CITY COUNCIL
REGULAR MEETING
December 14, 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	Interim City Manager David Kraus
Mayor Pro-Tem Phyllis Harris	Adm. Services Dir. Sherry Borgsdorf
Councilman Michael Helms	Public Works Director Eddie Nichols
Councilman Andy Stewart	Planning & Zoning Dir. Danny Jackson
Councilman Jim Hope	City Attorney Kemp Michael
Councilman Bryan Hough	Police Officer
Councilman Bobby Black	

INVOCATION
The invocation was led by Councilman Jim Hope.

PLEDGE OF ALLEGIANCE
Brownie Troop 173 led the Council and audience in the ceremony of the Pledge of Allegiance.

AWARDS AND RECOGNITIONS
RE#1 Proclamation Honoring Dr. Richard Rankin Upon His Retirement.

Mayor McLean read a proclamation honoring Dr. Richard Rankin upon his retirement effective December 31, 1998, for his lifetime contribution to the citizens of Mount Holly, and presented him a framed copy. (copy attached) Dr. Rankin thanked the Mayor and Council who stood in his honor and shook his hand. Dr. Rankin said this community always welcomed him in their homes. This is a good town, and the town has been in good hands so he has not had to worry about it. He said he loves the people of Mount Holly. He especially commended the Mt. Holly Life Saving Crew.

RE#2 Proclamation Honoring Phil Ponder's Years of Service with the City of Mount Holly.

Mayor McLean read a framed proclamation honoring Phil Ponder for his service as City Manager. (copy attached) Mr. Ponder said it was a privilege to serve in Mount Holly, and that he will still be living in Mt. Holly. The Mayor and Council shook his hand.

RE#4 Recognition of Years of Service:

Mayor McLean presented plaques, awards, and/ or certificates to the following employees in recognition of their continued service to the City:

a. Ricky Davis, Police Captain: 20 years
b. Andy Godfrey, Fire Chief: 20 years
c. Jimmy Haas, Chief Wastewater Plant Operator: 20 years

d. Zip Stowe, Parks and Recreation Director: 15 years
e. Paula Mauney, Senior Customer Service Clerk: 10 years
f. Leroy Broome, Sanitation Laborer: 10 years

RE#5 Special Recognition:
Mayor McLean presented plaques to the following:
a. Kemp Michael, City Attorney: 25 years
b. Trent Wilson, City Auditor: 30 years

RE#6 Announcement of 1998 Employee of the Year

Mayor McLean announced that Jeff Fritts had been selected as 1998 Employee of the Year and presented him with a plaque and award.

Additional

The Springfest Committee recognized Phil Ponder for his contribution to the success of the 1998 Springfest, a certificate being presented to him by Pat Hubbard, Chairperson.

MINUTES

Councilman Helms **MOVED** to approve the minutes of October 12, 28, November 4, 9, 12, and 16, 1998, as written, seconded by Councilwoman Harris, with all in favor.

PRESENTATIONS

PR#1 Presentation of Fiscal Year 1997/1998 Audit by Mr. Trent Wilson of the firm of Cherry, Bekaert and Holland

Mr. Wilson said he certainly appreciated the honor of being recognized tonight and he knew he had certainly been around longer than anyone here, but he had not expected that recognition, and he will always cherish this award.

The report does not include the housing authority budget. Mr. Wilson began with the general fund, which is in a good solid condition at the end of the year in his opinion. The primary source of revenue is property tax, showing a 13% increase. There was a $32,000 increase in sales tax received this year. We received a grant in the recreation department. We received maximum possible earnings on the investments, at which point he recognized the efforts of Adm. Services Director Sherry Borgsdorf. The total revenues from all sources were $4,436,969. He found we are well above the minimum state requirements for the fund balance.

The water and sewer fund has less operating cash than last year. The revenues, exclusive of the Stanley Interconnect project and the Jadco-Hughes project, increased. Expenditures were increased by over $100,000, comparable to the increase in revenue. There has developed a trend that the expenditures are increasing more than the revenues. The long term debt is $6.8 million. The fund balance had a reduction of over $500,000. $276,000 of that was a transfer to the water and sewer capital account as designated funds for projects approved.

Mr. Wilson referred to his letter to the City with his audit report in which he outlined items needing attention. The first item is to be sure that the City is compliant with the year 2000 in connection with all computers. He is aware that the City has developed a plan, and encourages them to follow through with that plan. The Local Government Commission suggests that you be sure your suppliers are compliant as well. Tests of the system are recommended. Secondly, the records system should be updated so that they are in one place, and should be updated annually. Third, there was an overage in vacation time given. Fourth, there is still a discrepancy between water produced and water billed. Fifth, a detailed list of unpaid water bills is required, but due to the new computer system being installed, this has not been done yet, as it has in the past.

Councilman Stewart asked if there is a way to determine the lost revenue in connection with the water not being billed. Mr. Wilson said that is difficult since it could be residential or industrial or both.

PR#2 Annexation Report Update by Consultant Judi Simac
Ms. Simac said she received notice to begin the annexation study in November. She asked for Council input as to when they would like to meet with her in January, and gave them an amended schedule.

PR#3 Presentation by Mr. Richard Duren Regarding Bicycle and Pedestrian Trails
Mr. Duren had left. Dr. Lee Beatty said he is aware of a national endeavor to convert abandoned railroad right of ways, and he was interested in the presentation, as he would like to see it done on the old P&N Railway between Belmont and Mt. Holly.
(Note: Mr. Duren came back later; see below.)

UNFINISHED BUSINESS
UFB#1 Proposed Residential Development Along Mountain Island Lake
Mr. Tom Waters stated he has now acquired the property to be developed, and requests voluntary annexation into the City of Mount Holly.

Interim City Manager David Kraus requested that staff and the City Attorney be authorized to meet with the developer to outline an agreement for annexation setting forth the improvement of the property. He had provided in the agenda information relating to the impact of the proposed development on the City's departments, equipment, and staff, as requested.

Motion: Councilman Stewart **MOVED** to authorize the City Attorney and staff to meet with the developers of Waters Edge to prepare a proposal for an annexation agreement to bring to Council, seconded by Councilman Black,
Vote: six ayes, zero nays. CARRIED.

CONSENT AGENDA

Councilman Hough **MOVED** to accept and approve the one item on the consent agenda, seconded by Councilman Helms; and unanimously carried. It is:

1. Tax releases dated November 1998, in the amount of $2,935.49 for 1997 taxes released, and the amount of $1,661.65 for 1998 taxes released.

NEW BUSINESS

NB #2 YMCA Request for Variances to City Ordinances and approval of Subdivision Plan

Mr. Robert Whitt, attorney for the Y, said that Crescent Resources has signed the agreement which covers the development of the road beyond the Y. Mr. ________ had a map showing the changes they are requesting: 1) a change on the road since Crescent agreed to build the road beyond their building, and 2) that the sidewalk only be required on the southern side rather than both sides since there would be no user for it on the northern side. They had a request to change the specs on the road, but after talking with Mr. Nichols, had decided to drop that request. City Attorney Michael said that the Agreement, a copy of which was put in the agenda, is between the Y and Crescent, and Crescent or its successors would be responsible for extending the road beyond what the Y has requested be developed tonight. The right of way would remain the same, but the development of the last 400 feet of the road would be put as Crescent's responsibility. He pointed out that this subdivision is different from all other subdivisions the City has done, and there is no precedent for this request. Interim Manager David Kraus stated Ms. Borgsdorf had a request today to pull the Council minutes about the Council's obligation on this project, and a question has been raised about how this new request affects that resolution. Mr. Michael said that the road in question will cost more than the $250,000 the City has committed to, and therefore the inquiry has become a moot point. This obligation is for reimbursement not to exceed $250,000, he stated. Mr. Kraus said then the issue at hand is a variance request to the approved subdivision plan.

Motion: Councilman Black **MOVED** to approve the variance request to the subdivision plan allowing the agreement between the Y and Crescent on the road, and allowing sidewalk on the south side rather than both sides, seconded by Councilwoman Harris.
Vote: All in favor. CARRIED.

NB# 3 Change Order #2 on Stanley-Mount Holly Interconnect

Interim City Manager David Kraus said this request is to close out the contract with Dellinger, Inc.. The Change Order is for six additional sewer service connections, additional line quantities, and extension of contract time. The engineers and Stanley have approved the Change Order. Five of the requests are at Mount Holly's request and at the City's expense in the amount of $6,040.09 per memo from Public Works Director Eddie Nichols.

Motion: Councilman Helms **MOVED** to approve Change Order #2 of the Stanley-Mount Holly Interconnect project as presented; Councilman Black seconded the motion.
Vote: All in favor. CARRIED.

NB#4 Resolution for Council of Governments to Receive State Funds

Interim City Manager David Kraus stated that the City is entitled to $348.59.
Motion: Councilman Stewart **MOVED** to approve Resolution #12-14-98(a); Councilman Harris seconded.
Vote: All in favor.

PUBLIC COMMENT
Mayor McLean opened the floor for public comment.
Steven Poarch, 112 Nantz Avenue. He asked that the City ordinance on construction noise needs the time extended to 7:30 or 8:00 so that he comes home after work he can work on his home improvement. The city ordinance says that after 6:00 PM this is not allowed. Councilman Stewart asked if someone has made a complaint against him. He said that is what happened, a neighbor has complained. Mr. Poarch said that contractors work later than that in the summer. City Attorney Michael determined this is a general code and not a zoning ordinance, so it can be amended without a public hearing.
Motion: Councilman Hope **MOVED** that Section 14 be amended to read from 6 AM to 10 PM for construction work, effective December 15, 1998 at 12:01 AM; seconded by Councilman Helms.
Vote: All in favor. CARRIED.

Robert Hubeli, 393 Nivens Cove Road. We are blue collar lake owners, and have lived there since the lots were leased. We can not afford the tax increase and utility increase that would come with annexation of our property if you allow Waters Edge. The additional cost will put some people on fixed incomes out of their homes. Our road has two blind curves and two hills, and was not intended for the amount of traffic that this development will create. Mr. Waters has said he will put in an additional road, but there is no time frame for that. On the issue of water quality, this development will affect the water quality where the water intake is located for several cities. This land was intended as a park and a buffer to water quality in its natural state. How will Mount Holly be able to get police and fire out there? And the sanitation workers already are overworked. The schools would be affected as well. Councilman Hough asked if that other property besides Mr. Waters' development would be annexed; Mr. Hope said no, only the property being requested would be annexed. Mr. Helms said that the city cannot control the development unless they do annex, then we can control the buffers and so forth. Mr. Hough said there is no question as to whether it will be developed or not; he is going to develop it; and if the city does not annex, they will develop anyway under the county rules.

Pam Beck, 405 Nivens Cove Road, Mountain Island Lake Association. City services and utilities enable the developers to develop more densely, and if you do not annex, he would have to rely on perk tests and would not be able to sell as many lots which would make the development not feasible. FERC has still not made its determination, and you still have time to comment with regard to the commercial boat marina. You requested time to determine a response. There is a company that can do computer modeling to determine the impact the proposals would have, and MILA would like the City to have that done before a decision is made. She noted that the Department of Water Quality has not given a report on the impact by this development. Councilman Helms said a presentation will be made to this Council by the Marine Commission shortly.

ROUND TABLE

Councilman Stewart said that a full facilities audit needs to be done on the Year 2000. At the very minimum we must have a plan on every system, and the certification letters are crucial to protect ourselves. Any software item should have a test plan, even new ones. Councilman Hough said his company has investigated an insurance on that.

Councilman Stewart asked if anything has been done to correct the water loss. Mr. Nichols said that the 20% has been stable for the last three years. We have consulted the Rural Water Association and will meet with them again in January, and we will look at their recommendations; perhaps we will have to hire a consult firm.

Councilman Stewart wants us to look at alternative services provided to new annexation areas, such as rollout garbage collection. City Attorney Michael commented that one of the statutory annexation requirements for the Plan and services provided is that the new areas have to be at the same level of service as the remainder of the city.

Councilwoman Harris inquired about the possibility of council persons at the end of their term being able to purchase their computer if they choose. Ms. Borgsdorf said Charlotte has a technology allowance.

Councilman Helms said that he agrees with Councilman Stewart that annexation would be a good way to phase in rollout garbage, if the new residents agreed to that. The first phase might be handled with what we have now.

Councilman Hough said the new Christmas lights look good.

Councilman Hough said that he had a request for a crosswalk by a church which has the parking lot across the road from the church. Mr. Nichols said that this is a state road and they had been referred to DOT on that, but he has not heard anything further and would follow up. Mr. Kraus has a meeting set up with DOT anyway and will mention it at that.

Councilman Black commented on the Rails and Trails program. He has heard about a light rail commuter system and would like to know if DOT is going to do something with that or not. Councilman Stewart said that Mecklenubrg County's plan is only over there and it seems that the two counties are not integrating their plans. Mr. Kraus said he thinks the discussion in Gaston County has been about buses.

Councilman Black asked about the status of the cable TV upgrade. Councilman Hough said they are moving from the outside going inward. He found that you can get up to 62 channels without a converter box. Councilman Stewart said they want you to get a box because they cannot sell "pay per view" or "interactive" programs if you do not have a converter box.

Councilman Black asked for a report on the use of gym by 14 year olds. Mr. Zip Stowe said that there have only been two or three using it and it has not been a problem.

Councilman Black asked for report on the post office. Mayor McLean said he was supposed to get a phone call from that man but has not gotten one.

Councilman Black said he wants to commend the staff because they do such a good job, as evident by the good financial report we received.

Councilman Black said that residents in Deertrack Subdivision are requesting that the street lights be increased in power so as to provide more light. Mr. Nichols will check with Duke Power Company.

PR#3 Mr. Richard Duren Regarding Bicycle and Pedestrian Trails
The proposed areas are state owned, and the greenways would not prevent the use of commuter light rail system later if desired. His proposal would begin at Belmont Abbey College and go to Mount Holly and later beyond. He asked that a committee be formed to study the feasibility of this.
Judi Simac said that a few years ago she had approached the State when doing the recreation study, and they insisted they would not relinquish the rail but were reserving it for future use.
Phyllis Harris said she would be willing to serve on a committee with Mr. Duren; and Councilman Black volunteered as well. Mayor McLean asked Dr. Beatty to serve with them, and he agreed, so the Mayor appointed the said four persons to a committee to investigate the possible use of greenway trails.
Zip Stowe said he has walked the old P & N railway with representatives from Gastonia, and they are interested in a greenway as well, from Gastonia to Ericcson Stadium.

Additional
Recreation Director Zip Stowe said he has found that Duke Power has proposed to lease Mount Holly 50 acres for 20 years for $20.00. The land would help them meet their regulatory requirements. It is located near the recycling facility.
Motion: Councilman Hough **MOVED** to authorize Mr. Stowe to pursue the lease; Councilwoman Harris seconded the motion.
Vote: All in favor. CARRIED.

Interim City Manager Kraus said a proposal for a special meeting on Dec. 17th had been made and asked if they wish to meet then. Council said they don't want to meet until January. They agreed tentatively to meet on January 14th.

Councilman Stewart said that when he looked at the mid year audit, he wondered what does it take to bring those numbers back in line since we have exceeded the budget already in some accounts.

ADJOURN

There being no further business, the meeting was adjourned, upon motion duly made by Councilman Hough, seconded by Councilman Black, and carried with all in favor at 9:12 PM.

Frank E. McLean

Clerk　　　　　　　　　　Mayor

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cpm