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

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

Staff: Ed Munn, Interim 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, Ray Clemmer, Stormwater Coordinator

CALL TO ORDER BY THE MAYOR

Mayor Whitt called the meeting to order at 6:30 pm. Councilperson Harris stated that Councilperson Hubbard was running late but would be here shortly.

INVOCATION

Councilman McLean led the Council and staff members in prayer.

SET THE AGENDA

Mayor Whitt asked if there were any additions or changes to the agenda. Mr. Munn stated that there will be two changes. One change involves the Alive after 5 events. The other change is that the CB Richard Ellis Group, Item 1 on the agenda, will not be making a presentation tonight because they could not get all their group together for this meeting.

Mayor Whitt asked Councilperson Harris where she would like to place the Alive after 5 discussion on the Agenda and she said that it be placed before the Council Roundtable. There was no objection.

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

AGENDA

1. Presentation regarding sale of surplus property and leased space at the Citizens Center, presented by Ms. Edna Chirico, Sperry Van Ness

Ms. Edna Chirico of Sperry Van Ness began her presentation by stating that Mt. Holly has some wonderful opportunities in real estate and a few challenges with regards to the real estate market.

The Mount Holly Proposal of Sperry Van Ness outlines the following four investment properties:

1. Retail Outparcel – 1.44 acres along Highway 273
2. City Hall on Main Street
3. Police Station on Charlotte Avenue
4. The Citizen's Center on Central Avenue

Ms. Chirico stated that the close proximity with the city of Charlotte allows for opportunity for commercial development in our area. One of the difficulties for Mt. Holly is the lack of a catalyst such as a grocery store or other larger space to draw people into the downtown. There is small retail and some office demand in Mt. Holly with low lease rates of about $10 per sq. foot. Lease rates are starting to build in other areas such as in Belmont with $16 per sq. foot. She cautioned that $20 per sq. foot will encourage new construction and that is a target for this area over the next 4 years.

Ms. Chirico stated that her real estate company merged with Sperry Van Ness which is the fifth largest company in commercial realty sales nationwide. She outlined their marketing package and some of the highlights include the following:

- creating a website for properties
- priority listing with alerts
- national downloads into private large listing services
- commercial property information exchange within a 11-13 county area with 1000 brokers
- Email blasts.

Ms. Chirico stated that the strategy that she would use for Mt. Holly is the income approach using square footage at around $10 a sq. ft. As an example, Mt. Holly City Hall has a total of 6,664 sq. ft. and if the first floor was rented out for $10 a square foot and the second floor was rented out at $6 a square foot, an investor should envision income of $53,000 per year. She suggested listing the City Hall building for $395,000.

For the Police Station Building, Ms. Chirico felt that the list price should be $495,000. It has plenty of parking available but the building is not as aesthetically pleasing.

Ms. Chirico pointed out that on that the Highway 273 Retail Outparcel could be used for a fast food restaurant, a convenience store, or a medical office and could be listed at $795,000.

Councilperson Hubbard arrived at 6:45 pm

Ms. Chirico stated that at the new Citizens Center, $14 per square foot would be a realistic leasable rate. The leasable space could be used for small retailers, sit down restaurants, and there is adequate parking and effective signage.

If Sperry Van Ness is chosen by Mt. Holly to represent them, Ms. Chirico stated that she will report back to council on a monthly basis either by written report or in a public session on the status of each property.

Ms. Chirico stated that Sperry Van Ness' fee is 6% at closing. There is a Standard Listing Agreement under tab 4 of the proposal.

Mayor Whitt asked what was the minimal amount of time required for effective listing with Sperry Van Ness. Ms. Chirico suggested 6 months minimum, up to a year.

Mayor Whitt thanked Ms. Chirico for her presentation.

2. Presentation of ABC Board Contract, presented by Police Chief David Belk

Chief David Belk stated that the ABC Board contacted him about a contract with the city of Mt. Holly Police Department for enforcing Chapter 18B regulations. This contract deals with ABC enforcement by the city of established businesses that sell alcohol. The city would receive a fee of 5% of adjusted ABC profits payable on a quarterly basis. This would allow a city police officer to patrol any establishment "behind the bar" that sells alcohol other than ABC stores.

Mr. Michael stated that the 5% fee is for law enforcement service. Mr. Munn added that this is an adjusted number and will change as the fund balance is built up. He said that this contract will clarify who will do the ABC enforcement here in Mt. Holly.

Mr. Guffey stated that cities use these funds for police, drug enforcement programs, and these funds free the general fund for other expenditures. Councilman Moore stated that these funds could be used for police building improvements and can also be used for alcohol education programs. Mr. Michael stated that he saw a little problem with the contract and it was similar to the city of Gastonia contract.

Mayor Whitt asked what action did Council wish to take on this item tonight?

Motion: Councilperson Hubbard made a motion to approve the ABC Board Contract with the city of Mt. Holly for enforcing Chapter 18B regulations as presented. Councilperson Harris seconded the motion and the motion was approved unanimously.

Mayor Whitt welcomed Ms. Brooke Sheppard, native of Mt. Holly, an East Gaston graduate, and a Carolina graduate who passed the bar and is working with Mr. Michael.

3. Presentation of Draft Greenway Report, presented by Scott Griffin, FROGS, Mt. Holly Community Development Foundation

Mr. Griffin stated that the FROGS – Friends of Greenways - have been appointed by the Foundation and the Mayor to establish Greenways and Trails for the city of Mt. Holly.

Mr. Griffin stated that there will be a Greenway Work Session meeting on September 13, 2007, at Rankin School in Mt. Holly, starting at 6:30 pm. There has been advertising for this meeting with hopes for a large turnout. Mr. Griffin invited City Council and the Mayor to attend.

Mr. Griffin verified for Council and the Mayor the correct information versus what had been published incorrectly by the news. In his meeting with Chuck Flink, Greenway, Inc. President, it was discussed that the city must put capital money into the greenway system but this has already been done. The city has already purchased the property for the greenway as well as provided the Tuck Park trail and Linear Park for the greenway system – the city has already done its due diligence for the greenway and no new monies are needed. The Foundation is performing its part with grant writing and enlisting private and public support.

Mr. Griffin briefly mentioned the report done for the greenways by Chuck Flink. The report is laid out according to what must be done, what jobs need to be done, the roles and responsibilities of the participants, and the sectors of construction. He talked about a Sustainability Committee comprised of the Foundation and the city of Mt. Holly as the two main players in this Committee. Mr. Griffin talked about the 2nd Executive Summary and how both Duke Power and Clariant Corporation were very impressed with it.

Mr. Griffin stated that Chuck Flink's deadline for the Greenway Report for the Foundation is October 15, 2007. It was the consensus of Council and the Mayor that they should see the report first before public viewing and that a meeting should be set up for the benefit of the Council, the Mayor, the new city Manager, the Foundation, and the FROGS to see the final draft presented by Chuck Flink. November 15, 2007 would be the latest date for this meeting.

Mayor Whitt thanked Mr. Griffin for his report.

4. Greenways Easement Update, presented by Ed Munn, Interim City Manager

Mr. Munn stated that Bob Suttonfield met with officers from Clariant Corp. and they were very impressed with the quality of greenway plan and the work that has been done. Because Clariant is a chemical plant, there are Homeland Security issues that must be considered. The greenway trail must be placed at a proper distance from their plant. Chuck Flink's proposal is for the greenway to go up to the property line of Clariant and Duke Power and that is satisfactory with Clariant. To get to the Citizens' Center, the greenway trail can go along the east side of P&N railroad and its right of way. Mr. Munn added that Clariant is amenable to granting the greenway easements and a representative from Clariant will be present at the September 13, 2007 meeting.

Mr. Munn stated that he and staff met with Duke Power to discuss the critical piece of property that is situated between A&E and Clariant. Tim Gause from Duke Power was favorably impressed with the report and would send out the draft proposal to the various interested parties at Duke Power. Mr. Gause was also cautious because he is part of a larger organization where there can be other issues to overcome. Mr. Griffin added that Duke Power's Ruth Shaw, head of the Carolina Thread Trail, was impressed with the draft proposal as well. Mr. Munn stated that the 50 foot width of the greenway along the river that Duke Power already regulates was discussed at the meeting.

Mr. Munn stated that he and staff met with American and Efird (A&E). Their property ties in with Tuck Park and they are favorable to a grant easement with the addition of an 8 foot fence being installed.

A&E's only concern is that they wish to extend their wastewater agreement with the city which expires in 2009. Mr. Munn stated that that would amount to a $450,000 a year difference to the city. The situation is not just the granting of an easement agreement but it involves the wastewater agreement. Mr. Munn advised that the city needs to decouple from this. Mayor Whitt stated that we need to move forward with our easement without any change in rates. Mr. Munn stated that A&E unfortunately keeps bringing this matter up at meetings. Mayor Whitt hoped that they will be good citizens and proceed with the easement without further discussion at this time. Councilperson Harris agreed and she felt that the rates are mudding the water now. In the initial contacts with A&E, they were in favor of the greenway coming through their property. Councilman Bishop stated that the wastewater treatment facility is still being considered for the future and no decision has been made at this time. Councilman Hope stated that the wastewater agreement should not be on the same table in this easement. Councilperson Hubbard agreed.

Mr. Griffin stated that the Foundation and Chuck Flink will be happy to meet with A&E and let them know the critical stage we are in regarding the development of the greenway and that we need to move forward. Mr. Munn stated that he will contact A&E to set up a meeting.

5. Stormwater Fees and Stormwater Program/Budget as continued from the August meeting, presented by Ray Clemmer, Stormwater Coordinator

Mayor Whitt asked Mr. Michael to share some information. Mr. Michael stated that he was instructed by Council to look into what the city is required to do with Phase II Stormwater. He said that he read drafts, attended stormwater meetings, studied the county ordinance and the state model draft ordinance and conferred with Richard Whisnant, professor at the Institute of Government and Bill Diuguid of the North Carolina Division of Water Quality. From the information he obtained, he sent a memo to Council on August 28, 2007 and today is submitting another memo for their review. His findings show that all of Mt. Holly city limits is located in the water supply-watershed and is therefore covered by the existing ordinance Mt. Holly has had in place for years. The city doesn't have to do anything at all regarding the implementation of Phase II Stormwater other than possibly upgrading our Watershed Ordinances to be certain that Council is satisfied with their requirements for new subdivisions. We still will have a stormwater fee for education, construction for stormwater management and for treatment of certain areas.

Mr. Munn stated that David Freeman of Gaston County wanted Mt. Holly to be on board with a stormwater ordinance but we already have our own set of regulations. He added that the state of North Carolina is working on a universal stormwater ordinance.

Councilperson Harris asked what got us going in this direction? Mr. Clemmer stated it was the federal government's desire for a strict government regulation for environmental purposes. Mayor Whitt stated that the federal government gave the city this mandate and the city and the Stormwater Committee worked on this. It took a long time but a lot of questions have now been answered. Mr. Clemmer added that the city just needs to police itself. The stormwater fees are a separate issue. Mayor Whitt stated that collected stormwater fees are for the stormwater program and stormwater education and not for pre and post construction.

Mr. Munn stated that it should be our goal to keep the administrative aspect of stormwater as small as possible, keep the fees as low as possible, keep fees mainly in projects, and possibly we could draw back our workforce by a half in stormwater. For Mr. Clemmer, his responsibilities would be half in water and sewer and half in stormwater and he is certified in backflow.

A brief discussion ensued about stormwater fees and Option 5 in the budget where schools and churches would be charged a stormwater fee and the residential fee is $2.50. A business such as Freightliner would be charge $345.77 a month for Option 5. The City Café would be $35.00 a month. The Wesleyan Church would be $45.00 a month. A&E would be charged $395.00 a month.

Councilperson Harris stated that businesses should pay more stormwater fees and people with large driveways should also pay a higher fee. Mayor Whitt hoped that the residential fee would be lowered.

Mayor called for a five minute break.

Mayor Whitt asked Mr. Clemmer what are some examples of discounts business could employ to keep their stormwater fees down? Mr. Clemmer suggested a 10 foot wide, 3 foot long rain garden which would provide savings up to 50%. Food Lion has drop boxes in their parking lot that filter and provide a savings of 25%

Mayor Whitt asked Council what action are they considering tonight? Mr. Munn stated that Option 1 is our current condition as approved by Council but not implemented. Mr. Guffey added that if any fee changes are voted on tonight, the city must have a public hearing on the fee changes.

Motion: Councilman Hope made a motion to approve Option 5, to reduce to residents' fees from $2.50 to $2.00 a month, and to call for a Public Hearing on the new proposed residential fee. Councilperson Hubbard seconded the motion.

Mr. Munn stated that a budget amendment is needed for Council to approve from this action.

Mayor Whitt stated that we have a motion and a second. He asked for a show of hands from Council. Councilman Hope, Councilperson Harris, Councilperson Hubbard and Councilman McLean approved that motion as presented. Councilman Moore and Councilman Bishop opposed the motion. There was a majority consensus and the motion passed.

Mayor Whitt expressed his appreciation to Mr. Clemmer for his hard work on Stormwater issues.

7. Water and Sewer Matters

CMUD Environmental Study, presented by Councilman Bishop, Utilities Committee Chairman

Councilman Bishop stated that there is really nothing more to add to this discussion at this time as options have been already been discussed. Mayor thanked Mr. Bishop for attending the many meetings that have taken place over the course of the month.

Mr. Friday stated that the city has the options of expanding our plant or having Belmont provide some services.

Water Conservation Efforts, presented by Mr. Munn, Interim City Manager

Mr. Munn stated that we have a Water Conservancy Agreement with other cities with different stages of voluntary conservation to mandatory conservation. In the agenda there is a draft ordinance known as a Water Shortage Declaration for council to review. At this time, the city is being asked to cut back 10%. He pointed out the Water Shortage Management Plan which outlines essential water uses, community business water uses, and discretionary water uses.

Mayor Whitt stated that this Water Conservation Ordinance and the Water Shortage Management Plan will be on the consent agenda for the Council meeting on September 10, 2007. Councilman McLean and Moore agreed that this is a very important issue and the plan should have been adopted already. Mr. Michael advised Council that at the meeting, if Council chooses to adopt the ordinance and plan, they will have to rescind the original ordinance.

Status of Proposed Overhead Water Storage Tank, presented by James Friday, Utilities Director

Mr. Friday stated that the city is looking at a 1 to 1.5 million capacity Water Storage Tank as well as the area where it will be located. The city will need right of way, an easement for a drip line while construction is going on, a lay down yard, and a chain link fence installed.

Mr. Michael stated that this matter can be discussed in closed session.

8. Citizen's Center Status Report, presented by Councilman Hope

Councilman Hope wanted Council to know that there are contingencies of $125,000 on our side and the $125,000 on the contactor side with a total of $250,000. Over the course of months we had to use some of the contingency fund for carpet, guttering and other items and we will have to use more. At this time, there is $103,000 in our contingency fund.

He wanted Council to know that the north wall that is stuccoed where the Grand Hall is located will have to be redone. A soil test was done on the east side of the building and the results were poor soil and this affects the brick wall in this location. Councilman Hope stated that the Construction Committee may have to come back for more funds.

Regarding Wallboard, it looks like we will be able to save $18,000 with National Gypsum and this amount can go back into the Contingency Fund.

Councilman Hope stated that all timbers will have been removed per the contractors request and they can be sold.

At the Construction Committee meeting today, it was decided to invite the Archives Committee to come on site to see a possible storage room that might meet their needs. Mayor Whitt asked Mr. Munn to get in touch with Archives Committee to set up a meeting with Construction Committee regarding the archives storage. Councilman Hope stated that perhaps they would like to meet at the Construction Committee regular scheduled meeting in two weeks.

Mayor Whitt requested from Mr. Guffey a list of what we will need money for in the near future and he would also like to see what has been spent so far.

Councilman Hope stated that February 15, 2008 is the completion date of the project.

9.Streetscape:

Dedication Plans, presented by Phyllis Harris, Special Events Chairperson

Councilperson Harris stated that everything is ready for the Streetscape Dedication on Saturday, September 22, 2007 at 10:00 am. Councilperson Hubbard made arrangement for the National Anthem. Mayor Whitt will do the welcome. Bobby Black will speak first, then Brian Huff will speak, and then any Council members who wish may speak. It will be a very simple but effective ceremony.

Contract Closeout, presented by Danny Jackson, Assistant City Manager

Mr. Jackson stated that WK Dickson has completed the Streetscape project except for 3 items which will be taken care of shortly. Their engineer stated that the final payment can be released and as well as the contingencies. Mr. Munn believed that for all intents and purposes WK Dickson has finished their work.

Motion: Councilman Hope made a motion to close out the Streetscape, Phase I, and to close out documents. Councilman McLean seconded the motion and the motion passed unanimously.

10. Whitewater Park Update, presented by Ed Munn, Interim City Manager

Mr. Munn stated that he met with Mr. Wise of the Whitewater Park. The Park had a strong July. Mr. Munn stated that we haven't seen August numbers yet. They will be projecting a loss for this year. Audited numbers will be provided to us after October. At this point, the estimate would be 2/3 of $142,000 as their projection which would range from $83,000 to $85,000.

Councilperson Harris was concerned that there were no reports provided to Council. Mr. Munn stated that Mr. Wise apologized to him for this. Mayor Whitt was concerned that the city is a partner in this endeavor and just receives piecemeal information from time to time. Mr. Munn stated that the bulk of the Whitewater problems were with costs on the front end with the road and the delay of opening the center. Mayor Whitt remembered that their attendance projections were huge. Mr. Munn said that they performed better in restaurant revenue versus park revenue.

There were problems with signage, lack of guides, small boats and it was hoped that these problems would soon be remedied.

11. Youth Curfew Discussion, presented by Police Chief, David Belk

Chief Belk stated that the Mr. Munn asked him to look into a proposed curfew ordinance aimed at the protection of general public, parental responsibility, and the protection of youth. There are constitutional exceptions for youths regarding curfews such as a family emergency, an employment activity, they were on a sidewalk by their house, they attended an activity and were supervised by adult, they were accompanied by parent or adult, they were on an errand sent by their parent, or they were traveling on the interstate.

Chief Belk stated that there have been 115 arrests in the past 5 years and we are fortunate not to have overwhelming juvenile crime. Presently, our police officers have the ability to stop a juvenile late at night and to contact their parents.

No action was necessary at this time.

12. Roundtable Discussions
Mayor Whitt asked Council if they were interested in talking with other realtors? It was the consensus of Council to hear other presentations from other firms. Councilperson Hubbard suggested that CB Richard Ellis may wish to do a presentation on Monday's Council meeting since they could not do it tonight.

Councilperson Harris was told by Mayor Whitt that he received a telephone from Bobby Black and Todd Vandermeed about their sponsorship of the next Alive after 5 event and they felt they were not getting much publicity. Councilperson Harris stated that she talked to Bobby Black on Friday and this was never an issue. She wondered what other kind of publicity would they want. She placed free notices of the event in many publications and also on shag beach websites. It was the consensus of Council that Councilperson Harris did everything she could to publicize this event. Councilperson Harris asked for directions from Council if they wished to spend money on ads. Councilmen Bishop, Moore, and Hope wished no money to be spent on ads and offered their support to Councilperson Harris. Councilperson Hubbard felt that Councilperson Harris did all that was necessary.

Councilperson Hubbard suggested taking out a full page ad in the next Mt. Holly newsletter with Councilperson Harris writing a corporate thank you to all who sponsored or contributed to the Alive after 5 events. This newsletter goes out to all our city utility customers.

Councilperson Harris stated that she is very grateful to everyone who has contributed time and sponsorship to this event and she was very grateful to Bobby Black and Todd Vandermeed for their efforts as well. She was just surprised that she didn't know anything about this problem – everyone knew before she did and she is the Chairperson of this Committee.

Councilperson Harris asked Mayor Whitt to write a letter to Donny Hicks, Gaston Economic Development Director, complaining about not receiving a donation for the Alive after 5 event.

Councilperson Harris stated that she asked for a donation from the EDC such as the one given to Belmont and she was told that since Alive after 5 was not a new activity and it was not the first event that Mt. Holly could not receive this donation. Mayor Whitt stated that he would write the letter.

Mayor Whitt introduced Mr. Majo, the newest member of the Stormwater Committee. He is originally from New York.

Councilperson Hubbard stated that on Tuesday night, September 11, 2007, at the Grace Baptist Church, there will be a Patriotic Service and Bar-B-Q Supper from 5:00 pm until 7:00 pm and the program will be at 7:00 pm.

Councilman Hope wished to have staff compose a letter of congratulations to Appalachian State University for their win against Michigan State University and present it at the Council meeting on September 10, 2007.

Councilman McLean stated that toward the Tuck Center by Eckerd Drug store there are some trees that are in need of maintenance.

Councilman Mr. Lean wished for Councilperson Hubbard to chair the Public Safety Committee.

Councilman Moore stated that at Craig Street there is overgrown grass by stop sign.

Mr. Munn asked if Council was interested in offering a day off to an employee as a prize won in a pool for contributing to the United Way. Many business and other government agencies offer that incentive to their employees. It was the consensus of Council and the Mayor that there was no interest in that incentive.

Mr. Munn stated that when the new city manager begins his duties on September 17, 2007, he will not be here but offered to help minimally in the transition period as needed.

13. Adjourn

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

The meeting adjourned at 9:45 pm.

Robert Whitt
Mayor

Ed Munn
Interim City Manager