Regular Meeting
City Council
August 10, 1992

The regular meeting was called to order by Mayor Charles B. Black, Jr. at 7:30 P.M. at City Hall, 131 South Main Street, in Mount Holly, North Carolina, the regular place of meeting. Those present were Councilwomen Lib Nichols and Phyllis Harris, Councilmen Archie Small, Bob Jessen, and Jim Hope, as well as Director of Public Works Eddie Nichols, Zoning Administrator Gary Roberts, City Manager Phil Ponder, Police Chief Jerry Bishop, and City Attorney Kemp Michael. Mayor Pro-Tem Little was absent due to illness.

The invocation was led by Rev. Jeremiah Robinson, Sr., who was accompanied by his wife.

The minutes of June 29 and July 13, 1992, were approved with the following corrections, upon MOTION by Councilman Jessen, seconded by Councilwoman Nichols, carried with five ayes: June 29, page 1, par. 3: insert "Vance Furr, Special Agent, S.B.I."

City Manager Phil Ponder reported that the Recreation Commission has met and does not recommend any changes in the proposed Parks and Recreation Ordinance. Mr. Ponder said that sections 21-21 and 21-22 may be deleted as the Council's wishes. Police Chief Bishop had reviewed it as well and approved it with a suggestion that the curfew be from "dusk to dawn" rather that "9 P.M. to 8 A.M." After discussion, Councilman Jessen MOVED to approve the new Parks and Recreation Ordinance as presented except that sections 21-21 and 21-26 be deleted, effectively immediately, which motion was seconded by Councilman Hope, and carried with five ayes.

City Manager Ponder reviewed the current proposals for employee medical insurance with Council. He had compiled a comparison chart which had been sent earlier for Council's prior review. The budget allows $125.00 per employee, but the current increase by Blue Cross Blue Shield would require $135.00 per employee. Mayor Black asked Gene Hendrix if the premiums will be lower next year after the volunteer firemen go off the City's coverage; he said it would, and stated that the volunteer firemen who go onto COBRA would pay their own premium as well. Mayor Black noted for the record that the volunteers would still have workmen's compensation coverage, and most have other hospitalization coverage. Councilman Jessen noted that a major difference in cost is the prescription card, and he inquired as to how much use the employees have for it. Mr. Ponder said it is an expensive feature of the insurance and thankfully only a few employees ever use their hospitalization insurance in any form; it allows them to pay $5.00 or $6.00 per prescription. Councilman Small said he prefers the PPO arrangement. Mr. Hendrix said that the PPO provides a preferred list of doctors and hospitals from which the employees may choose medical service and they would get standard benefits; if they use others, the benefits drop; in an emergency, they can go anywhere and get regular benefits. He stated that at this time, Duke University and Bowman Gray are not presently in the PPO network. City Manager Ponder recommended Choice #5, which was with BCBS, $500 deductible, 80%/$10,000, with a drug card, at a cost of $123.02 per employee; he stated that he prefers the PPO, but it cannot be implemented quickly enough. Councilman Hope asked if Mr. Ponder had received quotes from agents other than Mr. Hendrix; he had not, and stated that Mr. Hendrix has been the City's agent for years, and that he himself is familiar with insurance and premiums from his experience in prior employment. Mayor Black asked how many insurance companies were contacted for quotations; Mr. Hendrix said he contacted 18 companies. Councilman Small said he would like to see the premiums deducted from the employee's gross pay before taxes to save them money; Mr. Ponder said he has intentions of beginning that procedure in January since they prefer a calendar year with that method. Councilman Small MOVED to accept proposal number 5 with BCBS as presented for employee medical insurance, seconded by Councilman Jessen. Councilman Hope asked the City Manager if he is totally comfortable with proposal number five. Mr. Ponder replied that he would like to keep the same coverage the City had, but it cannot be done and stay in budget; he stated he would like to see a change to the PPO perhaps by the next fiscal year. The motion carried with five ayes.

City Manager Ponder reported to Council that several options regarding commercial garbage collection have been reviewed by himself, Eddie Nichols, and the Committee of Councilman Small and Councilwoman Harris. They found no good answer, but stated that a $9.00 per business charge for those businesses currently without dumpster service would cover the City's cost for four large dumpsters, one in each quadrant, and initiate the purchase of roll-out carts. To attempt to obtain an accurate list, every business in the City would have to be investigated regarding their current garbage collection practices. Another problem is who will own the dumpsters; the City would have to get easements if it owns them. Mr. Ponder saw no way to end the illegal use of the dumpsters and felt that would increase. Councilman Hope stated that if the City does this for downtown businesses it should do it for all businesses to be fair. Councilwoman Nichols MOVED to adopt the committee's plan and to provide 90 gallon containers for those not able to use the dumpsters, seconded by Councilwoman Harris, and carried with five ayes.

Councilman Small stated that he would like Mr. Goldstein to be refunded the $600.00 extra he paid for his dumpster because others used it. City Manager Ponder said the City has refunded to the two businesses who paid the City in error, and they should now in turn pay Mr. Goldstein what they owe him for using his dumpster. Councilman Jessen and Councilwoman Nichols agreed. Councilman Small MOVED that the City refund $600.00 to Mr. Goldstein, seconded by Councilwoman Harris; the motion failed with a vote of two ayes and three nays (Jessen, Nichols, and Hope).

The Resolution to Support Resident Initiatives Program, #8-10-92(a) (copy attached), was adopted as presented, upon MOTION by Councilman Jessen, seconded by Councilman Hope and carried with five ayes.

The Resolution Approving the Public Housing Management Assessment Program Certificate for Fiscal Year Ending 6/30/92, was adopted as presented, upon MOTION by Councilman Jessen, seconded by Councilman Small, carried by a vote of five ayes, and is identified as #8-10-92(b) (copy attached).

Mr. Merlin Brown was recognized. He stated he has contacted the Attorney General of North Carolina and was told that G. S. 160A-16 governs cities and the City has the duty of equal service to consumers within the city limits in furnishing water as they do to outsiders. He said the extension up Old Hickory Grove Road was run for a profit and it is a spot annexation that does not count as an extension of the City limits. He also said the County is owed money unless the water tank is built because of a contract the City signed when the line was run up to Freightliner and it must be paid unless the City gets the water lines and tank built right away. The information was taken under advisement.

City Manager Ponder discussed a budget amendment with Council regarding the bridge construction at Rankin Avenue. Invoices in the amount of $26,000 need to be paid by the City, and $120,000 is to be received from the State; both were omitted from the budget in error. Councilwoman Nichols asked what had been decided about lowering the rails so that small cars can see when they are turning off Hawthorne. Eddie Nichols said City staff and the contractor have looked at it, and the rails of the bridge itself obstruct the view partially, so removing the rails will not solve the problem. Councilman Hope said the rails are there for safety and the bridge is built to DOT standards and specifications. Councilman Jessen MOVED to approve the proposed budget amendments, namely: Decrease Account #100-560-5-945.00 in the amount of $26,000; Decrease Account #100-000-4-348.01 in the amount of $120,000; Increase Account #100-000-4-100.00 in the amount of $94,000. This motion was seconded by Councilman Hope and carried with five ayes.

The Planning Commission has recommended that a public hearing be set to amend the B-1, B-2, B-3, and B-4 zones to permit Civic, Social Service, and Fraternal facilities. Councilman Nichols MOVED to set a public hearing to consider that proposal at the September 14, 1992, regular meeting, seconded by Councilman Jessen, and carried with five ayes.

The Planning Commission also recommended that a public hearing be set to amend the zoning ordinance to delete the existing R-6 zone, to establish a new R-8 Single Family Residential District, and to amend the current R-8 Multi Family, the R-8 Mobile Home Park, and the Office District zones, as indicated in the memo distributed to the Council with the agenda. Councilman Small MOVED to set the public hearing for consideration of the said amendments to the zoning ordinance for the September 14, 1992, regular meeting; seconded by Councilman Jessen, carried with five ayes.

The Planning Commission recommended as well that a public hearing be set to consider establishing an R-20 Single Family zone for the 29.5 acre Pinewood School tract which was recently annexed. A public hearing was set for consideration of this matter upon MOTION by Councilman Jessen, seconded by Councilwoman Harris, with five ayes.

The Council discussed the proposed changes to the extraterritorial jurisdiction area. The first item is that the Gibson property on Westland Farm Road was previously discussed by the Council but a hearing was never set or held on the matter. Secondly, the ETJ up North Main Street needs to be addressed. Third, the City has authority to go out 2 miles for the ETJ but it does not have to take in all of that, and the whole perimeter of the City limits should be considered. Councilman Small said he does not want the City to take in a two mile ETJ until the new Land Study Plan is put into effect; Councilwoman Nichols agreed. City Attorney Michael recommended that a land use plan be done before an ETJ is taken even in the North Main Street area, although he felt that a simple land use plan for that area would be sufficient and could be done quickly with information on hand already. City Manager Ponder said the North Main Street area should be considered for ETJ now, based on the "watershed" and limited utilities. Councilman Jessen MOVED to call for a public hearing at the October 12 regular meeting to consider re-establishment of the western ETJ boundary on Kelly Road (Westland Farm Road) at the Gibson property line, and that consideration of other ETJ adjustments be delayed until a simple land use plan can be prepared for the North 273 area which is currently zoned R-A by the County and within our one mile perimeter with evaluation of them to be first made by the Planning Commission, and that recommendations be sent to Council after that. This motion was seconded by Councilwoman Nichols and carried with five ayes.

James L. Blackwell, 318 Walnut Avenue, petitioned for a street closing of a portion of Dutchman Avenue (at corner of Walnut), a section of unopened 50-foot platted right-of-way. Mr. Blackwell said he has been keeping up 25 feet of this as a part of his yard for 25 years. Mr. Carl Stilwell was recognized and said he owns a lot that will be landlocked if that section of street is closed, and that he plans to build a house on that lot. Councilman Jesssen MOVED to set a public hearing to consider the closing of a portion of Dutchman Avenue at the regular meeting on September 14, seconded by Councilwoman Harris, with five ayes.

City Manager Ponder proposed a Street Closing Policy which would establish an administrative cost of $280.00 to be paid by any petitioner for a street closing, with $50.00 for each additional street considered at the same hearing for the same petitioner. Councilman Jessen said that these costs are just part of the City staff's job in general and should not be charged. Councilwoman Nichols MOVED to adopt Resolution 8-10-92 (c) entitled Street Closing Policy as presented (copy attached), seconded by Councilwoman Harris, and carried with four ayes and one nay (Jessen).

Zoning Administrator Gary Roberts discussed assessment of civil penalties against Mr. Robert Gray for property at 108 Brookwood Road. He owns the property, and another man owns a mobile home which has been placed on the property pursuant to a conditional use permit properly granted. The permit required that underpinning be placed as designated in our ordinance, which has not been done. Mr. Gray said the problem is that if the underpinning is done as required, the mobile home will be permanently affixed and be considered part of the real estate and that would make it his property, so the owner of the mobile home has not wanted to do that. He said they have worked out an agreement now and asked for more time. Councilman Jessen MOVED that the City Manager be authorized to assess civil penalties under our ordinance unless the required underpinning is done by the end of September; motion seconded by Councilwoman Harris, carried with five ayes.

The Council took a five minute recess.

It was noted for the record that Phillip Ponder is the duly appointed Finance Officer and City Clerk as well as City Manager. Councilmember Jessen introduced the following two orders authorizing bonds which were read:

ORDER AUTHORIZING
$2,000,000 WATER BONDS

BE IT ORDERED by the City Council of the City of Mount Holly:

1. That, pursuant to The Local Government Bond Act, as amended, the City of Mount Holly, North Carolina, is hereby authorized to contract a debt, in addition to any and all other debt which said City may now or hereafter have power or authority to contract, and in evidence thereof to issue Water Bonds in an aggregate principal amount not exceeding $2,000,000 for the purpose of providing funds, with any other available funds, for enlarging, extending and improving the water system of said City, within and without the corporate limits of said City, including

the construction of two additional elevated water storage tanks, the construction of additional water mains and lines and the acquisition of any necessary rights of way therefor.

2. That taxes shall be levied in an amount sufficient to pay the principal of and the interest on said bonds.

3. That a sworn statement of the debt of said City has been filed with the City Clerk and is open to public inspection.

4. That this order shall take effect when approved by the voters of said City at a referendum as provided in said Act.

ORDER AUTHORIZING
$2,000,000 SANITARY SEWER BONDS

BE IT ORDERED by the City Council of the City of Mount Holly:

1. That, pursuant to The Local Government Bond Act, as amended, the City of Mount Holly, North Carolina, is hereby authorized to contract a debt, in addition to any and all other debt which said City may now or hereafter have power or authority to contract, and in evidence thereof to issue Sanitary Sewer Bonds in an aggregate principal amount not exceeding $2,000,000 for the purpose of providing funds, with any other available funds, for enlarging, extending and improving the sanitary sewer system of said City, within and without the corporate limits of said City, including the construction of additional sewage mains and lines and the acquisition of any necessary rights of way therefor.

2. That taxes shall be levied in an amount sufficient to pay the principal of and the interest on said bonds.

3. That a sworn statement of the debt of said City has been filed with the City Clerk and is open to public inspection.

4. That this order shall take effect when approved by the voters of said City at a referendum as provided in said Act.

The City Council thereupon designated the Finance Officer as the officer whose duty it shall be to make and file with himself as City Clerk the sworn statement of debt of the City which is required by The Local Government Bond Act, as amended, to be filed after the bond orders have been introduced and before the public hearing thereon.

Thereupon the Finance Officer filed with himself as City Clerk, in the presence of the City Council, the sworn statement of debt as so required.

Thereupon the order entitled: "ORDER AUTHORIZING $2,000,000 WATER BONDS" was passed on first reading.

Thereupon the order entitled: "ORDER AUTHORIZING $2,000,000 SANITARY SEWER BONDS" was passed on first reading.

On motion duly made, seconded and unanimously carried, the City Council fixed 7:30 P.M., on August 24, 1992, at the City Hall, 131 South Main Street in Mount Holly, North Carolina, as the hour, day and place for the public hearing upon the foregoing orders and directed the City Clerk to publish said orders, together with the appended statement as required by The Local

Government Bond Act, as amended, once in by the <u>Mount Holly News</u> not later than the sixth day before said date.

Mr. Ponder stated for the record that the bonds will not increase the City's debt load above 1%. Mr. Ponder submitted proposed Project Budget Ordinances for the water and sewer bond packages, but no action was taken that evening.

The resolution for reimbursement of bond expenditures was tabled until the August 24, 1992 meeting.

There were no complaints or petitions not on the agenda.

Councilman Jessen asked that a sewer leak on Dutchman Avenue be checked. Eddie Nichols said they have been out there and have determined that it is water leaks and will repair soon.

Councilwoman Nichols asked that limbs on the sidewalk near the P&N Railroad be picked up.

Councilwoman Nichols said that Mr. Solvin at Gaston Memorial Hospital has agreed to help the citizens committee in Mount Holly to find another doctor for Mount Holly; he has asked for a letter from the Mayor and Council to give him permission to come in and to help them talk to the doctors; he also told her the hospital will pay the expenses to bring a doctor in. The Council asked the City Manager to prepare such a letter. The committee also has Christine McConnell and Bobby Black serving on it.

Councilman Jessen MOVED to go into executive session for attorney-client and personnel matters; seconded by Councilman Hope, with five ayes.

The Council returned to open session upon MOTION by Councilman Jessen, seconded by Councilman Small, with five ayes.

The meeting was recessed until 7:30 P. M. on August 24, 1992, at City Hall, upon MOTION by Councilman Small, seconded by Councilman Jessen, with five ayes.

Phillip L Ponder
City Clerk

Charles B Black Jr
Mayor

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