

CITY OF MOUNT HOLLY**MOUNT HOLLY CITY COUNCIL
WORK SESSION****TUESDAY, AUGUST 3, 2004
CITY HALL**

The Work Session of the City Council of Mount Holly was called to order at 6:30 p.m. by Mayor Bryan Hough. The following were present:

Mayor Bryan Hough
Mayor Pro-Tem Michael Helms
Councilwoman Phyllis Harris
Councilman Jim Hope
Councilwoman Pat Hubbard
Councilman Frank McLean
Councilman David Moore
City Attorney Kemp Michael

City Manager David Kraus
Assistant to the City Manager Jamie Guffey
Assistant to the City Manager Danny Jackson
Utilities Director Don Price
Police Chief Benson Hoyle
Street and Solid Waste Director Mike Santmire
Interim Fire Chief David Stevens
Communication Director Megan Hanks

The invocation was led by Councilwoman Pat Hubbard.

#1: To Discuss Renovation of Old A&E Building.

Mayor Hough recognized Joel Gilland of Southern Projects Group and Brian Barwick of Barwick & Associates.

Mr. Kraus stated that these gentlemen have a proposal for the A&E Building. He wanted Council to hear the proposal and to give direction to staff and the City Attorney as to their interest in the matter.

Mr. Gilland gave a summary of the project. The proposal is to develop the building according to the design created from the charrettes the City sponsored earlier this year. The proposal detailed the history of the building as well as a financing plan, which would allow for the building to be purchased, renovated, and leased back to the City. The proposal includes purchase options at five year increments of the lease agreement.

Mr. Kraus clarified that the lease would be good for twenty years.

Mayor Hough clarified that the City would have a purchase option at the end of the twenty year lease?

Mr. Barwick said yes.

Mr. Kraus clarified that this proposal is based upon David Creech's twenty year outlook plan.

Councilwoman Hubbard asked about the second floor of the building. Will some of the City's space still be available to rent?

Mr. Barwick said yes, or the additional space may possibly used for filing or records storage.

Councilman Hope stated that with all of the projects the City is working on, we need a creative way to afford what we want to do with the A&E Building. We want to make it the pinnacle of the City. He would like for Council to come to a consensus for staff that this is the direction in which we would like to go. We cannot afford a \$7 million project right now. We need a consensus to move forward to prepare the contract.

Mr. Kraus said that one of the advantages of this proposal is this is a very complicated project. We have no expertise for this sort of project, and city staff has a lot on our plate.

Councilwoman Harris stated that when we first bought this building, we were going to just move in as quickly as possible. After going to Charlotte and seeing what they did with those buildings, there is no way I would want to do as we had originally planned. We should take the time to do this the right way.

Councilman Moore stated that he agrees with Councilwoman Harris. This is a major burden on the City and we need to move forward.

Councilman McLean agreed with Councilman Moore.

Mayor Pro Tem Helms stated that this is what our citizens want. We need to make progress on the project without it being a tax burden.

Mayor Hough stated that he and Mr. Kraus have met with 6-7 developers regarding this property. He thinks this is certainly a good proposal.

Mr. Michael asked Mr. Gilland and Mr. Barwick if they have done similar projects with other governmental units?

Mr. Gilland stated that he understands Mr. Michael's concerns, and they would like to use a vehicle such as Preservation North Carolina to help make this project possible.

Mayor Hough stated to Mr. Gilland and Mr. Barwick that as far as Council is concerned, we want to proceed with this proposal and work with you.

#2: To Discuss Water Sales with Town of Stanley Officials.

Mayor Hough recognized Mr. Ed Humphries, manager of the Town of Stanley.

Mr. Humphries introduced Mayor Johnson, Councilwoman Judy Stroupe, and Mayor Pro Tem Frank Guida, who were all in attendance. Mr. Humphries stated that Stanley has had a good relationship with the City of Mount Holly over the years. He commended the Mayor and City Council for having a great staff.

Mr. Humphries discussed the Town of Stanley's request to purchase an additional 127 million gallons of water. He believes it is a win-win situation for both municipalities. Stanley's water plant, water tank, and water input are all in need of repair or upkeep. He is asking that Council would take into consideration the needs of the residents of Stanley, and that they would create a rate structure for all of us to consider.

Mayor Hough thanked Mr. Humphries and the elected officials from Stanley for attending the meeting and assured them that our staff would be in touch.

#3: To Discuss Development of Golf Course Community.

Mayor Hough recognized Mr. Ed Kale of Carolina Income Management Group, LLC.

Mr. Kale introduced his partners in this project, Mr. T.G. Daniel, developer, and Mr. Ed Schweitzer, Jr., architect (Land Design).

Mr. Kale stated that they have submitted development plans to Gaston County in May of this year. He stated that before the final approval of those plans, he needed to come back to the City Council. Since they first contacted the City, our annexation situation has changed from the 10% rule.

The property is located on Dutchman's Creek near Kendrick Farm and Dutchman's Meadow, between Sandy Ford Road and Stanley-Lucia Road. They are doing a similar project in Mooresville, called Morrison Plantation. This subdivision has design construction standards. No aluminum or vinyl siding is allowed in that development. The lot sizes vary, with the larger lots around the golf course.

The proposal for this project involves 1584 home sites over an eleven year build-out. The project calls for open space, a golf course, a racquet/swim club, and a clubhouse. Thirty-nine percent of the total site will be open space.

Mayor Hough stated that this development may bring 5,000 new residents to this area, which is approximately half the current population of Mount Holly. He asked for input on the impact on area schools.

Mr. Kale stated that they have discussed ways to help alleviate the increased burden on the local schools, including an additional fee for school construction.

Councilwoman Hubbard asked do the homeowners buy the lot, then select the builder?

Mr. Kale said that is still in consideration, but it would probably work that way.

Councilman McLean stated that there is a bridge in that area that cannot handle that type of traffic.

Mr. Kale stated that they were prepared to build a larger bridge.

Mr. Kale stated that the base house price is approximately \$175,000, but with some basic add-ins, the average price would be closer to \$195,000. Approximately 152 lots would be sold and developed each year.

Mayor Hough asked if Council had a consensus for Mr. Kale's group to continue working with city staff on this project. There were no objections.

Mayor Hough thanked Mr. Kale and his partners for attending the meeting.

#4: To Discuss the East Gaston Water Line Agreement.

Mayor Hough recognized Mr. Kraus.

Mr. Kraus provided a copy of the agreement that the County Commissioners adopted. He suggested that Council look over the agreement and discuss it at the regular meeting on Monday night.

Mayor Hough suggested that Council Members contact the County Commissioners to discuss different perspectives on the proposed agreement.

#5: To Provide Update on Development Standards

Mayor Hough recognized Greg Beal.

Mr. Beal stated that the Planning Commission would like to have a joint meeting with the City Council on Tuesday, September 7. The Planning Commission's regular meeting has been rescheduled for that evening, due to Labor Day. The Commission would like to discuss the proposed manual of development standards, specifically Section 8.3.

Mr. Kraus stated that Council may wish to extend the moratorium on demolition in the downtown district for another 120 days at the regular meeting on Monday night.

#6: To Discuss Recommending Individuals for Lake Wylie Marine Commission.

Mayor Hough stated that there are two positions that will soon become vacant on the Lake Wylie Marine Commission. He asked that Council consider who they would like to recommend so that Mount Holly is well represented to this Commission.

#7: To Consider Compensation for ABC Board Members.

Mayor Hough opened the floor for comment as to how Council would like to address compensation for ABC Board members.

Councilman McLean stated that the members should not be paid until the building is up and running.

Councilwoman Harris stated that the Board has had several meetings.

Mayor Hough asked if there was a consensus as to whether or not to pay the board? He clarified that the money comes from ABC revenue.

Councilwoman Harris suggested waiting until Monday night to discuss this any further, so that Council would have the opportunity to ask the Board members for their opinion on the matter.

Councilwoman Hubbard agreed with Councilwoman Harris.

Mayor Hough directed staff to contact the board members for their input, and to have that information in this week's packet.

Councilman Hope stated that he would like to have a monthly report from the Board on their actions and progress.

#8: To Discuss Agenda Items.

Mr. Kraus stated that the architect presentations on the agenda are for the ABC store. The architects include John Fryday, Nick Patel, and David Creech.

ROUNDTABLE

Councilwoman Harris stated that she and Councilman Hope have met with the Pendletons regarding the bridge dedication ceremony. They have discussed their ideas with the DOT staff person in Raleigh. They have asked that Randy Pendleton's nickname, "Moose", be included on the sign. Councilwoman Harris has checked with Pat Richards on the boat landing and with Roger Hawkins for photography. The ceremony is scheduled for Tuesday, September 14, at 10:00 am. They have also asked for one plaque for Max and Virginia Pendleton, and one plaque for Cathy Pendleton. The Raleigh staff person does the invitations; we provide the guest list. We also do the programs. The alternate location, in the event of rain, is Catawba Heights Baptist Church.

Councilman Hope stated that they are hoping for a tremendous turnout.

Councilwoman Harris stated that Mike Holder with NCDOT is going with her to see the boat landing site. She would like to have parking for the event at River Street Park.

Councilwoman Harris asked that John Hope check on overgrown grass in a yard on Tomberlin Avenue.

Mayor Pro Tem Helms commended Chief Hoyle and his staff for their handling of the recent incident on West Henry Street.

Councilwoman Hubbard asked why the business permits went out late?

Mr. Guffey stated there was a printing error and they were mailed as soon as the correct permits were obtained.

Councilwoman Hubbard asked where we are with selecting a new fire chief?

Mr. Kraus said he expects to make an announcement next week. He is negotiating salary.

Mr. Kraus informed Council that Carl Baber of the Recreation Commission had a heart attack recently, and is at Baptist Hospital in Winston-Salem. He also announced that the funeral for June Barker's niece is tomorrow afternoon at 2:00 pm.

Councilman Hope stated that we need to come up with ways to not give away potential revenue. He mentioned that other municipalities charge out-of-town contractors and businesses to do business within their municipal limits. It would be a good way to help reduce the tax burden on our citizens.

Councilman McLean asked what is being built at Food Lion?

Mr. Kraus and Mr. Beal stated that the plans call for a beauty parlor, a video rental store, and an upscale tanning salon.

Councilman McLean asked if anyone has noticed an increase in speeding on Glendale Avenue.

Chief Hoyle stated that this may be due to the increased traffic because of the new restriction against school traffic turning left off of Hawthorne onto Catawba Avenue. He will look into this further.

Councilman Moore thanked Mr. Santmire and his department for the work they did at Tuckasee Park.

Mr. Santmire stated that they have started work today at River Street Park.

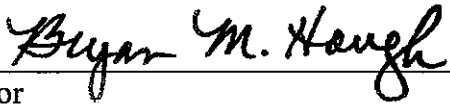
Mayor Hough asked Council to provide feedback on possible prioritization of revenue from the half-cent sales tax. The City of Mount Holly is expected to receive an estimated \$8 million over a ten year period.

Councilwoman Hubbard MOVED to enter executive session for the purpose of attorney-client privilege. The motion was seconded by Councilman Moore and was approved unanimously.

Mayor Pro Tem Helms MOVED to adjourn at 9:15 pm. The motion was seconded by Councilwoman Harris and was approved unanimously.

Respectfully submitted,

Megan Hanks
Communication Director



Mayor



City Clerk