CITY OF MOUNT HOLLY
MOUNT HOLLY CITY COUNCIL
Work Session
December 4, 2007
6:30 pm

Members present: Mayor Robert Whitt, Councilmen Jim Hope, David Moore, Jerry Bishop, Frank McLean, Councilpersons Pat Hubbard and Phyllis Harris.

Staff present: Eric Davis, City Manager, Jamie Guffey, Assistant City Manager, Danny Jackson, Assistant City Manager, Kemp Michael, City Attorney, David Belk, Chief of Police, Dale Oplinger, Fire Chief, James Friday, Director of Utilities, and Mike Santmire, Utilities

Others present: Brooke Shephard, Attorney, Kemp Michael's office

CALL TO ORDER BY THE MAYOR

Mayor Whitt called the meeting to order at 6:30 pm.

INVOCATION

Mayor Whitt led the Council and staff members in prayer.

SET THE AGENDA

Mayor Whitt asked for any more additions or changes to the agenda. There were none from Council. Mayor Whitt asked that after Item 3, *City Hall Plaques*, that there be Item 3A, *Discussion of agenda and location of the next City Council meeting on December 10, 2007.* As there were no other items to add or discuss, Mayor Whitt entertained a motion to set the agenda as amended.

Motion: Councilman Moore made a motion to set the agenda as amended. Councilman Bishop seconded the motion and the motion passed unanimously.

AGENDA

1. Scott Morrison Water Fine, presented by James Friday, Director of Utilities

Mr. Friday stated that he outlined the fines for the Scott Morrison residence at 108 Village Glen Way in Mt. Holly in an email to Mr. Davis as seen in the agenda package. The total fines were $4,300. There were six notices sent by registered mail and they were not picked up by Mr. Morrison. The last notice was hand delivered by a Mt. Holly police officer to Mr. Morrison's residence. The water usage was paid but the fine is remaining and this can be paid in three monthly allotments. Mr. Friday recommended that the fine be reduced to $2,400 as he provided other residences some leniency since the water restrictions were new to citizens.

Mr. Michael stated that Council can decide the final amount of the fine. He suggested writing up a Settlement Proposal which would be signed by Mr. Morrison. If he doesn't sign it, there should be no reduction in the fine.

Mr. Davis stated that every bit of water that passes through a meter is the responsibility of the owner of the residence. He added that Mr. Morrison has a monetary fine to pay and if it is not paid, the City will remove the meter and no water at will be provided until the fine is paid.

Mr. Michael stated that this is the first monetary fine event of its kind for the City and Council should have some input into this process to direct staff.

Councilman Moore asked how many violations throughout the City have been issued so far and have these fines been paid. Mr. Friday stated that around 100 households have been fined and the fines have been paid or have been reduced and have been paid. Mr. Guffey stated that $16,000 in fines have been collected so far. Mr. Davis added that the Morrison fine is the largest the City has encountered.

Councilman McLean arrived at the meeting at 6:45 pm.

Councilman Moore cautioned that our water is running out and we can't take the amount of water we have left for granted. Council and the Mayor were in agreement.

Motion: Councilman Moore made a motion to accept the reduced fine of $2,400 and that Mr. Morrison should sign a Settlement Agreement with the City to this effect. Councilman McLean seconded the motion. The motion passed with a vote of 5 to 1, with Councilman Hope casting the dissenting vote.

2. Catawba-Wateree Resolution, presented by James Friday, Utility Director

Mr. Friday explained that a Water Management Group is to be formed as a tax-exempt, non-profit corporation and that a Resolution from Mt. Holly was needed to endorse this group. The Water Management fees collected would go for projects for the Catawba-Wateree water basin and the City of Mt. Holly can vote on projects and have some influence on where the money is directed. Most of the neighboring cities in the Catawba River Basin have joined, though the City can join at a later date. Mr. Friday stated that if the City joins now, Duke Power will pay the City's 2008 dues as they have agreed and the City has the assurance from National Gypsum that they will pay 1/3 of our dues in the remaining years. If the City wishes to withdraw from the Water Management Group, the withdrawal fee is payable to Duke Power. The dues for the Water Management Group for the City of Mt. Holly are $5,635 a year.

Mayor Whitt asked Mr. Michael if he reviewed the proposed Water Management Group agreement. Mr. Michael said that he had and that there was a Bailout provision in the agreement. He added that this agreement is just part of doing business on the Catawba River.

(Note: Attachment G in the agenda package is the correct Resolution. The Resolution before Attachment B is incorrect).

Motion: Councilperson Hubbard made a motion to approve the Resolution No. 120407A, Resolution of the City of Mount Holly Authorizing Joining the Catawba-Wateree Water Management Group as presented. Councilman Moore seconded the motion and the motion passed unanimously.

3. City Hall Plaques, presented by Jamie Guffey, Assistant City Manager
Mr. Guffey stated that there was a mockup in the agenda package of the inscription of a plaque for the Citizens Center to be placed inside the building or outside under a cover. The contractor will place this plaque in position before the building is finished. Once ordered, the plaque will take 4 – 8 weeks to make. He pointed out that in the agenda package, the beginning year on the mockup should have been 2007 (change May, 2006 to May, 2007) and the completion year should have been 2008 (change April, 2007 to April, 2008).

Councilman Bishop gave Council another version for the inscription of the plaque to consider.

A discussion ensued on this other version.

Councilman McLean suggested that just the phrase, *City of Mount Holly, Citizens Center* and the date, and leave off all the names to save money.

Councilman Moore stated that he liked the fact that former officials were named on this version such as Mayor Bobby Black and Interim City Manager, Ed Munn, and others.

Councilman Hope said that he didn't have a comment on this.

Councilperson Hubbard agreed that she liked the former officials on the mockup but didn't like the layout.

Councilperson Harris stated that it doesn't make any difference to her.

Councilman Bishop stated that he wished to honor those who have been involved with the Citizens Center from the beginning. There has been a lot of discussion about the names on this plaque but he felt that those who had begun the process and those who stayed were the names that should rightly be placed on this plaque.

Mayor Whitt thought that naming the former officials was a good idea. He stated that the new Council is left out on this version and they will be in office when we move into the Citizens Center.

Councilman Bishop stated that with all due respect to the Mayor and the new City Council members, the new Council will have other projects to begin and complete.

Mayor Whitt stated that it is Council's decision.

Motion: Councilman Moore made a motion to approve Councilman Bishop's version for the plaque as presented. Councilman Bishop seconded the motion. The motion passed by a vote of 5 to 1 with Councilman McLean opposing.

3A. City Council Meeting on December 10, 2007, the location and agenda, presented by Mayor Robert Whitt

Mayor Whitt suggested that since there will be family members and friends of Council members and others in attendance, the Tuck Center maybe a better place to meet to accommodate all in attendance. Councilperson Harris liked that idea as many people would be able to attend comfortably as City Hall was just not big enough to accommodate a larger crowd.

It was the consensus of other Council members that the Tuck Center would be the best place for the next City Council meeting on December 10, 2007.

Mayor Whitt stated that the proposed agenda will include the regular business of the City Council meeting. Part of this agenda will be the honoring of the employees with years of service and then the Employee of the Year award will be conferred. There will be the honoring of the current City Council members that are leaving office and after that, the new members of Council will be sworn in. There will be a break with catering provided by W. K. Dickson. After the break, the new Council members will commence their duties for the remainder of the meeting.

There were no objections or additions to this agenda format.

4. Citizens Center Modifications, presented by Councilman Jim Hope, Construction Committee Chairman

Councilman Hope handed out replacement copies of the new Change Orders and asked Council and the Mayor to refer to them instead of the Change Orders in their agenda package.

Councilman Hope stated that he wished to thank those Council members who have tirelessly served on this Committee. As he began reviewing each Change Order, Councilman Hope encouraged Council, the Mayor, and the newly elected Council to let him know if there were any questions.

Councilman Hope stated that proposed Change Order No. 39, in the amount of $4,770.21, is for enlarging offices #2033 and #2034 and adding one additional Type A light fixture. This proposed Change Order was at the request of the City Manager.

The next proposed Change Order No. 41 concerns a steel change with both gables. Councilman Hope stated that when the 2 gabled ends were taken down, the steel change could not be priced until the steel was down. This proposed Change Order would cost $15,268 and there is no choice in this matter.

The next proposed Change Order No. 42 also involves a steel change to change and modify beams in the Grand Hall Mezzanine because they were different heights. This Change Order would cost $5,834.50 and there was no choice in this matter.

Motion: Councilman Hope, on behalf of the recommendation of the Construction Committee, made a motion to approve Change Order No. 41 and 42 as presented. Councilman McLean seconded the motion. The motion passed unanimously.

For proposed Change Order No. 43, Councilman Hope stated that we received price information for additional work for duct-mounted smoke detectors which were not included due to conflicts per sheet M-1, note 4, and sheet E-1 under the symbol schedule. The footnotes did not reflect this and the architect should have spotted this. Councilman Hope stated that we are giving this back to the architect.

Councilman Hope stated that proposed Change Order No. 44 concerns the Police 911 system and has nothing to do with the cost of the building. The amount of $15,406.38 will be funded out of the 911 system and concerns conduit, dedicated receptacles, and power poles.

For proposed Change Order No. 45, this concerns tile in the showers in the locker room. The architect designed sheetrock in the showers, not tile, and the tile contractor and the contractor did not pick this out. This is not the city's responsibility and it will go back to the architect.

Councilman Hope stated that proposed Change Order No. 47 is a credit of $3,800. A mahogany grained laminate was selected as an alternative for stained mahogany on the Council Chamber desk. No vote was needed on this Change Order as it was for informational purposes.

For proposed Change Order No. 46, this is for soundproofing of the City Manager's office for privacy and enlarging the two adjoining offices of Mr. Jackson and Mr. Guffey for a total of $4,659.

Councilman Hope stated that he and Mr. Guffey have made attempts to communicate with John Mixon of National Gypsum in order to buy direct from them for the wallboard. This could save around $20,000. Mr. Mixon has been out of town so Councilman Hope stated that he cannot provide this information at this time.

Councilman Hope stated that another issue is the tile credit. There could be a credit forthcoming of up to $7,430 for replacing expensive tile and putting in basic tile.

Before entertaining a motion, Mayor Whitt asked Mr. Davis to give the rationale behind approving proposed Change Order No. 39, enlarging offices #2033 and #2034 and adding one additional Type A light fixture. Mr. Davis stated that enlarging the office area for the two storefront office utility clerks will allow for space for future personnel growth in similar financial functions and would add more flexibility and the potential for other future growth.

Motion: Councilperson Hubbard made a motion to approve Change Order No. 39 in the amount of $4,770.21 as presented, with Councilman Moore seconding the motion. The motion passed unanimously.

Mayor Whitt entertained a motion to approve the proposed Change Order No. 46 which will make the City Manager's office more private in the amount of $2,002. For an additional $2,657, the Assistant City Managers' offices will also be made more private. All three offices could be completed for a total of $4,659.

Motion: Councilperson Harris made a motion to approve Change Order No. 46 in the amount of $4,659. Councilperson Hubbard seconded the motion and the motion passed unanimously.

Mayor Whitt stated that the Construction Committee has had some Herculean tasks to perform and he offered his thanks to them.

5. Elevated Water Tank, presented by Eric Davis, City Manager

Mr. Davis stated that the Utility Committee met on November 19, 2007. There were three questions that needed to be answered before the City could begin the design of the elevated water storage tank. It was the Utility Committee's determination to recommend to City Council that the Huitt Street site be selected, that the City seek private market financing (bank) as opposed to public financing (USDA), but the Committee was undecided on the size of the tank.

Mr. Davis stated that at the Huitt Street site, a 1.5 gallon tank would cost $1,981,000. A 1 million gallon tank would cost $1,535,000, a difference of $446,000. The pressure would be the same for either tank. The size of the easement, whether it is a 1 million gallon tank or a 1.5 gallon tank, will not change per the City Attorney.

Councilman McLean thought that in a few years, a one million gallon tank would be obsolete. The City's present tank on I-85 is already supporting this area and the new tank would make us ahead of the game for the City's future needs. He felt that we need to start out ahead for the City.

Councilman Hope asked if the footprint of a 1.5 million tank would protrude on neighbors. Mr. Michael said that it would not.

Councilman Bishop favored a 1 million gallon tank.

Councilperson Hubbard asked if the northern part of the City is close to capacity and do we need to do more now? Mr. Friday stated that this will be the next area that will need a tank as there is no water storage in this area.

Councilman Moore stated that we should look to the future needs of our City as we continue to grow.

Councilman Bishop asked Mr. Friday to talk with the County regarding our water systems. Other Council members concurred that the County should be able to provide the City with some kind of assistance.

Mr. Davis stated that the water tank will take 12 -18 months to build.

Motion: Councilman McLean made a motion to approve the Huitt Street location, the private market financing, and to erect a 1.5 million tank. Councilman Moore seconded the motion and the motion carried unanimously.

Mayor Whitt called for a break at 7:50 pm.

Mayor Whitt called the meeting back to order at 8:00 pm.

6. Belmont Request for Emergency Water Interconnect, presented by Eric Davis, City Manager

Mr. Davis stated staff received a letter from the City of Belmont requesting approval from the City of Mt. Holly for the construction of an emergency water line interconnect from the existing Belmont line at the intersection of Pleasant Street and Perfection Road to an existing Mt. Holly line at the intersection of Moses Rhyne Drive and Perfection Road. As the drought continues, this will serve the north Belmont area, north of I-85. The City of Belmont will assume all costs for this interconnect.

Mr. Davis stated that this matter went before the City of Mt. Holly Utility Committee and their recommendation was that the City of Mt. Holly should also receive water from the City of Belmont if needed. That part of the design would be paid by the City of Mt. Holly and Mr. Davis felt that the cost would be minor. Councilman Bishop stated that whatever rate the City of Mt. Holly sells to the City of Belmont would be the same rate as the City of Belmont selling to us.

Motion: Councilman McLean made a motion to prepare an agreement for a contractual relationship with the City of Mt. Holly and the City of Belmont for their Request for Emergency Water Interconnect and that this prepared agreement will be brought back to Council for their approval. Councilman Bishop seconded the motion and the motion passed unanimously.

7. Request for Sewer Treatment from the Town of Stanley, presented by Eric Davis, City Manager

Mr. Davis stated that the Town of Stanley is requesting wastewater treatment for a new three lot commercial subdivision under construction. This request will throw the Town of Stanley's daily consumption over several thresholds.

Motion: Councilperson Harris made a motion to amend the agenda to include a closed session to discuss matters of a contractual nature regarding the request for sewer treatment from the Town of Stanley. Councilperson Hubbard seconded the motion and the motion carried unanimously.

8. E-911 and 800 MHz System purchase, presented by Eric Davis, City Manager, and David Belk, Chief of Police

Mr. Davis stated that staff wished Council to authorize the purchase of this system to begin implementation within the Citizen's Center and the Police Department.

Chief Belk explained that Phase 1, Enhanced 911 System, would increase incoming 911 lines to 4 trunked lines. It would upgrade the system to a digital and analog system, integrate the system to work on computers, and provide statistical analysis capability. The solution for this first recommendation would be a lease agreement with CML (911 system), including the full installation of all hardware and software for two work stations. This also includes the addition of six regular phone lines integrated into the 911 system.

Chief Belk explained that Phase 2, Police Radio, 800 MHz Radio System, would increase coverage area providing for officer safety, providing interoperability between radio systems and public safety resources, providing for future growth and expansion of services and would upgrade technology to be consistent with the surrounding urban area.

Chief Belk stated that the possible solutions are as follows:

- Maintain and move the current system
- Upgrade the current system with a 180 foot tower to increase coverage area
- Migrate to the 800 MHz system with no radio tower required, increased radio coverage area, interoperability between Mt. Holly and the surrounding areas

Mr. Guffey explained that the cost to upgrade the E-911 system is $158,397.48 with a five year lease of $3,368.96 per month or $40,427.52 per year. This is an eligible 911 expense as the City receives 911 surcharge money from the State. Currently, the City receives around $140,000 a year. The City should have enough money in the 911funds to pay for this leasing system which means that no General Fund dollars will be spent on this system.

Mr. Guffey outlined the 800 MHz system options as follows:

1. Option 1 – move existing system – cost $234,620
2. Option 2 – move existing system/upgrade tower – cost $359,077
3. Option 3 – migrate to 800 MHz – cost $394,539

For Option 3, the City of Charlotte has agreed to pay $198,264 of it as they have secured a grant to connect and integrate with local systems for emergencies. Mr. Guffey stated that the City of Mt. Holly would be responsible for $196,275. Mr. Guffey stated that as of January 1, 2008, per the directive of the State, our entire 911 fund balance will be converted to our General Fund for this one time only. Currently, we have $220,000 in General Fund and our Substance Abuse Tax balance is $55,000. Mr. Guffey stated that the City won't have to pay anything out of the General Fund for this system because of this directive.

Motion: Councilperson Hubbard made a motion to move forward with the E-911and 800 MHz system as proposed by staff. Councilperson Harris seconded the motion and the motion passed unanimously.

There being no other business to discuss, Mayor Whitt entertained a motion to go into closed session to discuss matters of a contractual nature.

Motion: Councilman Hope made a motion to go into closed session to discuss matters of a contractual nature with Councilman McLean seconding the motion and the motion passed unanimously.

Motion: Councilman McLean made a motion to come out of closed session. Councilman Bishop seconded the motion and the motion passed unanimously.

Motion: Councilman Bishop made a motion to table the Town of Stanley's request for wastewater flow acceptance for the Stanley Commons Commercial Development. David Moore seconded the motion. The motion passed unanimously.

Motion: Councilman McLean made a motion to adjourn the meeting. Councilman Moore seconded the motion. The motion passed unanimously.

The meeting was adjourned at 8:55pm.

Mayor Robert Whitt

Eric Davis, City Manager

CITY OF MOUNT HOLLY
MOUNT HOLLY CITY COUNCIL MEETING
Monday, December 10, 2007
Tuckaseegee Community Building
105 Sports Lane, Mt. Holly, NC
7:00 pm

Call to Order
Mayor Robert Whitt called the meeting to order at 7:00 pm. The following were present:

Mayor Robert Whitt	Eric Davis, City Manager
Mayor Pro-Tem Phyllis Harris	Jamie Guffey, Assistant City Manager
Councilman David Moore	Danny Jackson, Assistant City Manager
Councilman Jerry Bishop	David Belk, Police Chief
Councilman Jim Hope	Dale Oplinger, Fire Chief
Councilperson Pat Hubbard	Kemp Michael, City Attorney
Councilman Frank McLean	Greg Beal, Planner

Newly elected Council members to be sworn in:
Councilman Perry Toomey
Councilman Bennie Brookshire
Councilperson Carolyn Breyare

Judge presiding at swearing in:
Senior Resident Superior court Judge Jesse Caldwell III

Invocation
Because Rev. Bob Winecoff of the First Baptist Church was not present, Rev. Max Pendleton, Retired, Catawba Heights Baptist Church, led the invocation.

Pledge of Allegiance
Boy Scout Troop 59 of the First United Methodist Church in Mount Holly led attendees in the Pledge of Alliance.

1.APPROVAL OF THE AGENDA
Mayor Whitt asked for any changes or amendments to the Agenda.

Motion: Councilman Moore made a motion to approve the agenda as presented. Councilman McLean seconded the motion and the motion was approved unanimously.

2.MINUTES
Mayor Whitt asked Council for any corrections to the Council Work Session Minutes of November 12, 2007. There were none.