

CITY OF MOUNT HOLLY
MOUNT HOLLY CITY COUNCIL MEETING
MONDAY, June 14, 2021
COUNCIL CHAMBERS
7:00 PM

Call to Order

Mayor Bryan Hough called the meeting to order at 7:00 pm. The following were present:

Mayor Bryan Hough	Miles Braswell, City Manager
Mayor Pro Tem Lauren Shoemaker	Michelle Wood, Finance Director
Councilman David Moore	Don Roper, Police Chief
Councilman Jeff Meadows	Brian Reagan, Deputy Police Chief
Councilwoman Phyllis Harris	Ryan Baker, Fire Chief
Councilman Charles McCorkle	Tony Walker, Streets and Solid Waste Director
Councilwoman Christina Pawlish	David Johnson, City Engineer/Director of Utilities
Marie M. Anders, City Attorney	Mark Jusko, Recreation Supervisor
Kemp Michael, Assistant City Attorney	Greg Beal, Planning Director

Invocation

Reverend Mike Carr, Pastor at the Mount Holly First United Methodist Church led the Council, staff and attendees in prayer.

Pledge of Allegiance

Councilwoman Christina Pawlish led the Council, staff and attendees in the Pledge of Allegiance.

Set the Agenda

Mayor Hough advised that a Special Recognition of Danny Jackson needs to be added and #3 under Presentations. With no additional changes to the agenda, Councilman McCorkle made a motion to approve the agenda as amended. Mayor Pro Tem Shoemaker seconded the motion. All Council Members present voted in favor. (Motion Carried)

CONSENT AGENDA

1. Approval of a Resolution for Receiving Federal Funds Under the American Rescue Plan Act
2. Approval of the Revised MOU with the Mount Holly Community Development Foundation.
3. Approval of Revised Interlocal Agreement with Gaston County to Collect Mount Holly Taxes
4. Approval of Revised Resolution Supporting CATS LYNX Silver Line Extending to Gaston
5. Approval of a Resolution Supporting the Gaston County Blueway Trail to the Carolina Thread Trail Master Plan
6. Approval of Kendrick Farms, Phase 4 Final Plat
7. Approval of a Resolution Confirming the bid and Authorizing the City to sign the contract and the Deed for the Property located at Beatty Road and YMCA Drive
8. Approval of Minutes of the May 24, 2021 Council Work Session Meeting

Councilman McCorkle made a motion to approve the consent agenda. Mayor Pro Tem Shoemaker seconded the motion. All Council Members present voted in favor. (Motion Carried)

PRESENTATIONS

1. Retirement Presentation for former City Manager Danny Jackson

Mayor Hough and the City Council presented Mr. Jackson with a resolution, his retirement watch and a Key to City to honor him and show their appreciation for his 33 years of service with the City. Mr. Jackson spoke and thanked his family, past and current Council Members, city staff and all that came out to be a part of his retirement celebration.

2. Introduction of Miss Mount Holly

Miss Mount Holly, Ann Marie Hagerty came before the City Council to introduce herself and let them know that she is excited to get to know the citizens of Mount Holly and represent our City.

3. Presentation of Eagle Scout project for Tuckasee Park

Mr. Jusko introduced Carson Moran and advised that he will be presenting his Eagle Scout project to the Council for approval. Mr. Moran advised that he is proposing to construct and place 10 duck houses and 10 bird houses throughout Tuck Park to complete his Eagle Scout requirements. He advised that the placement of these houses is yet to be determined. Mayor Pro Tem Shoemaker made a motion to approve the project. Councilman Moore seconded the motion. All Council Members voted in favor. Motion carried

PUBLIC HEARING

1. Public hearing for a text amendment to Section 3.10 Fences and Walls of the Zoning Ordinance to include fence maintenance standards.

Mr. Livingston advised that approval of this text amendment would require all fences and retaining walls within the City to be in good repair and receive regular structural maintenance.

Councilman Meadows made a motion to open the public hearing. Mayor Pro Tem Shoemaker seconded the motion. All Council Members voted in favor. Motion carried. With no one signed up to speak Mayor Pro Tem Shoemaker made a motion to come out of the public hearing. Councilman Meadows seconded the motion. All Council Members voted in favor. Motion carried.

Councilman Meadows made a motion to approve the text amendment to Section 3.10 Fences and Walls of the Zoning Ordinance to include fence maintenance standards. Mayor Pro Tem Shoemaker seconded the motion. All Council Members voted in favor. Motion carried.

2. Public hearing on a text amendment to Section 3.26.1 General Definitions from Section 3.26.5 Definitions Relating to Gateway Overlay and to Section 5.20 South Gateway Overlay District of the Zoning Ordinance to prohibit service stations (gasoline) and convenience stores in the South Gateway Overlay District under Section 5.20 South Gateway Overlay District

Mayor Pro Tem Shoemaker made a motion to open the public hearing. Councilman Meadows seconded the motion. All Council Members voted in favor. Motion carried.

Rodney Williams 315 South Main Street, Mount Holly, NC 28120- Mr. William's comments are below:

Reasons I am opposed to the proposed text amendment to prohibit convenience stores in the South Gateway

N.C. GS 160D defines the use of zoning "To promote health, Safety, moral, and general welfare of the community. I feel this text amendment does not fit the definition.

I contend the crux of this amendment is not to prohibit convenience stores, but to use text amendments to develop the private land to your vision. (and I quote " a grocery store or medical office")

The fear is that a property owner will sell one parcel and prevent a larger group from accumulating enough property to build. Last sentence in paragraph 1 " In order to preserve the economic development of land in this district ". This puts you in the position of a developer and not a municipality. This violates the spirit, if not the letter of law as spelled out in the Sherman Anti-trust act. That act makes it criminal to manipulate a market (real estate) or create a monopoly, which you will do by allowing only one convenience store at exit 27.

The 2nd paragraph on you request speaks to retail leakage. If you look, you will see that Market Analysis was published in 2017 and probably done in 2016 (5 years old) I argue a pre-pandemic analysis should not be considered, as all shopping habits have drastically changed.

I have owned a parcel in the South Gateway for 25 years and have no immediate plan to sale or list to sale. I spoke at City Council 12 years ago to request a no vote on a text amendment to prohibit drive thru windows. To my dismay, that amendment passed and again I quote "Because we don't want to leave 185 toward Mount Holly and see Drive thru after drive thru after drive thru". I have been unable to market my

property to firms like Arby's, Starbucks or Chick Filet that are just across 85 and have fueled Belmont economy for 12 years. We have had no significant growth in the South Gateway for those 12 years. Now we have a Bojangles asking to build, and the 12-year-old text amendment was removed only to be replaced now with a new text amendment to prohibit convenience stores. Again, I asked what prompted the text amendment. My answer was " We don't want to see Convenience store after convenience store coming into Mount Holly. "

In summary, we only have 4 Convenience stores in City limits. One at exit 27, one at Tuckaseegee and Main, one at North Main and Lanier, and one on Hwy 27 west We need more choices and more competition on fuel prices and supply. You have building standards in place to ensure a quality structure if placed in the South Gateway. A convenience store would meet the same standards as Bojangles. I ask that you not place restrictive zoning on private property in order to let you be a developer. A mixed-use Interstate exit often includes fast food, full-service restaurants, and convenience stores with gas pumps.

Thank you for your consideration

With no one else signed up to speak Councilman Moore made a motion to come out of the public hearing. Councilwoman Harris seconded the motion. All Council Members voted in favor. Motion carried.

It was the consensus of Council to get more feedback from staff and bring back for discussion at the work session.

3. Budget Highlights and Public Hearing on the 2021-2022 Proposed Fiscal Year Budget and Fee Schedule

Ms. Wood reviewed the budget highlights below for the proposed 2021-2022 fiscal year budget:

- Tax rate will remain the same at \$0.485 per \$100 of value
- Water and sewer rate will enter into Year 3 and will be increased based on the City Council adopting the Five (5) Year Water / Sewer Rate Study during Fiscal Year (FY) 2019 – 2020. This new rate is reflected in the proposed Fee Schedule.
- The current proposed budget includes a salary study and a COLA tied to the Consumer Price Index (CPI) for employees not affected by the salary study. During the 6/4/2020 City Council Budget Work Session, Council unanimously approved that the COLA would be tied to the Consumer Price Index (CPI) published by the U.S. Bureau of Labor Statistics.
- Health Insurance will experience a 19% increase and the City will change to a new provider, Cigna.
- Liability Insurance will increase approximately 10%, which includes General Liability, Buildings, Automobile, Crime, Workers Compensation and Cyber.
- Mandatory retirement contribution to the North Carolina retirement system (ORBIT) has increased to 11.41% (10.15% in FY 20-21) for regular employees and an increase to 12.04% (10.9% in FY 20-21) for Law Enforcement Officers.
- No new positions are funded.
- Employee longevity remains funded in the salary line item for both General Fund and Enterprise Fund. This item is included in the Employee Recruitment and Retention Policy. This totals \$106,900.00
- The overall budget increased from \$19,856,515 in FY 20-21 to \$24,060,938 for FY 21-22 equaling 17.47% but in comparison to FY 19-20 it only equals 7.46% of amended budget but 5.47% less than adopted FY 19-20 budget.
- No Unassigned Fund Balance was used to balance the General Fund budget.

General Fund

- Total General Fund \$14,626,149, or 12.00% increase from last Fiscal Year.
- Factors that are contributing to this increase are mainly property taxes and sales and use tax; we reduced these last year due to the COVID-19 pandemic.

Council

- No change to Council compensation
- Beautification is funded at \$12,500
- Tree City budget line funded at \$7,500 (ordinance states \$2/capita, equaling \$30,000 total budget).
- Election Expense increased due to Bond Referendum.
- Historical Society budget funded at \$2,000.

Administration

- Operational expenses only
- \$127,159.00 Capital

Administration – Information Technology (IT)

- Contract Services includes all software, webhosting, webpage maintenance, telephone maintenance, internet access
- Furniture, Fixtures and Equipment (FF&E) includes hardware and maintains a replacement schedule for desktop and laptop computers

Administration – Maintenance (Building Maintenance)

- All in-house and contracted maintenance activities funded through this Department
- All utilities (electricity, gas) will be processed through this Department
- Tree City budget line funded at \$7,500 for Grounds Maintenance
- Phase I 273 Landscaping was budgeted at \$54,700

Police

- Capital includes the purchase of 2 handheld radios at \$9,827, (4) vehicles & Equipment \$161,000, (3) new car camera systems \$17,075, and (4) mobile Car Radios \$16,000

Fire

- Capital includes replacing the large diameter hose \$5,000, and parking lot sealcoat & markings \$12,500.

Garage

- Normal operations increase

Streets and Solid Waste

- Capital Automated Garbage Truck \$330,000, Dump Truck \$140,000, and (2) replacement trucks \$70,000

Community Development

- Normal operations increase
- No Capital Items (all were Powell Bill)

Parks and Recreation

- Capital is funded with the ABC Fund Balance proceeds \$621,000

Enterprise Fund

- Total Enterprise Fund \$9,434,789, or 25.67% increase over last Fiscal Year.
- Factors that are contributing to this increase are the 3rd year rate study increase and an increase in Stormwater fee

Utility Administration

- Professional Services line is proposed at \$318,000. \$50,000 is budgeted for the Water Distribution Study for Downtown, \$200,000 for the Dutchman's Creek lift station and force main preliminary engineering evaluation, \$10,000 for surveying, \$8,000 for AutoCAD Services and \$50,000 for various shared services

Utility Administration – Maintenance (Building Maintenance)

- The Building Maintenance Department is responsible for building upkeep only, no Water Treatment or Waste Water Treatment activities or equipment maintenance associated with the plant functions. Items include cleaning, waste management, landscaping, fire alarm monitoring, security intrusion alarm monitoring, extermination, fire suppression, elevator contract, HVAC maintenance.

Utility Administration – Information Technology (IT)

- Contract Services includes all software, webhosting, webpage maintenance, telephone maintenance, internet access
- Furniture, Fixtures and Equipment (FF&E) includes hardware and maintains a replacement schedule for desktop and laptop computers
- No Capital Items

Water

- Downtown Water Distribution Design \$150,000, Sandy Ford Water Line loop \$50,000, aerial Structural Design \$50,000, Water replacement/Upgrade Program \$1,200,000, Lagoon Dredging \$215,000, Generator/Auto Transfer Switch \$75,000

Waste Water Treatment

- Contract Services is budgeted at \$455,000, in which \$200,000 of this line item is land application of sludge.
- No capital items are budgeted

Field Services

- Maintenance, repair and replacement of water and sewer lines is budgeted at \$540,000
- Capital – Pull behind compressor \$22,000, Combination Jet-Vac Truck \$413,000, 4WD Truck \$33,000.
- Also, for sewer system improvements which includes downtown sewer lining at \$200,000

Stormwater

- Projected to receive \$339,000 through collection fee. Yearly expenditures to equal revenue, so in essence, no Unassigned Fund Balance implications.
- New vehicle \$20,000

Councilman Moore made a motion to open the public hearing on the 2021-2022 Proposed Fiscal Year Budget and Fee Schedule. Mayor Pro Tem Shoemaker seconded the motion. All Council Members voted in favor. Motion carried. With no one signed up to speak Councilwoman Pawlish

made a motion to come out of the public hearing. Mayor Pro Tem Shoemaker seconded the motion. All Council Members voted in favor. Motion carried.

PUBLIC COMMENT – Three (3) Minute Limit

No one was signed up to speak.

OLD BUSINESS

1. Consideration and Approval of the 2021-2022 Proposed Fiscal Year Budget and Fee Schedule

a. Discussion of Projected Revenue

Ms. Wood advised that she looked at the past 3-year trend when making her projected revenue. She advised that the trend is 4% growth which is approximately \$300,000.

b. Discussion of Employee Salary Study

Ms. Rayburn advised that staff established a pay study to ensure fair and competitive pay rates for employees. She advised that going forward salary ranges and pay grades will be evaluated every 2 years and will be updated each year with the CPI rates.

Councilwoman Harris made a motion to approve the 2021-2022 Proposed Fiscal Year Budget and Fee Schedule (Resolution #06142021A). Mayor Pro Tem Shoemaker seconded the motion. All Council Members voted in favor. Motion carried

NEW BUSINESS

1. Consideration and Approval of a Bond Order Authorizing the Issuance of \$13,555,000 General Obligation Parks and Recreation Bonds of the City of Mount Holly, NC

Councilmember Moore introduced the following bond order, a summary of which had been provided to each Councilmember, copies of which were available with the City Clerk and which was read by title:

BOND ORDER AUTHORIZING THE ISSUANCE OF \$13,555,000 GENERAL OBLIGATION PARKS AND RECREATION BONDS OF THE CITY OF MOUNT HOLLY, NORTH CAROLINA

WHEREAS, the City Council of the City of Mount Holly, North Carolina has ascertained and hereby determines that it is necessary to pay capital costs of providing parks and recreation facilities, including without limitation the acquisition, construction and improvement of parks and recreation facilities, acquisition of land for current and future parks and recreation uses and development of greenways and pedestrian crossings; and

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the General Obligation Parks and Recreation Bonds hereinafter described as required by the Local Government Bond Act, and the City Clerk has notified the City Council that the application has been accepted for submission to the Local Government Commission.

NOW, THEREFORE, BE IT ORDERED by the City Council of the City of Mount Holly, North Carolina, as follows:

Section 1. In order to raise the money required for the purposes described above, in addition to any funds which may be made available for such purpose from any other source, General Obligation Parks and Recreation Bonds of the City are hereby authorized and shall be issued pursuant to the Local Government Finance Act of North Carolina. The maximum aggregate principal amount of such General Obligation Parks and Recreation Bonds authorized by this order shall be \$13,555,000.

Section 2. Taxes will be levied in an amount sufficient to pay the principal and interest on the General Obligation Parks and Recreation Bonds.

Section 3. A sworn statement of the City's debt has been filed with the City Clerk and is open to public inspection.

Section 4. This bond order will take effect when approved by the voters of the City at a referendum scheduled for November 2, 2021.

Councilwoman Harris seconded the motion. All Council Members voted in favor. Motion carried unanimously.

2. Consideration and Approval of a Resolution of the City of Mount Holly, NC Setting a Public Hearing on a General Obligation Bond Order and Related Matters

Mayor Pro Tem Shoemaker introduced the following resolution, a summary of which had been provided to each Councilmember, a copy of which was available with the City Clerk and which was read by title:

RESOLUTION OF THE CITY OF MOUNT HOLLY, NORTH CAROLINA SETTING A PUBLIC HEARING ON A GENERAL OBLIGATION BOND ORDER AND RELATED MATTERS

WHEREAS, a bond order entitled:

“BOND ORDER AUTHORIZING THE ISSUANCE OF \$13,555,000 GENERAL OBLIGATION PARKS AND RECREATION BONDS OF THE CITY OF MOUNT HOLLY, NORTH CAROLINA;”

has been introduced at a meeting of the City Council (the “*City Council*”) of the City of Mount Holly, North Carolina this 14th day of June, 2021; and

WHEREAS, the City Council desires to provide for the holding of a public hearing thereon on July 12, 2021 and the submission of a statement of debt in connection therewith as required by The Local Government Bond Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNT HOLLY, NORTH CAROLINA that the public hearing on said bond order shall be held on the 12th day of July, 2021 at or about 7:00 p.m. in the Council Chambers of the Municipal Complex located at 400 East Central Avenue in Mount Holly, North Carolina.

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to cause a copy of said bond order to be published with a notice of such hearing in the form prescribed by law in a newspaper of general circulation in the City on or before the 5th day of July, 2021.

BE IT FURTHER RESOLVED that the City's finance officer is hereby directed to file with the City Clerk, prior to publication of the bond order, along with the notice of such public hearing, a statement setting forth the debt incurred or to be incurred, the net debt of the City, the assessed value of property subject to taxation by the City and the percentage that net debt of the City bears to the assessed value of property subject to taxation.

BE IT FURTHER RESOLVED that this Resolution shall become effective on the date of its adoption.

PASSED, ADOPTED AND APPROVED this 14th day of June, 2021.

Councilwoman Pawlish seconded the motion. All Council Members voted in favor. Motion carried unanimously.

CLOSED SESSION

1. Closed Session Pursuant to N.C.G.S 143-318.11 (a)(6)

Councilwoman Pawlish made the motion to enter into Closed Session Pursuant to N.C.G.S 143-318.11 (a)(6) at 7:39 pm. Councilman Moore seconded the motion. All Council Members present voted in favor. (Motion Carried)

Councilwoman Pawlish made a motion to come out of closed session and back into regular session at 8:27 pm. Mayor Pro Tem Shoemaker seconded the motion. All Council Members present voted in favor. (Motion Carried)

ADJOURN

With no additional items for discussion, Mayor Hough entertained a motion to adjourn. Councilman Moore made the motion to adjourn the June 14, 2021 Council Meeting. Councilwoman Harris seconded the motion. All Council Members present voted in favor. (Motion Carried)

The meeting adjourned at 8:28 pm.