CITY COUNCIL
REGULAR MEETING
October 10, 2005

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
Mayor Pro-Tem Michael Helms	Danny Jackson,Assistant to City Manger
Councilman Jim Hope	Benson Hoyle, Police Chief
Councilwoman Phyllis Harris	Dale Oplinger, Fire Chief
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 Attorney Kemp Michael	Ryan Baker, Fire Inspector
City Manager David Kraus	

INVOCATION
The invocation was led by Reverend Brian Childers of First Baptist Church.

PLEDGE OF ALLEGIANCE
Boy Scout Troup #59 led the Council and audience in the ceremony of the Pledge of Allegiance.

APPROVAL OF THE AGENDA
The agenda was approved with the change of moving ABC item up to 4th public hearing from unfinished business, adding presentation for housing authority proclamation, and approval of three contracts including lease of parking lot, installation of clock and grant award for clean water management trust fund all under unfinished business , upon **motion** by Councilperson Helms , **seconded** by Councilperson Moore, with all in favor.

CONSENT AGENDA
Councilperson Harris **moved** to approve the Consent Agenda with items, **seconded** by Councilperson Hope, with all in favor. The items approved were:

CA#1. <u>To Accept and Approve the Minutes</u>.
CA #2. <u>To Approve Fire Department MDA Boot Drive.</u>
CA#3. <u>To Approve Donations of Surplus Bullet Proof Vests to Gaston College.</u>

PRESENTATIONS
<u>PR#1 Presentation of Bond Resolution</u> – Mr. Guffey stated we have a bond sale scheduled for Oct 25. We will sell complete 2.7 million in street bonds with 900 thousand park bond plus 654 thousand match for greenway. We need a resolution finalizing this (copy of resolution in packet). This will authorize us to replace existing bonds at lower interest rate if they are eligible on the 25th – right

now they are not eligible because of high interest rates. This is strictly an LGC decision. Mrs. Hubbard notes correction on page 1 stating commissioner seconded – it should read councilperson. Mrs. Hubbard **MOVED** to approve 10105A resolution providing for issuance of general bonds series 2005 A, not to exceed series 2005 B, **SECONDED** by Mrs. Harris. All in favor.

PR#2 Presentation by Belmont Chamber of Commerce - Paul from Belmont COC offered a proposal and invitation for city council participation in Belmont's COC for coordination of consolidated 2006 strategic focus, 2010, 2015 and 2020 vision for Gaston water gateways. Highlights noted in the attachment including operational improvement, member service accomplishments and future development considerations. The request this evening is for Mt. Holly City Council consideration to actively participate in this public private partnership focus for river water gateways. We believe closer relationship within Gaston East River water region will be better able to service this region.

PR#3 Mt. Holly Dept of Housing proclamation presentation. All City Council members joined Mayor Hough on the floor as he read proclamation honoring Teresa Wilde, Zetta Williams, and Leroy Mungin for outstanding review of NC QUADEL in September of 2005.

UNSCHEDULED PUBLIC COMMENT

David ____________________ (Name not included on sign-up sheet),113 Creekview Ct. also owns property on Mountain Island lake stated I could not help but notice in Charlotte Paper about MH Huntersville Road foreclosures and price per square footage. I am afraid if our housing is advertised to sell for 60 to 65 dollars per sq foot, this will set a precedent / reputation for Mt. Holly. That is substandard housing at that price. Good housing should be 100 dollars per sq foot. What we are doing with our R8 housing is not the right direction.

Kelly Ellis, 1711 Old Hickory Grove Road. Read statement about impact of traffic and education of our children. Although it might not be your responsibility to build more schools, roads, etc., your decision on development will be felt for years. I thought that the City Council was in place to listen to citizens and do what is in our best interest. The City Council has ignored the requests of their own Planning Board. I feel there were actions of City Council that were not professional or ethical.

Carlton Broome, 116 Patrick Lane stated I am here to invite Council and Mayor to Mount Holly Matters Program.

PUBLIC HEARINGS

PH#1 To Consider rezoning request by National Gypsum.

Councilperson Helms **moved** to go into public hearing, **seconded** by Councilperson Harris , and unanimously carried. Mayor Hough recessed the regular meeting and opened the public hearing to consider rezoning upon request by National Gypsum. Mr. Beal stated this is a general rezoning, no conditional use required. He stated Planning Commission made unanimous request to approve this request. Mr. Shifman, president from National Gypsum, spoke in request of rezoning in annexation. The property is currently owned by Crescent resources. National Gypsum HQ is in Charlotte, NC. Growth in this area is our primary reason to expand. The Mt. Holly plant will use byproduct gypsum provided by local power plants of Duke power. The production of wallboard by byproducts creates a win / win situation. Mt. Holly is an excellent location, close to Duke Power plants, rail access, and good hwy system. This plant will help us reach Atlanta market. This site is a total of 160 acres site, we are seeking rezoning of 130 or so acres. We expect to have 100 employees spread over three shifts. He discussed entrance and shipment plans. Due to an additional north side entrance, it should not interfere with school traffic. Currently working with DOT. The trees and foliage along highway will be preserved as much as possible. We have won the governor's award for environmental excellence in Pennsylvania. We expect the same in Mt. Holly. The plant is in a critical watershed area. Storm water requirements will be abided by. He stated we are excited to be a part of your community. We respectfully request approval. He additionally stated I will be happy to answer any questions.

The Planning Commission recommended approval. There were no comments for or against.

Councilperson Harris **moved** to go out of public hearing, **seconded** by Councilperson Moore , and unanimously carried. Mayor Hough adjourned the public hearing and resumed the regular meeting.

Motion: Councilperson Helms **MOVED** to approve rezoning of property being purchased by National Gypsum, **seconded** by Councilperson Hope with effective date of the annexation.
Vote: unanimous. CARRIED.

PH#2 To Consider Annexation Request by National Gypsum
Councilperson Helms **moved** to go into public hearing, **seconded** by Councilperson McLean , and unanimously carried. Mayor Hough recessed the regular meeting and opened the public hearing to consider voluntary annexation upon request by National Gypsum.

City Manager David Kraus stated that we certified sufficiency and everything is in due form. This would place us closer to filling in that hole the city has between 273 and the river. This would be a good strategic annexation for Mt. Holly .Mr. Michael stated this is not subject to taxes and will be raw water users. The Planning Commission recommended approval. There were no comments for or against.

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

Motion: Councilperson Hubbard **MOVED** to approve resolution 101005C annexation of National Gypsum property with effective date of 3/31/06 at 12:01 a.m. , seconded by Councilperson McLean .
Vote: unanimous. CARRIED.

PH #3: To Consider a Moratorium on Annexations of Property outside of the City's ETJ.. Mr. Hope stated he has been working with staff and I asked for flow percentage for 2005 for wastewater treatment plant. Graph provided by Mr. Hope, estimated at 63.29% and we have promised 25% reserve to industrial unit, which leaves us almost 16% available. I asked the staff to prepare based on what is approved, what is built. To date with all subdivisions, we have a total of 4,419 homes , out of them the completed number is 1832. That leaves 3087 homes to be finished, which is 23.08% of our wastewater treatment plant. Once our plant reaches 80% - we are obligated to evaluate improvement and extension of that plant. To date, once all subdivisions get on line, we will be over 100%. If our industry today remains the same, they take up about 30% of our wastewater treatment plan. When we get to 90% of our treatment plant, we have to have a construction plan in place, bid out, and ready to build addition to that plant. Rough estimates on that range from 9 to 11 million dollars. We are at this time at 80%. At our water treatment plant, we treat 3 million gallons per day. Our capability is 6 million however we cannot draw that because we have to upgrade our intake. We are at this time at a max capacity at our water plant.

Councilperson Hope **moved** to go into public hearing, **seconded** by Councilperson Moore , and unanimously carried.

Mr. Beal stated at 10/03/05 Planning Commission meeting, they recommended unanimously adoption of moratorium for one year period with possibility of extension.

Greg Dimmer , 112 Creekview Court – I am here tonight to voice an opinion on the moratorium. I don't see need for this action. You have the power to vote up or down any annexation without a moratorium. Why stop all developers when one can meet the needs of the city? There are 196 new construction permits through county for Mt. Holly with average cost of 182, 000 per home. I would not consider this a crisis. I know that Mt. Holly has been overwhelmed by developers with proposals for rezoning and annexations. I commend you for your efforts. Some issues are out of your control such as traffic or school systems. You can restrict communities such as size, price, etc. Why do we month after month see the same developers on the agenda? Why waste time and money? You can solve many problems by putting in requirements so developers know what to expect ahead of time. I would propose putting together a panel that could come up with a fair plan to bring back to City Council. Mt. Holly is the gateway that has been found. Let's think of the future with a plan that will keep quality of life without need for a moratorium.

Ann Danzi – 513 Stonewater Bay Lane, stated I would also like you to reconsider moratorium. Two weeks ago you approved two annexations with potential for 700 homes apparently without regard for water treatment plan and now are asking for a moratorium. This citizen is completely confused. I understand moratorium is for residential development only. If you don't approve moratorium, you do not have to approve all annexations. It won't stop development inside ETJ. So what exactly are you going to do within the next year with a moratorium? When the plan is implemented, strategic plan, it will not offer any more guidance.

Robert Whitt, 116 Forest Hills Drive, stated you have heard me at most of your meetings now and I have asked you to consider slowing down a little bit because I have seen you struggle. I would have struggled too. You have been overrun with folks asking for this and that. You need time to take care of other issues. I don't know why you would want to restrict moratorium outside ETJ, sounds to me from Mr. Hope's information that you have no more room for expansion with water treatment plant at capacity. I wish we had realized this at your last meeting. It is confusing when you annex within the last seven days, 740 more homes, knowing full well we are going to have a lot of work to do and a lot of money to spend toward that. I think you should make the moratorium on all residential annexation in the next year. Your decisions will affect all of us for many years to come. I think you need the time to make sure you are all in the same corner. New growth needs to be managed by you all.

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

Mrs. Harris stated we need to take some time and look into this before we make a decision. Mr. Moore states he agrees with this. We do have authority to do whatever we want to in these annexations. Let's catch our breath. Mrs. Harris stated we talked about this, that we can turn down things but that developer still comes to us and they still spend their money and there has to be some way to do this so that they know and don't waste their money knowing we may turn it down. Mayor Hough stated that is always a possibility. He stated he wants two things for next meeting, an analysis from staff that tells why we are at 80% today and I was not told that two months ago. That is not information that just comes up tonight. I also would like status and review of development charge and is it adequate for this very reason because of growth. We did this charge in advance in order to take care of this. I am curious now why this would not be sufficient. Mrs. Harris stated I did not state I am against this I just feel we are not ready. Mr. Hope stated he wants this to be a wakeup call for the betterment of this City not for the betterment of the developers.

Per Council consensus, there will be no action taken this month, it is to be put back on agenda at work session for further discussion and to review staff's input.

PH#4 –To Consider Closing a Portion of Second Street and Elm Street. Mr. Jackson stated you have a resolution to consider closing unopened portion of Second Street located at intersection of 273 and 27 adjacent to Creative Dye Plant. Mr. Michael stated in order to consider closing portion of any street, the Council has to make an affirmative finding that no owner will be denied reasonable access to that property. Mr. Jackson stated there are only two property owners including Creative Dye and Hope property. Mr. Hope is not included in this matter as he has adjacent property ownership.

Mrs. Hubbard makes **motion** to pass resolution 101005D ordering closing of un-open portion of street right of way known as Second Street, **seconded** by Mrs. Harris. All in favor.

Mr. Jackson presented copies of actions taken by council in 1998 regarding Elm and Second Street. There was an advertised public hearing on this closing. There were stipulations placed on the closing and Council has no evidence of this stipulations being met. What this does is allows recording of a street closing ordered in 1988 by council that was not recorded at that time.

Mrs. Hubbard makes **motion** to approve 101005 E to close portion of second and Elm street, **seconded** by Mrs. Harris. All in favor.

UNFINISHED BUSINESS

UFB#1 To Consider Selection of ABC Commissioner. Mr. Michael stated you will vote tonight on written ballet. You will need to sign the ballet as it is not a private ballet. I will also pass out voting procedure decided on at last meeting. This procedure is based on the belief that there will be more than one candidate. You only vote for one person on that list. Mr. Michael explained in detail how this procedure will work. Mr. Helms stated this person elected will work independently from City Council. He / She will be solely responsible to report to ABC Commission, not to the City Council. Mayor Hough asked for each member of council to vote and pass ballots to Mr. Michael. Mrs. McRorie got majority of six to one. Ballots given to record keeper. Mrs. McRorie spoke in gratitude for this position.

UFB#2 To Consider Agreement Between City and Mt. Holly Furniture Company Building regarding Off-street Parking Spaces. We have discussed leasing this for 1 dollar per year and he will grant us easement to Duke Power in order to re-route lines. Mr. Michael stated there is nothing in this requirement to make City pave parking lot only to keep it passable. This will require some degree of patching. There is also a provision that once tenants are placed that they will be able to include off street parking places that are designated in this lot. Also if additional building built on this property then the owner of the property can amend this agreement by excluding the area they develop. Also revision that either party can opt out of this agreement with six month's notice. City will be responsible for any injuries on the parking lot with valid claim. City would hold owners of property harmless. Mayor Hough asked for any questions / comments.

Mrs. Hubbard **moves** to approve agreement between City and Mount Holly Furniture , **seconded** by Mr. McLean. All in favor Mr. Michael asked for some latitude / authority to make technical changes as needed when meeting with other attorney. All in agreement.

UFB#3 To Consider Clock for Downtown. To be donated from members of the church to the City. It is an old historical clock, four faces, very ornate. The clock will be on church property with understanding they own the land and our only obligation is to maintain the clock. At the point that clock is removed, we have no other obligation. Mayor Hough asked for any questions / comments. Mr. Michael stated once again he wants Council to feel comfortable and if so, he will provide agreement to church for their acceptance.

Mrs. Hubbard makes **motion** to approve agreement between City and 1st Presbyterian, seconded by Mr. Moore. All in favor.

UFB#4 To Consider Clean water Management Trust Fund Agreement – Mr. Michael stated we have talked about this agreement several times. Mr. Michael passed out final form upon approval of City Council. This provides that City will be required to acquire property, tract from Duke Power, and tract from Crescent property. The crescent property will most likely be closed on first. As soon as we acquire property, there will be a conservation easement placed on the property to passive recreation as discussed prior. Mt. Holly has not before purchased a piece of ground with railroad tracks on it. Mr. Kraus stated our insurance holder is comfortable with this and asked CSX to cover us as a coinsured and we will list CSX as our coinsured as well. Mayor Hough asked if any questions regarding grant agreement for property acquisition. Mr. Michael stated grant has already been approved contingent on this. Both purchase contracts are still being finalized. Mr. Kraus stated once this is executed, the funds are encumbered. until then money is floating around.

Mrs. Hubbard makes **motion** to approve 101005B resolution for clean water management trust fund grant agreement. **Seconded** by Mr. Moore. All in favor.

NEW BUSINESS

NB#1 To Certify the Sufficiency and Call for a Public Hearing on the Annexation of the Hinshaw Property with the City's ETJ. Mr. Michael has received a petition to annex 150 acres of land from Hwy 273 in a westerly direction including back to railroad track. Tonight if council chooses it can pass resolution to investigate petition for annexation to ensure signature of all property owners. If that passes, city manager is in a position to so certify and Council can establish date for public hearing. Mr. Kraus stated the northern property would connect to Gypsum property. Mayor Hough stated this is only for property included in this ETJ – Mr. Kraus stated approximately 20 acres are outside ETJ. Mr. Kraus requested for that area outside of ETJ that it be given R12 requirement. Mayor Hough asked is everyone clear there is an area outside the ETJ being proposed for annexation that was presented prior to September 19th which will be moratorium date if accepted. Zoning has already been approved. Mr. Jackson sated they applied for a PUD – by ordinance that is reviewed by BOA, not requiring review by Council. The land was already zoned R10 and R12 so did not require rezoning – only asking for annexation. Mr. Hope asked about pricing of homes. Mr. Jackson stated from low 200s to mid 300s.

Motion: Mr. Hope **moved** to approve resolution 101005F to investigate petition for annexation, **seconded** by Mr. Helm.
Vote: All in favor. CARRIED.

Mr. Kraus certified that he has investigated petition hereto and it is signed by all owners in accordance to statute.

Motion: Ms. Hubbard **moved** to approve resolution 101005G to call for a Public Hearing on 11-14-05. **Seconded** by Mr. Helms.
Vote: All in favor. CARRIED.

NB#2 To Award Bid for the Construction of Sidewalks on Smith Street. Mr. Kraus stated there are four bids – one bid did not come in with bid bond and therefore is technically not qualified. All four are over the budget. Mr. Hope stated there is nothing to keep us from re-bidding this project and seeing if we can get bid bond on fourth offer. Mr. Helms stated he talked to Mr. Skidmore and stated he did not know it was going up for vote and can offer bid bond if we let him know.

Motion: Mr. Hope **moved** to call for re-bid. **Seconded** by Mr. Helms.
Vote: All in favor. CARRIED.

NB#3 To Consider Proposals for Construction Manager at Risk. Mr. Kraus stated there were three proposals in packet. He stated Norcom is probably not a qualified construction manager at risk in that they are not a general contracting company. Also Norcom listed David Creech as a partner and I spoke with Mr. Creech and he is not a partner on this project. Mr. Kraus stated you select on qualifications and then negotiate price.

Motion: Mrs. Harris **moved** to award proposal to Cox and Scep for this. **Seconded** by Mr. Helms.
Vote: All in favor. CARRIED.

<u>NB#4 To Consider Exception of Donated Property.</u> Moore family wishes to donate three parcels, one on Highland and two on Meeler Street. Mayor Hough stated the lot on Highland is a great place for signage for City to get information to citizens. Mr. Kraus stated possibly in the future we could donate the property to Habitat for Humanity. There is a sewer and water line availability there.

<u>Motion</u>: Mrs. Hubbard **moved** to accept three parcels of land from Moore family, **seconded** by Mrs. Harris.
<u>Vote</u>: All in favor. CARRIED.

<u>NB#5 To Consider Resolution on Medicaid.</u> Resolution attached. Mr. Helms stated this is something we really need to emphasize to General Assembly. Again most states fund Medicaid at state level and not at county level. In a sense this takes away a bulk of Gaston County budget that could go to schools, etc.

<u>Motion:</u> Mr. Helms **moves** to approve resolution 101005H in support of statewide funding of Medicaid, **seconded** by Mrs. Hubbard.
<u>Vote:</u> All in favor. CARRIED.

ROUND TABLE

Mr. Hope - asked how did illumination on sign work out? Kraus apologized he forgot. Visitors Center does not have maps of Mt. Holly, can we provide those? Mr. Kraus answered yes. To squelch a rumor, if anyone asks about City Café – we have nothing to do with inspections etc –it all comes back from the county. .

Mayor Hough - asked when street will be finished on main Street It needs to be done by Christmas Parade. Mr. Kraus stated it is in the contract. Once bricks arrive, it will take a week to finish.

Mr. Jackson stated he had a quick clarification on strategic plan in that we are looking at trying to arrange presentation by the next work session. Mayor Hough asked if land development plan and land usage is not in this plan. Mr. Jackson answered yes. Mr. Kraus stated RFP was written to let them tell us what we need versus us telling them.

Mr. McLean- stated Mr. Kraus mentioned that our November work session comes on election night. Mr. Kraus stated election is on the 8th – it is up to Council. Council reached consensus to have meeting on the 14th. Work session will be on the 1st.

ADJOURN

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

9:07 PM

Clerk

Bryan M. Haugh

Mayor

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jmb