

**CITY COUNCIL
REGULAR MEETING
November 8, 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	Jamie Guffey, Assistant to City Manager for Finance/Administration
Mayor Pro-Tem Michael Helms	Danny Jackson, Assistant to City Mgr for Community Development
Councilman Jim Hope	Benson Hoyle, Police Chief
Councilwoman Phyllis Harris	Fire Chief Oplinger
Councilman Frank McLean	Don Price, Utilities Director
Councilwoman Pat Hubbard	Mike Santmire, Street & Solid Waste Director
Councilman David Moore	Greg Beal, Community Dev. Officer
City Manager David Kraus	Ryan Baker, Fire Inspector
City Attorney Kemp Michael	Megan Hanks, Communication Director

INVOCATION

The invocation was led by Dr. Bob Winecoff, First Baptist Church.

PLEDGE OF ALLEGIANCE

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

APPROVAL OF THE AGENDA

The agenda was approved with one addition: Presentation #5 by Bob & Pam Friedl, upon motion by Councilman Helms, seconded by Councilman McLean, with all in favor.

CONSENT AGENDA

Councilman McLean **MOVED** to approve the Consent Agenda with one item, seconded by Councilman Moore, with all in favor. The item approved was:

CA#1. To Accept and Approve the Minutes. Minutes of October 1, 5, and 11, 2004 were approved as written.

PRESENTATIONS

PR#1 Proclamation Recognizing Boy Scout Troop 59 for River Clean Up

Mayor Hough and the Council went down to the floor to present a framed proclamation to Boy Scout Troop 59 and their troop leaders for its participation in a river clean up. (copy attached)

PR#2 To Recognize Mr. Julian Chapell for Service to Community

Mayor Hough and Council presented to Julian Chapell a framed proclamation recognizing his contribution to the City as a long-standing business owner. He was accompanied by his wife, son, and daughter in law. (copy attached)

PR#3 Proclamations Recognizing Ms. Laverta Dunn and Ms. Sarah McIntosh for Donations to the Archives Room.

The Council and Mayor Hough expressed their appreciation to Laverta Dunn and Sarah McIntosh for their donations to the Archives Room by presenting them with proclamations in their honor. (copies attached)

PR#4 To Request for Annexation of Windmere Subdivision.

Roy Miller, 1695 Windemere Drive. He stated that there are over 40 homes in his subdivision, and they have a homeowner's association. The residents want to be annexed. Mayor Hough referred him to staff to obtain criteria and forms for voluntary annexation.

PR#5 Presentation by Bob & Pam Friedl

Bob & Pam Friedl, 250 N. Main Street. The drainage problem we have on our property was caused by the installing of the Stanley utility line. We came here about a year ago. It was supposed to be fixed by the City. In June of this year, we talked to Mr. Kraus, and we were told we needed to have a meeting with Mr. Michael. Then you had a workshop and decided not to do the repair work. We feel we have not been treated fairly. We would like for you to revisit the idea and give us an answer. Mayor Hough said the Council did consider the matter and an answer was sent to them through staff.

PUBLIC COMMENTS

Mr. Rick Painter, Catawba Heights. He reported that they still have about 30 street lights out. Next, the community wants Christmas lights at the fork near the Feed Store. Also, the "Welcome to Mt. Holly" sign is not lighted. Next, they are wondering what it would take to get another paid fireman in the Catawba Heights station. In addition, he wanted to report that he goes by the Mount Holly middle school all the time and there is a tree limb in the yard that has been there for two weeks. It does not look good in our city. He commented that the new Mount Holly fire department building looks great, but a little money would do good just to paint the floor in the Catawba Heights station. Lastly, he said they would like the park across from Gussie's to be lighted.

Traci Burnett, 1407 Stanley Lucia Road. She spoke about the proposed Dutchmans Creek subdivision. She wanted to make sure the committee knows this is a huge development. As a neighbor of this project, she is concerned about fire and police coverage, insurance, property taxes, and she heard there would not be added any personnel for fire and police. She said they have trouble getting police out there as it is. The accidents and deaths on those narrow country roads have been a lot already. Also, she is concerned about the environment. This will have a commercial area as well, and we use wells. What about the runoff from all that development? Will it mess up our wells? That is a rural agricultural area. We have goats, chickens, horses--you name it. Mr. Rhyne has a farm with a 200 year old house. How is that big development going to fit in with our area? We have two stores in Gastonia that don't stay open after 10 PM because there aren't enough people to make it profitable to stay open. ~~You said there was going to be a traffic report, but she had not heard anything~~ about that. She heard the surveyor has had problems with other things he has worked on. She feels the impact on the schools is too much, and that they are crowded now. This is a huge development, she sees it as a monstrosity. She understands there will be a \$400 fee to hook up to the utility lines. It is a disaster waiting to happen. There will be a golf course. Think of the impact that will have.

Michelle Kelly, 123 Linmar Lane, Lucia area. She stated she has lived here since she was 8 years old. She had already voiced her concerns to the County, and now she wanted to express them to the City. She understands that development eventually will happen. This development is not wanted because it will be a hornets nest. She stated: We pay taxes and we deserve notice even if not the adjoining property owner. I already drive 25 minutes to work; with the traffic from this development it will take me an hour. East Gaston already has seven trailers. My younger son's school is over-filled now. Gaston County has no plan to build new schools over the next ten years, per the County. The County dumped it on the City because they don't want it. They are planning eight homes per acre. The lots can be 40 feet per 40 feet. We live in the country because we want to be in the country. We like living out there. We don't want this mess out there. Not to mention what a mess it will make on Dutchmans Creek. Where will the wildlife go? The Stanley Lucia Road report is over 50 pages long now. There is no sense in having that type of community out there on top of us. And, it is like it is top secret; no one wants us to know about this. This will affect the Mount Holly people too, because their taxes will have to go up to pay for this. At my home, I see only woods, and that's the way I want to keep it. That is the way all of us that live out there feel.

Grover Barfield, 407 Rutledge Road. He stated he is opposition to the proposed Dutchmans Creek development. He asked the City to seriously consider the impact this will have. He said he does not do business in Mount Holly because of the traffic now. All those people will be driving about 3200 cars more. You need to let the people in this town know what you are doing. The man who is

doing this is from another place and does not care about this area; he inherited it. One house per acre is what the county requires. The taxes will go up, crime will increase, and schools will be affected.

Mayor Hough said, just to let everyone know, there is a scheduled public hearing at the December meeting at the Tuckasee Road Center. He said the City has had a discussion with the developer in open session, and there is nothing secret about this matter, it is being handled in the same way as any other.

PUBLIC HEARINGS

PH#1 To Consider Development Standards for 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 downtown development standards.

Danny Jackson reported that the Planning Commission had its public hearing meeting, with one public comment, but they made no recommendation, and have tabled their decision until next month.

Mr. Creech and Mr. Christian Sottile were present to answer questions. The proposed manual has been worked on since February. The first public meeting was held in March, gathering input of the community. They worked on it, and came back in May, and got more feedback. Revisions were made until August. The Planning Commission made changes. It was last published in October. They are here to hear any concerns about the document.

There were no comments for or against.

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.

Mayor Hough asked, have the questions from our joint meeting been addressed? Yes. Councilwoman Hubbard said we talked about Sec 8.3, and she thought it was taken out. Danny Jackson replied, no, the concern was removed but the revised section is still there. Councilwoman Hubbard stated she was not sure but she thought they had planned to leave the public hearing open until next month. Mayor Hough said the Council can table its decision until next month but there is no need to continue the public hearing. City Attorney Michael said that is at the Council's option.

No action.

NEW BUSINESS**NB#1 To Consider Appointing New Tax Collector**

Motion: Councilman Helms **MOVED** to remove Jamie Guffey as Tax Collector, seconded by Councilman McLean.

Vote: unanimous. CARRIED.

City Manager Kraus introduce Kim Sturgis, and recommended her to Council for appointment as the new tax collector. She is from Mount Holly.

Motion: Councilman Helms **MOVED** to appoint Kim Sturgis as the Tax Collector, seconded by Councilman Hope.

Vote: Unanimous. CARRIED.

~~NB#2 To Consider Request for Qualifications for Comprehensive Plan~~

City Manager Kraus said that per Council instruction, staff has prepared a request for qualifications to solicit firms for a comprehensive plan to include economic development and marketing strategies. We would present this request to firms in this area, and select a firm in December or no later than January. Councilwoman Hubbard said she did not think she got that document. Mr. Kraus said it should have been in the weekly memo. The Council took to review, to discuss at the next work session.

The Council took a five minute recess.

UNFINISHED BUSINESS**UFB#1 To Consider Awarding Bid on East Gaston Water Line**

Don Price reported that the City received six bids on the East Gaston water line project. The tabulations have the base bid, alternate #1, and alternate #2. The lowest bidder is Pioneer Utilities and Plumbing, at \$732,184.00. Mr. Kraus said the school system wants us to get started right away. Councilman Hope commented that their bid is awfully low; how could they bid one half of the high bid?—there must be a reason. City Manager Kraus stated that, prior to the recent oil price increases, our engineer had estimated \$700,000 for this project. Councilman McLean asked, who was next lowest bidder? Mr. Price said it was Propst Construction Co., Inc., which is the company that did Glendale Avenue. Councilwoman Hubbard asked, have we ever used Pioneer? Mr. Price said, no. Mr. Kraus said staff has tried to find others that have used them. Mr. Eller has talked to only one. And, the engineer, Bob Cooke, said he worked with them in Gastonia; he said they were a little slow but they did a good job. Councilwoman Hubbard asked, where is Pioneer out of? Mr. Kraus said, Concord / Kannapolis.

Motion: Councilman Hope, upon staff recommendation, **MOVED** to award the bid to Pioneer Utilities and Plumbing for the East Gaston Water Line for \$586,844, with alternative #1 for the school fire loop for the sum of \$88,125.00, and with alternate #2 for extension to Hickory Grove Road for the sum of

\$57,215.00, for a total amount not to exceed \$732,184, contingent upon approved by the County, seconded by Councilman McLean.

Vote: Unanimous. CARRIED.

UFB#2 To Consider Amending Engineering Contract on East Gaston Sewer Line

The cost estimates have been revised by US Infrastructure for Phase II of the East Gaston Sewer Line project to reflect current pricing. Gaston County covers cost increases and has approved this verbally. Don Price said that Mr. Hurlocker told him they are in agreement.

Motion: Councilwoman Hubbard **MOVED** to approve Amendment No. 1 to the engineering contract with US Infrastructure of Carolina, Inc. for Phase II of the East Gaston Sewer line project, contingent upon written approval by the County, seconded by Councilman Helms.

Vote: unanimous. CARRIED.

UFB#3 To Consider Awarding Bid for Financing of East Gaston Water Line and ABC Site Purchase and Improvements

Jamie Guffey said he has three bids from local banks. The offers range from 2.55% to 3.5%. We do not yet have the up-fit cost estimate from the architect on the ABC building. The banks want to see final numbers on the bids before they give me the actual interest rate. Councilwoman Hubbard asked, are we talking two separate loans? Mr. Guffey replied, Yes. It would be a three year loan on the water line.

Motion: Councilman Hope **MOVED** to authorize the City Manager to select the financing terms on both projects for the East Gaston Water line and the ABC site purchase and improvements, seconded by Councilman Moore.

Vote: unanimous. CARRIED.

UFB# 4 To Consider Stanley Water Sales

Mayor Hough told the Council we met today with the Town of Stanley Mayor and other staff. They want to be treated as an industrial user by the City when they buy water from us. They had a counter proposal to use industrial rates up to a certain amount and then the residential rate over that. We offered 1.5 up to 100,00, then residential up to 600,000 and then 1.25 over that. They felt that was workable. This will mean a decrease in our recently raised inside rates if their council passes the contract to buy from us. Councilman Helms said he had looked at it in several ways. There are terms that will have to be worked out and have the attorney work out the contract, but he feels this is a good offer. Councilman McLean asked, when will we know their decision. Mr. Kraus said, we want to have Kemp and their attorney work out a proposed contract to present to both councils. Mayor Hough said we are looking at January for a decision. Mayor Hough said they want a long term agreement. We want Council input. Councilwoman Hubbard said she doesn't have a problem with it,

she thinks it is a good compromise. Councilman Moore said, if this works out, we can lower our rates, and we are being good neighbors. Councilwoman Harris said she doesn't have a problem with the proposal. Councilman Hope asked, did they say what rates they will pass onto their customers? Mayor Hough replied, they said would not be lower than today because they have debt to payoff and will need a water tank in the near future. Councilman Helms said he looked at water bills for their outside city customers. One guy had a \$41.00 bill for 1400 gallons. Councilman Hope said he doesn't want to compensate them and then they take advantage of it. Mr. Kraus said he did not think that is the case, he had looked at their figures. Councilman Helms said he had asked directly about that. Councilwoman Harris asked, what do you mean by long term? Mayor Hough said he threw out 30 years, with an out clause. Councilman Hope, do you mean at today's rates for 30 years? Mayor Hough said, no, the rates would be determined each year. City Manager Kraus said they understand their rate is tied to our rate. Councilman Hope asked, will we have assessment costs for maintenance, on our side? Mr. Hope did not believe our citizens should pay on our plant for their usage. Mayor Hough said it would be proportionate. City Attorney Kemp Michael stated that the interconnect contract has provisions for their share of costs on the water plant maintenance and improvements. Mr. Michael said the water tank on Highway 27 is owned by the City, and Stanley owns the land, so if there is an antennae issue, I wonder if as part of this, we should own the land also. There may be something in the deed to prevent that, but we should look at it. In our current water agreement they cannot give water to large users without our approval. We also need a more comprehensive agreement on how they get permission from Mount Holly for that. Councilman Helms said they are using about 600,000 gallons a day now, so the additional water is already going to be at 1.25 rate. Mr. Kraus said he thinks they have to be sure capacity is there before they allow annexations or new subdivisions. Mayor Hough asked, do we have consensus of council that the rates suggested are good? Yes, council concurred. Councilman McLean asked with regard to the water to East Gaston High School, will the pressure come off the Stanley water tank? Mr. Kraus said, yes, that and the pump station at Munchies.

ROUND TABLE

Councilman Moore wanted a proclamation for the outgoing Miss Mount Holly and Miss Teen Mount Holly for the pageant this Saturday. Mayor Hough will get that done.

Councilman McLean said that, at the election, he had a lot of complaints because of the long lines. Also, he has a complaint from a lady who lives on Marguerite Avenue. Since we paved Second Street water runs off it onto her property and under her house. We need staff to look at that; it may need curbing.

Councilman Helms reminded Council that on Nov. 20th is a car show in Catawba Heights. They want to use the property beside the fire department for parking.

Councilman Helms said that several people called him saying that gangs were moving out of Charlotte to small towns. So he has asked the Police Chief to comment. Chief Hoyle stated that his department has noticed "wanta-be" activities. They are imitating gangs and trying to "impress". Sometimes, they can be more dangerous than real gangs because they are trying to draw attention to themselves. We have "tagging" activity, and 25% of vice and narcotics has been the MS13 gang out of Charlotte. However, we do not have a large problem with this. We started gang awareness training, and assigned Tindall to attend training. Wearing colors, symbols, is all perfectly legal. We have to deal with problems, and actual criminal activity. We are also more technologically savvy and Internet savvy; those tools are used today, because the anonymity of the Internet helps them organize. We are working on computer forensics, and doing some undercover and intelligence activity in chat groups. Shay Allen, SRO, and Robert Ellison are also working on this. Call the police department with any questions or information.

Chief Hoyle asked to update Council on the IT position, which Council allowed. They are finishing up the background check; they have a strong candidate.

Councilwoman Harris asked, did you check on that tree on West Catawba? City Manager Kraus asked, does it have a sign on it that says private property? She said that was it. Mrs. Harris asked, did it look dangerous to you? Mike Santmire is looking at that.

Councilwoman Hubbard asked, did we settle on a Christmas dinner date? Mayor Hough asked Council if December 20th is okay with the Council? Mr. Kraus said they can do it any day of the week, but that is a day he is usually closed. Council agreed on that date.

City Manager Kraus reminded that 10:00 this Thursday at Central Park will be the Veterans Day ceremony.

City Manager Kraus asked for feedback on the street bonds, as to which firm to use? Staff recommended the smaller firm, but we recognize bigger firms have more experience with streetscapes. Another option is that we can hire an engineer as a city employee part time, and the cost would be offset by the engineering fees we pay each year for various projects. Last year we paid between \$150,000 to \$200,000. Mayor Hough asked, what do we expect to pay this year on all these projects we have going on? City Manager Kraus said we will be paying a lot of engineering fees, but some projects that are not as large might be a good place to utilize the person they have in mind to hire. Don Price said she did the engineering for the sidewalk in Catawba Heights, but she mostly has done water and sewer engineering. Councilman Moore asked for how long they would hire her. Mr. Kraus said he has in mind it being a permanent part-time position. It takes five years for an employee to be vested in retirement. An

employee works for the City in an "at will" relationship. Councilman Hope said it might be a good idea, if she can do what we need her to do. He asked what kind of engineer she is. Mr. Kraus said she is a PE. Mr. Price said, environmental & civil. Councilman Helms agreed that this option could save a lot of money potentially if she does what we need. Mayor Hough asked, is she qualified to do the streets, parks, sidewalks, or the ABC site? Mr. Kraus said she is qualified to do streets, sidewalks, water and sewer, storm water, but is not qualified for landscape architect. He had her resume in last week's memo packet. Mr. Kraus said she would not replace engineers for major projects. Councilman McLean asked, who would she answer to? Mr. Kraus said she would answer directly to him. Mayor Hough asked, how much is W. K. Dickson on this street bond project? Mr. Kraus said they are meeting on Wednesday. Councilman Helms asked, who will tell us how she is doing? Mr. Price and Mr. Santmire can report to me, as well as the contractors. Councilman Hope asked, how will this affect W. K. Dickson's warranty if someone else engineers it. Mr. Kraus said, if we engineer it, the warranty is on us. Councilman Hope felt that opens a new can of worms. Mayor Hough asked, is there a way we can indemnify ourselves for an engineering flaw, can we insure their work like any other engineer is insured? Mr. Price said they have to follow the standard detail, and the architect designs that, and the contractor has to have a performance bond. Mr. Kraus said we could not have her do the streetscapes and there is plenty of other work to use her, the sewer rehab alone is \$80,000 in engineering fees. Councilman McLean asked how Mr. Price and Mr. Santmire feel about this? Don Price said she has helped us a lot on the pretreatment issues. Mr. Santmire said he had never met or worked with her. Councilman Hope said he is more comfortable when he can see what an engineer has done before, he wants a proven track record on a \$2.7 million bond package, so the citizens get what they paid for. Is Council ready to choose that person? Councilman Helms, regardless of whether she works on the street bonds project, if we can save our citizens money we should hire her. Mayor Hough asked, do you feel W. K. Dickson is the one we want for the streetscapes? Councilwoman Hubbard asked, what did you say the other day about that? Mr. Kraus said staff likes Steve Whaley.

Motion: Councilwoman Hubbard **MOVED** to establish a new position entitled city engineer, a part-time position with no more than 30 hours with benefits, and authorizing the City Manager to fill the position, seconded by Councilman Helms.

Vote: Unanimous. CARRIED.

Motion: Councilwoman Hubbard **MOVED** that, contingent upon the fees being negotiated, W. K. Dickson Engineers shall handle the engineering for the streetscapes, seconded by Councilman Moore.

Vote: Unanimous. CARRIED.

Mayor Hough asked Mike Santmire about the preparations for Veterans Day. Mr. Santmire said they are erecting the flagpole, and arranged for parking in Dr. Beatty's lot with a shuttle to the park.

~~Mayor Hough said he feels it was a mistake to move the polling place from the Middle School to the Masonic lodge; that is not a suitable place to vote. Is there a better place or why can't we go to the middle school? Kemp Michael said that the problem was there was school in session sometimes. Councilwoman Harris suggested Second Baptist Church. Mayor Hough said the parking was dangerous at the lodge, especially being on Highway 27. We can't leave this for the next time. Kemp Michael said it can be anywhere, as long as it is within the precinct boundaries that it serves. Councilman Moore said we could consider First United Methodist Church too. Mayor Hough said we may need another precinct in Mount Holly and we need more voting machines. Mount Holly pays for the election, so we need to have some input. Councilwoman Harris said we talked with David Hoyle about this and he said he would work on this, and he also said the Board of Elections was offered more money and they turned it down.~~

Mayor Hough said the Masonic Lodge has a BBQ on Nov. 12, which is fine, but we need to tell them our sign rules on their banners.

CLOSED SESSION

Councilwoman Harris moved to go into closed session for the purpose of discussing personnel matters, seconded by Councilman Moore, with all in favor.

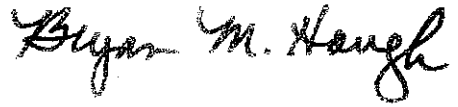
Councilman McLean moved to return to open session, seconded by Councilman Helms, with all in favor.

ADJOURN

There being no further business, the meeting was adjourned, upon motion duly made by Councilman McLean, seconded by Councilwoman Harris and carried unanimously.

9:20 PM


Clerk


Mayor

cpm