

**CITY COUNCIL
REGULAR MEETING
September 13, 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	David Stevens, 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 Manager David Kraus	Ryan Baker, Fire Inspector
City Attorney Kemp Michael	Megan Hanks, Communication Director

INVOCATION

The invocation was led by Rev. Brian Childers, First Baptist Church.

PLEDGE OF ALLEGIANCE

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

Mayor Hough expressed for himself, the Council, and the citizens of Mount Holly condolences to the family of former Mayor Tommy Belk.

Mayor Hough thanked our new business downtown, Curves, for providing the refreshments tonight.

APPROVAL OF THE AGENDA

The agenda was approved with no changes, upon motion by Councilman Helms, seconded by Councilwoman Harris, with all in favor.

CONSENT AGENDA

Councilman Helms **MOVED** to approve the Consent Agenda with seven (7) items, seconded by Councilman Hope, with all in favor. The items approved were:

CA#1. To Accept and Approve the Minutes. City Council minutes for August 3 and 9, 2004 were approved as written.

CA#2. To Approve Preliminary Plat for Phase III of Dutchman's Meadow. This final 25 lot section is approved as part of the development plan approved in September of 2003.

CA#3. To Approve Supplemental Appropriations of Federal Forfeiture Funds. Federal forfeiture funds are being used to purchase new cell phones for the police department that have real time wireless access to computers at the police department office.

CA#4. To Approve Reappointment of Ernest Stowe, Jr. to the Planning Commission. Council recommends to the County Commissioners that Mr. Stowe be re-appointed to serve another three year term as an outside regular member of the Planning Commission and as an alternate on the Board of Adjustment.

CA#5. To Approve Purchase of Property for ABC Site. The one acre site on NC 273 at the corner of YMCA Drive will be purchased from the owner of the Holiday Inn Express hotel for the sum of \$500,000.

CA#6. To Approve Cross Easement Agreement with Maya Holly LLC. The cross easement with the hotel owner is approved for the ABC site.

CA#7. To Approve Resolution for the Finance Terms for Computer Software.

The new computer software will be obtained by means of a lease purchase through BB&T, and this resolution #09-13-04A authorizes the financing. This was included in the 2004-2005 budget. (copy attached)

PRESENTATIONS

PR#1 Water Pressure Issues

Mr. Toomey has complained of water pressure at his home in Woodlawn Park Subdivision being inadequate. The City crews have found adequate pressure at the road. Mr. Toomey was not present.

PR#2 Recognition for Stormwater Project

Mayor Hough and the Council recognized Mr. Addington, for Scouts, and Ms. Duren, for Ida Rankin safety patrol. They had projects to fulfill and they volunteered to stencil our storm drains in Runnymede SD to notify the public not to put pollutants in the storm drains. Mr. Connell said this was Mr. Addington's Eagle Scout project.

PR#3 Whitewater Presentation

Charlotte Whitewater, Inc. wanted to thank the City for its support.

PR#4 Tractor Trailer Parking

Mrs. Melissa Sherrill, 503 Spring Street. We want to request to be grandfathered for a tractor-trailer vehicle in a residential area. We had already purchased our vehicle two years before the ordinance was passed. If it cannot be grandfathered, are there commercial parking provisions in the city that we could utilize? This is our livelihood. Mayor Hough asked John Hope if he has the information about this matter? He replied, Yes. Mayor Hough said the matter will be reviewed and an answer given to her.

PUBLIC COMMENT

Mr. Barker appeared again and stated he read an article in the paper that said somebody did not have enough money to do what needs to be done. You are probably familiar with QNRC. One thing you said was that in a Subdivision you would probably have the developer put in storm basins; Gastonia does not do that. I have more information to give you that may help you. It is better for people who are in education to stay in education. I imagine you got a thank you from the schools last month? Mayor Hough replied, Yes, we did. Mr. Barker continued by stating that the QNRC has got a grant for a private school, so if you have a school that needs a basin you might use that to get some of the funds to do it with.

Becky Davis, 120 Rainbow Drive. I realize change is happening in this part of the county. The Dutchman Creek development that is being considered now would be a traumatic change to our community. There are too many unanswered questions, such as, traffic on the two lane road; schools already at capacity; fire and police and EMT protection, so that we do not suffer a lesser coverage for existing citizens; evacuations from a nuclear power plant disaster; environmental issues for Dutchman Creek; and what tax increases this will cause. Both in county commission meetings and neighborhood meetings the developers said these things are not their issues; that they are governmental issues to address. Please do not say they are not your issues. I want to relate a short story to you. In college I worked for a commercial real estate developer, and in 1975 they were developing the university area in Charlotte. You know what it looks like now, but back then the planning was not done appropriately and so the county postponed the development so that they got the infrastructure done as it should be along with the development. Even good ideas are not good if it is not the right time for them. Focus on doing the right thing at the right time. Remember you can vote not to approve it; even if it happens later, it does not have to happen now. It would allow time for the state, regional and city to get ready. I want you to be progressive but not irresponsible; be broad based. This idea is an idea whose time has not come. If the developers care they will work to get the right things in place before it is developed.

Mike Davis, 1209 Rainbow Drive. I spoke to Senator Forrester about 4:00 this afternoon, and he thought this meeting was to be at 7:00. He asked me to bring this letter, and present it to you. He is very concerned about the traffic on the roads where the Dutchmans Creek subdivision is planned, since they are all narrow winding country roads. Just last week on Stanley Lucia Road a young man crashed into the guard rail and was killed. This is a common occurrence. Seriously consider the consequences if you allow this development. Please read the questions Sen. Forrester has and keep this development as a study issue until these matters can be resolved.

Mayor Hough stated that the Council is not sure when we will hear this matter at public hearing, next month or after that. The process is that they will apply for

annexation, and we will then set a date for a public hearing which would be at the next meeting after that.

Mr. Davis asked, why are they having meetings in Gaston County still? It appears there are secret meetings going on and zoning is on sale here. Mayor Hough said that we have had no secret meetings, and all our meetings have been public; he reassured him that all matters would be considered carefully.

Mr. Davis reminded Council that this is a land speculator coming in here from Greensboro who does not care about us and will be gone when he gets done.

PUBLIC HEARINGS

PH#1 To Consider Speed Limit Reduction in Riverfront Subdivision

Councilman Helms moved to go into public hearing, seconded by Councilman McLean, and unanimously carried. Mayor Hough recessed the regular meeting and opened the public hearing to consider reducing the speed limit in Riverfront Subdivision.

Mr. Marc Soper, president of Riverfront HOA, restated details given at last month's meeting. There is one sidewalk on one side of the street. Kids are going to play in the street and cross the street and run out into the street. Slowing people down will make a difference in safety.

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

Motion: Councilwoman Harris **MOVED** to approve reducing the speed limit in Riverfront Subdivision to 25 mph, seconded by Councilwoman Hubbard.

Vote: unanimous. CARRIED.

Councilman Helms asked Mr. Soper to caution residents that the police will write citations.

NEW BUSINESS

NB#1 To Consider Radio Read Water Meters.

David Kraus showed Council old meters that have to have a person to stop and read each meter. The new meters have electronic readout so that a wand records it, but we still have to go by it. Then he showed a new meter that has a radio transmitter. Right now it takes two people two weeks to get the meters read (we have about 4,500). With the new ones, one person drives by with a laptop that has an antenna, and one person can read all our meters in one day. With new subdivisions coming, that is, just the ones already on the books, this is going to be critical. Don Price stated that we can retrofit our meters with the radio device at \$60 per meter. A new meter would cost about \$120 to \$130. Mr. Kraus said we are thinking it would be better to switch over now before the

new houses are built so that the developer/contractor pays the cost of the new meter. Councilman Helms asked, do we have the money to do this? Mr. Kraus said staff proposes using capital reserve in the utility fund. Jamie Guffey said we estimate a cost of \$30,000 for the program, laptop, antennae, training, and installation, and 100 new meters. Mr. Price said they are using them in Lincoln County and Cleveland County, and they say they have benefited from them. Councilman Moore asked Mr. Kraus if he believes this will save us having to hire more personnel? Mr. Kraus replied, yes. Danny Jackson stated that there are 480 houses in Kendrick Farms alone. Mr. Kraus reported that our meter readers do a good job reading about 400 meters a day. Mr. Kraus stated that Mr. Eller wants us to upfit the meters in Catawba Heights first because it is hard to walk that area. With these meters, there is no wire to clip. Mayor Hough asked, what type of maintenance plan do they have, and what happens? Mr. Price said it is a one year warranty, then pay maintenance. Mayor Hough asked, how are they powered? Don Price said by battery, with ten to fifteen years use before replacement. Councilman McLean asked, what does the battery cost? Mr. Kraus did not know because they have not had to replace. Mr. Price said the warranty is ten years. Councilman McLean, they will run slower but not faster. Mr. Kraus recommended the City swap out meters on a systematic basis over ten years.

Motion: Councilman McLean **MOVED** to authorize the supplemental appropriation from capital reserve of \$30,000 to purchase signal receiving equipment, and to require all new subdivisions to purchase and install only city specified radio read water meters, seconded by Councilwoman Harris.

Vote: Unanimous. CARRIED.

NB#2 To Consider Position Changes

Chief Hoyle stated that the police department's IT issues have been under discussion for some time. Department heads have looked at our IT contract. Currently, we pay \$35,000 for IT support. We want to approve an IT position and hire that person as staff, which would give us 40 hours a week instead of 40 hours per month coverage for same cost. Our current contractor has 37 clients. With the things we have coming up, I need IT support at least 10 hours a week, and it is impossible to get that type of attention. Mayor Hough asked, have you considered placement in that position by using firms with temps so that they pay the benefit costs. Chief Hoyle said what he hopes he can do is get network administration, software, hardware, and pc support so that we can do proactive as well as repair and reactive work. Councilwoman Harris agreed with the Chief; it seems every time we get a company that will take care of us, then they move on to other things. Mrs. Harris said her e-mail has been down for over a month. She thinks we should let him look into it and see what we can find. Chief Hoyle said he had spoken with Stanley and Belmont to see if we needed to we could contract out this persons services to them as well, to help with the cost. Chief Hoyle said our e-mail and web service is paid separately than our IT support. That technology is really cheap and what we are paying for is someone to maintain that, but one staff person could handle that as well.

City Manager David Kraus said the second staff position to be discussed has been discussed by all department heads. Councilman Helms has mentioned this before also. We need someone out in the field every day watching the developments. We had a problem with the meter vaults in Kendrick Farms. All our personnel are working on their jobs. We have six subdivisions on the books now that are being built. Shane Gill filled a code enforcement position, and we want to upgrade that position and add construction background to the requirement so that the cost would not be totally new but actually is an upgrade of an existing position. Councilman Helms said he feels this would prevent a lot of problems if we had someone out there every day, such as erosion and other things. Mayor Hough asked if this affects stormwater, are there grant funds that could be used to help pay for this position? Mr. Price said, not that I am aware of. Councilman Helms said we talked about new development, but the employee could enforce things on our side of Mountain Island Lake, such as buffers. Mr. Kraus said they would be familiar with who is out there working in those new subdivisions and can be sure they have privilege licenses which means paying the license fee.

Motion: Councilwoman Hubbard **MOVED** to upgrade the vacant Code Enforcement position to Development Inspector, and to authorize the police chief to hire a computer technician for \$30,000 to \$35,000, seconded by Councilman Helms.

Vote: unanimous. CARRIED.

UNFINISHED BUSINESS

UFB#1 To Consider Possible Annexations

City Attorney Michael said the City has received a voluntary annexation petition by Kelly Mahaffey and her husband, Larry. This property would make the Charles Rhyne property annexation contiguous to the City. We have examined the ownership and found that the proper persons have signed the petition. The map also shows the utility easement for the utilities that will be installed to the Charles Rhyne property by the developer.

Motion: Councilwoman Hubbard **MOVED** to adopt Resolution #09-13-04B to call for the clerk to investigate the petition, seconded by Councilman McLean.

Vote: Unanimous. CARRIED.

City Manager David Kraus read the Certificate of Sufficiency.

Motion: Councilwoman Hubbard **MOVED** to adopt Res. #09-13-04C setting the public hearing on October 11, 2004, to consider the annexation of the Mahaffey property, seconded by Councilwoman Harris.

Vote: Unanimous. CARRIED.

City Attorney Michael gave an update on the Charles Rhyne property annexation. Don Price has engineering estimates from the developer, so we can

now complete the annexation agreement, and hopefully at the next meeting Council can vote on the annexation.

UFB#2 To Consider Changes to Water and Sewer Rates

City Manager Kraus said that, as discussed at budget time, we will raise water and sewer rates in November, and so we have to put the numbers in the computer before can bill that, so bringing to you now. Don Price stated that he is asking that rates be increased. The minimum bill for both will rise from \$8.10 to \$9.80, including the sewer rehab charge. Rate comparisons show that Mount Holly is still the lowest in the county and is lower than Charlotte Mecklenburg. Councilwoman Hubbard asked why the rate comparison chart uses 7,000 gallons? Mr. Price said, that was an arbitrary figure so that we could make the comparisons. Councilman McLean asked, the minimum for us is on 2,000 gallons still? Yes. Mrs. Hubbard said, last month when we did the stormwater fee, there was talk that if the money was not going to be enough, you said you would let us know this month; do you have the calculation yet? Mr. Price said staff is working on it but is not finished yet. Mayor Hough asked, if we reach an agreement with Stanley, would that change this? Mr. Price replied, you would still need an increase, but not as much. We lost Creative Dye, and our residents have been conservative because we had rain, so they are not irrigating. The industries have been more conservative as well. Mayor Hough asked, if we adopt this now and then we get the contract with Stanley, would that mess you up? Mr. Kraus said there would be one month with the higher rates, then the next month it would go down to the decreased amount, but the Council can adopt rates at any time it wishes. There is a 30 day turnaround to get it in the system. Councilman McLean felt that would be too confusing and wanted to wait. Mayor Hough asked, how much revenue would we lose if we wait a month? Jamie Guffey estimated \$38,000 to \$40,000. Councilman Helms stated we are getting less use from the industries. Can we increase the rates to commercial outside users instead of inside customers to bear the biggest burden? Jamie Guffey said that can be done, but we have not run that scenario. Also he needs to check on that because there is a state regulation on outside rates which may prohibit more than two times your inside rate for outside users. Mayor Hough asked, what is last date we can tell you? Mr. Guffey said we have to enter the rates into the system before the meters start being read. Councilman Helms said he saw variations on the proposed Stanley contract which might cause a big change in these calculations presented tonight. Mr. Guffey said the \$90,000 is excess you might get from the new contract, but we are not sure until we are finished with negotiations. Mr. Kraus said that the rates you adopt will affect Stanley as well.

Mayor Hough asked what Council wishes. Councilman Hope said he wants answers to these questions even if we have to have a special meeting. Mayor Hough said we will do our best to meet the deadline so that the rate change will be effective on the November billing as planned. The current proposal is to set

residential inside rates at \$2.55 water and \$2.03 sewer per thousand gallons with a minimum bill of \$9.80.

Councilwoman Hubbard said that in the agenda packet was a memo from Davis and Haas, and would we be discussing that tonight? Mr. Kraus said that would be next month.

UFB#3 To Approve East Gaston Water Line Contract

City Attorney Michael said that Mayor Hough was successful in getting the county commissioners to approve the requested changes by this council; this addresses the concerns you had and I believe this is what you wanted. City Manager Kraus said he had talked to Mr. Winters and they are willing for us to finance the fees and the taps but that is not in this agreement. Mr. Michael said the Exhibit A needs to adopt the amendment including the golf course property.

Motion: Councilwoman Hubbard **MOVED** to adopt the contract with the county for the East Gaston Water Line with amendment A and Exhibit A, seconded by Councilman McLean.

Vote: Unanimous. CARRIED.

CLOSED SESSION

Councilman Helms moved to go into closed session for the purpose of discussing attorney client matters, seconded by Councilman Moore, with all in favor.

Councilman Harris moved to return to open session, seconded by Councilman Moore, with all in favor.

The Council will not have its retreat on October 22, and will reschedule for later; a new date will be discussed at the next work session.

ROUND TABLE

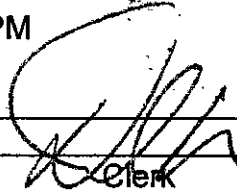
Councilwoman Harris said that all plans are set for tomorrow for the bridge naming ceremony. She said Mike Santmire has done a fantastic job. All speakers need to be there at 15 'til 10. There will be a section for council and families to sit in. City Manager Kraus said the county police will be there at 9:30 AM as guests. We are not putting tents up unless we have to. Mayor Hough thanked everyone for their hard work in getting this planned. Councilwoman Harris thanked the city staff for the program prepared. She said if you tell Mike Santmire to get something done, he does it, no problem.

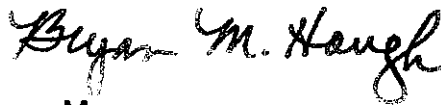
Councilman Moore asked if we have a new tax collector yet. Mr. Kraus said they have taken applications. Jamie Guffey said they have four applications.

ADJOURN

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

7:45 PM



Clerk

Mayor

cpm