to look at whether or not there is a way to regulate this and see what other cities are doing. Mr. Ponder said he will do that but suggested Mr. Burgin find out what Mulvaney is going to do about its restrictions.

Motion: Councilman Hough **MOVED** to table the matter with no action for further investigation; seconded by Councilwoman Harris.

Vote: six ayes, zero nays. CARRIED.

Mayor McLean told Mr. and Mrs. Burgin the Council is sorry they were misled about our city code.

NB#3 Special Legislation Regarding the Dissolution of the Catawba Heights Sanitary District. City Manager Ponder stated the City was required to retain the entity until the debt associated with it was paid. The Board for the District has not done anything over the last several years. The statute has specific requirements as to dissolving it. It involves acceptance by at least 51% of its residents and a public hearing with the County Commissioners. The City Attorney and Mayor and he recommended instead that the City pursue special legislation.

Motion: Councilman Hope **MOVED** to authorize the pursuit of special legislation to dissolve the Catawba Heights Sanitary District; seconded by Councilwoman Harris.

Vote: six ayes, zero nays. CARRIED.

NB#5 Grant Application for Mobile Data Terminals in Police Vehicles. A Federal government grant would pay $\frac{3}{4}$ of the cost for 8 mobile data terminals and 2 laptop portable computers in the police vehicles if the grant is awarded to us. Chief Bishop would pursue the grant through the Governor's Crime Commission, and the City's share would be \$21,708. Councilman Hough was in favor of applying. Chief Bishop said this is a pre-application process, and they have been told our chances are slim to get an award, but he feels it does not hurt to try. Councilman Hough asked if there are any other costs not paid by this grant. The DCI access is covered for first three years, but after that the access fees and maintenance of about \$1200 per year for all would be the City's responsibility. He is looking at other possible grants also. The **consensus** of Council was for him to pursue the grant.

NB#6 Purchase of Leaf Vacuum Machine City Manager Phil Ponder stated that leaf collection had gotten behind when one unit failed. He had rented a unit with an option to buy; and he recommended the City purchase it if staff finds it acceptable during our use of it. Councilman Hope inquired as to whether or not the rent is applied toward the purchase price. They apply 85% to the purchase. We had to go out of state to get one in stock.

Motion: Councilman Hope **MOVED** to purchase the leaf vacuum machine if it is found to be suitable by the City Manager; motion seconded by Councilman Helms.

Vote: six ayes, zero nays. CARRIED.

PUBLIC COMMENT

There were none.

ROUND TABLE

Councilman Helms:

He asked Eddie Nichols if employees are called out in the middle of the night, are they paid straight time or over-time. The City Manager said he follows the Fair Labor Standards of 1995/1996.

Mr. Helms asked that the police step up enforcement of the speed limit on Highway 273.

Mr. Helms asked the City Manager to find out how much more money the City will get due to revaluation of property values by Gaston County.

Councilman Hope:

He said he is also concerned about speeding on Highway 273.

Mr. Hope asked the City Manager to see if Max Pendleton's shrubbery has been picked up.

Councilman Black:

He asked if there is some way we can notify these developers what we allow and do not allow? Some people in Runnymede have said they want better street lights and were told it was the city's fault they cannot have them. City Manager Ponder said he sent a letter to the developer that the City does not regulate street lights; Duke Power does. Councilman Hough asked what the upgrade cost would be. Mr. Ponder said the first two phases was about \$1200. The Council agreed that the other citizens should not have to pay for that subdivision's upgrade.

Mr. Black said it is amazing the number of comments we have received since our Christmas parade about the residue of "silly string" on the sidewalks. He wondered if there is some way we can prohibit the sale of that stuff. Mr. Ponder will look into it.

Councilman Hough:

He stated that the speed limit is also being violated in Runnymede; it needs more enforcement.

Mr. Hough was very concerned about the report of 22% water use unaccounted for, and inquired what is being done. The City Manager said we looked into meter calibrations, now being done every year, and found that is not really a problem. We have started checking culverts under creeks and other things. We may have to call in outside expert investigators. Ms. Borgsdorf said one of the features of the software chosen for the City's new computer system may also help with this problem.

Councilwoman Harris:

She said the Lentz-Springs house needs to be secured; someone could get hurt in it. She stated she is all for saving the house, but it needs to be boarded up or something. Councilman Black agreed. City Manager Ponder said indications were made to the City

that certain improvements would be made, but it has been slower coming than we anticipated. He asked for guidance from the Council as to enforcement of our code. Council **Consensus**: have them secure it; give them 60 days to accomplish improvements.

Mayor McLean:

The Mayor said that the City should require new developments to put up nice lights; they did in on Stoneridge and in Deerfield. He would like the ordinance to be amended so the City would control that.

Mayor McLean asked if anyone knew what local plans may be for the Martin Luther King holiday being observed. Steve Crane said Gastonia is having a celebration Monday afternoon, and Belmont is having a unity celebration at First Presbyterian that night. Mr. Ponder will report back on this.

City Manager Phil Ponder:

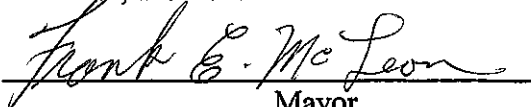
Mr. Ponder discussed the courtyard area beside City Hall. He put out for bids and got one excessive bid. Mr. Ronald Dimmer has offered to look at the project and estimates with pavers and a fountain about \$35,000. He has only budgeted \$15,000 for concrete and a fountain. Councilman Hough asked why this is being done. Mr. Ponder said there is water going into the basement of City Hall from that courtyard. He had originally intended just to concrete over it with the proper diversions to correct the drainage. Councilman Hope suggested using colored concrete with texture pads to give it a textured look, but would save money.

Mr. Ponder said the Council retreat has been set for Feb. 7, from 1:30 to 5:30 P.M. He asked the Councilmembers to let him know if there are topics they would like to have on the agenda.

The City Manager had the following comments about the City budget audit: 1. \$9 million is a lot, but our draft capital improvements plan for the next few years is \$25 million. 2. We spent less money last year, and have over last few years. 3. The line item budget amendments were insisted upon by prior Councils. He does not see a problem with letting them make amendments within a department. Ms. Borgsdorf said the Council would still get monthly reports with line items shown. Council: concur to change budget amendments allowed within the department unless they are going over the department's budget, with line items being shown on the monthly reports.

ADJOURNMENT

There being no further business, the meeting was adjourned upon motion by Councilman Black, seconded by Councilman Hope, with all in favor, at 9:25 P.M.

 
 City Clerk Mayor
