

**CITY COUNCIL
REGULAR MEETING
June 9, 2003**

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 Black. The following were present:

Mayor Robert D. "Bobby" Black

Mayor Pro-Tem Jim Hope

Councilman Michael Helms

Councilwoman Phyllis Harris

Councilman Frank McLean

Councilman Bryan Hough

Councilwoman Pat Hubbard

Adm. Services Officer Jamie Guffey

Water & Sewer Dir. Don Price

Planning & Zoning Dir. Danny Jackson

City Attorney Kemp Michael

Police Chief Rick Davis, retired

Interim Fire Chief John Calder

Street & Sanitation Dir. Mike Santmire

INVOCATION

The invocation was led by Rev. Kenneth Langsdorf.

PLEDGE OF ALLEGIANCE

Troop 59 and Troop 37 led the Council and audience in the ceremony of the Pledge of Allegiance.

APPROVAL OF THE AGENDA

The agenda was approved with the additions of Presentation #5, El Valle, and PR #6, Bruce Adams; and deletion of Unfinished Business #3; and additions of UFB #6 Resolution of Election Results, UFB #7 Resolution on Reimbursement Policy, New Business #6 Refinance of Existing Bonds, NB #7 Approval of Audit Contract, and NB#8 Call for Public Hearing on Zoning Changes, upon motion by Councilwoman Harris, seconded by Councilman McLean, with all in favor.

CONSENT AGENDA

The Consent Agenda consisting of four (4) items was approved upon motion by Councilman Helms, seconded by Councilwoman Harris, and unanimously carried.

CA#1. To Accept and Approve the Minutes for May 12, 2003. The minutes were approved as written.

CA#2. Supplemental Appropriation for Fire Department. Copies attached.

CA#3. Minutes from May 27, 2003 Council Meeting. Approved as written.

CA#4. Year End Write Offs at Holly Hills. Resolution attached.

PRESENTATIONS

PR#1 Charles Cupps Retirement

Mayor Black along with the Council honored upon his retirement after 19 years of service to the City. Mayor Black said we will miss him, stating that he probably

fixed everything here at least once. He was presented with a watch. His wife was with him. Mr. Cupps said he appreciated everyone putting up with him.

PR#5 El Valle Restaurant

Mayor Black accompanied with the Council presented a key to the city to the new owners of the El Valle Restaurant.

PR#2 Pam Friedl

Pam Friedl wanted to bring to Council's attention a drainage problem at 250 North Main Street. There is a drain on their road that collects water off of North Main, and since the interconnect line with Stanley was put in, this drain has not been working. Mr. Nichols said that at the end of that project, the drain would be repaired and replaced. It was not done. We spoke with Stanley's city attorney, Mr. Windham, and he said it would be done but it has not been. We spoke with Mr. Kraus and Mr. Price and we were assured that it would be taken care of. We were told he had a bid in January but they were trying to get DOT to work on it, and also to get another bid. Since the unusual rains, we have had a lot of erosion, and we have had to spend about \$6,000 in replacing and repairing the road. Mr. Kraus said the original bid was from Mr. Doster. They will have this on the agenda in July.

PR#3 Donna Dowdle

Donna Dowdle said that she would like something done about the property next to hers on Lowe Street. This is the property that has not paid taxes in many years. They had a sewer leak before, and now the grass and underbrush is very high. She has children. It has an address of 620 Tuckaseegee but it goes back to Lowe Street where she lives. She wants to buy the property or else she needs that grass cut and the mess cleaned up. Mr. Kraus said Ryan Baker has been working on this, and they will have her an answer by July.

PR#4 Rick Lineberger

Mr. Rick Lineberger, 605 Spring Street, stated he has lived here over twenty years. We have a rainwater runoff problem on my problem. He said he gets the runoff from about 15 acres. The drain system is inadequate. The drains flood and then flood my front yard. He is getting sinkholes in his yard and his driveway is eroded. His neighbor is also having problems. He has hired a private contractor to come in and advise him on what needs to be done. The contractor said it needs a new culvert. Since the water does not come off my property, I believe the city should pay for this expense. He had an estimate. He had pictures of his property and the surrounding streets showing the flow of water. Mayor Black said they will have Mr. Price investigate and report back.

PR#6 Butch Adams

Mr. Bruce Adams asked Council for permission to put up signs for a special event, a rodeo in Stanley for July 11th and 12th sponsored by Stanley United Methodist Church as a fundraiser. He said he will be sure to take them back

down after the event. Danny Jackson said the signs need to be in the right of way, and Duke Power has regulations about putting signs on their poles.

Motion: Councilman Hough **MOVED** to allow Stanley Town Rodeo signs from June 20 to be taken down no later than July 15th, seconded by Councilwoman Harris. Councilwoman Hubbard asked them to amend the motion to state that he will comply with our ordinance and get Mr. Jackson's approval on locations; this amendment was approved by Councilman Hough and Councilwoman Harris.

Vote: Unanimous. CARRIED.

PUBLIC HEARINGS

PH#1 To Consider 2003-2004 Budget

Councilman Helms moved to go into public hearing, seconded by Councilwoman Hubbard, and unanimously carried. Mayor Black recessed the regular meeting and opened the public hearing to consider the 2003-2004 municipal budget.

City Manager David Kraus stated that the proposed budget was presented to council previously. At the workshop Council requested we reduce it 5 cents. We have revised the budget, with very little capital improvement, a maintenance budget. On the utilities, we will need to discuss the rate structure, etc. which will need to be changed in order to balance this budget. No comments for or against.

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

City Manager Kraus said we are still watching as the county tax valuations have been changing the tax revenue figures and it is still being amended. Belmont is going to wait until June 30. He recommended Mount Holly do the same. Jamie Guffey said we did receive the FEMA money, but we are still waiting for the state money, which could take up to 2 years. Councilman Hough asked if the state explains why it takes so long? Mr. Guffey said the governor is holding it, collects interest on it, and sends the money later but keeps the interest. Councilman Helms said he appreciated staff bringing back the budget with the 5 cent reduction; when you get more final figures from the county on property tax values, he would like to know that you will reduce it by more if those county figures come in higher. The Council set June 26th at 6:30 PM as a special meeting to adopt the final budget.

UNFINISHED BUSINESS

UFB#1 Acquisition of Property

City Manager Kraus said that he and Jamie Guffey met with Danny Garrett. Mr. Garrett said in terms of making the changes necessary to the A&E building to meet code, you only have to make changes to the part you are occupying, and do not have to do the elevator until you use the second floor. Mr. Kraus said staff

thinks that if we phase it in, it will cost about \$1 to \$1.5 million. The offices that currently exist will cost about \$350,000 to upgrade, which includes roof repair, and bathroom facilities. The parts that really add up is the seismic updates, and the fire alarms. You will get a 15,000 square foot area for recreation or community events, plus the garage, and the police department that you would not be spending on those other buildings as you had planned. Mayor Black said what is needed for seismic updates. Mr. Kraus said it is because we are in the same zone as Charleston, South Carolina, which gets earthquakes. Councilwoman Hubbard asked if the large figure is for everything? Yes. Councilman McLean said he wants to back out of this deal and not put this kind of money in an old building; he would rather put the money in the East Gaston water line. Councilman Hough said we just got this tonight, and we need to think it over. Mr. Kraus stated that the option is open until about June 19. Mr. Kraus said we know you will spend about this amount on a new police department building or expansion; you know what state the street department is in and it will cost this much or more for that. Mayor Black asked how would staff propose to phase it in. Mr. Kraus said first would be the police department, then administration, then the garage. Councilman Hough stated if we did expand the police department, what would it cost if they stayed at its current location. Mr. Kraus said it would be a major expenditure to repair and expand the building. Councilman Hough said he believes that the A&E building is a strategic location, and the old police department building could be used as an ABC building, and this A&E building is on a prime site in view of our bond project; he thinks we need to do this. Councilman Helms said this money will not be spent all at one time, and the street department itself is in dire need of replacement; he believes it will help efficiency to be in one place. Mr. Kraus said it will help supervision. Councilwoman Hubbard asked Mr. Kraus why he said he would move the police first, instead of the street department. Mr. Kraus said he would move the police department so we could sell that building and use those funds for city needs. Councilman Hope said it is a lot of money, but it would mean sense if we are going to consolidate, and it would be phased; it is cheaper than \$6 to \$10 million estimate to replace the three departments.

Motion: Councilman Helms **MOVED** that the City continue toward purchasing the A&E building, seconded by Councilman Hope.

Vote: Five ayes, one nay (McLean). Carried.

UFB#2 Sewer Amnesty

City Manager Kraus said we have a list of 35 or 40 people, who legitimately got sewer taps but were not hooked up during the Catawba Heights Sanitary District installations. Somehow these later hooked up but have not been paying sewer charges monthly. The department heads have reviewed this with me, and we believe that we can collect up to three years charges back, but we decided we could not prove when they had hooked up. So we want to just notify them we will charge from now on, and if they do not notify us now, and we find out later, it will be like cable theft and will have criminal charges. Councilman Helms said the houses could have been sold since they hooked it up and the current owner

would have had no knowledge of it. The City Attorney agreed that proof is always a problem. Did the sewer district put in the tap? Councilman McLean said yes it did, and there was no tap fee, and they paid a flat \$3.50 a month if they did not hook up. Councilwoman Hubbard asked what about the ones that are not tapped on yet, would they have to pay a tap fee to tap on now? Mr. Kraus said they would tap on for free because the tap is already there, and we have a list of them. Councilman Hope said he thought they need to go ahead and tie on now. City Attorney Michael said we have an ordinance that requires the resident hook up except where sewer is not available. Councilman McLean said anybody that taps on has to hire a plumber, but the city inspects it. Councilman Hough said he agreed with Councilman Hope that we need to make them tap on now, but how much would it cost them to have a plumber come out? Maybe \$200 to \$500. So, he felt it would be better to do it the way it was put before, that when their septic tank runs out they have to tap on then. It would help to know what the annexation order actually required. Councilwoman Harris said she remembered that we were told if something happened to our septic tank we had to tap on then. City Manager Kraus said you could put a flat fine on them. Councilman Hough agreed. Mr. Michael said that would be okay except when the person living there bought it after it was done and they did not do it or even know about it. Council agreed to begin charging sewer to the ones that are tapped on immediately, and Mr. Kraus will research the other issues raised and report back.

UFB#3 deleted

UFB# 4 Declaration of Surplus

Jamie Guffey stated that the countywide auction for surplus from several cities and the county is being done by Harrill Auctioneers. They wanted to use the City's property at the waste treatment plant, but all the rain we have had has made the ground soft and a mess. Mr. Guffey said it could be at the Tuckaseegee Center. Councilman Helms said it will mean leaking oil and antifreeze on our parking lot. Mr. Guffey said if he has the auction here, he will waive his commission on our items sold. Councilman McLean asked what about the old Food Lion parking lot? The Council agreed that the plant property is too wet, and they don't want it at the Tuckaseegee Center.

Motion: Councilman Helms **MOVED** to declare as surplus the items on the list presented, seconded by Councilman Hough.

Vote: Unanimous. CARRIED.

UFB#5 PC'S BBQ Relocation Request

Mr. Paul Hovis said he has had some complaints about being on the Broomers Car Wash parking lot. His main concern is the patrons, and he has seen it is sort of dangerous on Highway 273. He wants to relocate his stand to behind Scott Farmer's office for safety reasons. Danny Jackson stated that as an existing business, it would be a better location. Councilman Hough recalled that when we

first approached this matter, he thought this was a temporary situation. City Attorney Michael asked if the new location is in a zone that allows this business, as did the other location? Yes. Danny Jackson said because this usage was not addressed in our ordinance at all, it came to the council and you approved the permit. Councilman Hough said what about the signage? Mr. Jackson said since you are considering his request to move, you can put whatever conditions you want. City Manager Kraus said the signage would count toward Scott Farmer's property. Mr. Hovis said they would have parking on Scott Farmer's property. Mr. Michael stated that he remembered that Council issued a temporary permit, but then we later realized you had no authority to limit his permit in that zone. He believed this is a permitted use and does not need to come to council.

UFB#6 Resolution of Election Results

Jamie Guffey reported that the Board of Elections certified the election results from the bond referendums and the ABC election. Now Council must adopt a resolution and send it to the Local Government Commission. Councilwoman Hubbard asked do we have to read it in the entirety? No.

Motion: Councilwoman Hubbard **MOVED** to adopt Resolution #06-09-03A, seconded by Councilman Hough.

Vote: Unanimous. CARRIED.

UFB#7 Resolution on Reimbursement Policy

City Manager Kraus stated that we budgeted \$75,300 for money we will spend to work on the bond referendums, etc. projects prior to when the bond is floated. This resolution would allow you to get reimbursement from the bond funds.

Motion: Councilwoman Hubbard **MOVED** to adopt Resolution #06-09-03B, seconded by Councilman McLean.

Vote: Unanimous. CARRIED.

The Council took a five minute recess.

NEW BUSINESS

NB#1 Revisions to Septic Fees

Director Don Price said we have done a trial for 90 days. They have not delivered on schedule. We have contacted Charlotte and found out they charge \$35, and some cities don't do it at all. Belmont charges \$30 a load but also charges a monthly fee. We had a pump we had to repair at \$2500. I recommend you double the fee from \$30 a load to \$60 a load to companies that clean out septic tanks and bring it to us. We have had problems from companies not notifying us they were dumping or dumping things that should not be.

Motion: Councilwoman Hubbard **MOVED** to approve doubling the fee to \$60 a load, seconded by Councilman Hough.

Vote: Unanimous. CARRIED.

NB#2 Replacement of Lease Vehicles

City Manager Kraus stated that the City has two of its leased vehicles that have the lease expiring at the end of this month; one is a recreation van, and one is a Ford used in the police department. They did not have a buy out option on these old leases. Jamie Guffey said the police department wants to buy the Ford Taurus out of drug forfeiture money. Councilman Hough noted that in the budget we allocated \$15,000 but maybe we should use this instead of that. Mr. Kraus said that figure was based on the assumption that they will get forfeiture money. Councilwoman Hubbard asked why we have vehicles for all these departments? Mr. Kraus said Greg uses a vehicle for code enforcement. One is used by recreation. One is used by Dan Jackson for maintenance. One is used by Danny Jackson for zoning. Jamie Guffey said the lease expense is higher on the new proposals but the buyout is only \$1.00. Danny Jackson said the Explorer has another year on the lease; we should look at state surplus vehicles or state contract. Mr. Kraus stated we should keep the Explorer for another year. Councilwoman Hubbard wondered why we would trade the van for a Taurus which won't have the room in it to haul anything. The Council did not accept the proposals for new leases.

No action.

NB#3 Debbie Rodgers CTA and John Hope Chair Safety Committee

City Manager Kraus stated that the City created a safety committee about three years ago, made up of employees with no department heads. We did a vehicle policy last year. This proposal is an incentive program for safety on the job. The Committee has developed a plan for rewarding employees to be safety conscious. This plan is similar to ones used by Bessemer City and Cherryville. They have seen definite improvement in statistics. Your department heads support the safety concepts, and the employees have been good to attend the safety classes. The reward is time off, and is obtained at the end of a year of clean reports. OSCHA has an acceptable rate of injuries; one per every one hundred employees. We had about a dozen last year. Councilwoman Hubbard asked if it takes a year for them to do their training, and then they take the comp time off within the next year. Mr. John Hope said yes, it cannot be carried over. The high risk jobs would be entitled to eight hours off; the low risk jobs would be two hours. Mr. Kraus said a lot of safety precautions are considered a nuisance, but they are there for a reason, so an incentive program is a long term health benefit. Ms. Rodgers said they do mock OSCHA inspections. The second year the City did it the number of violations was half what it was the first year.

Mike Santmire was recognized, and he stated that he respects everything Debbie does, and it has greatly improved safety in the city. He then read a dictionary definition of an accident. In our employee handbook, Section 8, we spend one hour a week on safety, plus the safety classes. He recalled that in Daytona Beach, we started a program like this one; the incentive was monetary, a 2% bonus, which meant an average of \$120. The problem is that there are people who are close to getting a clear report and have an accident but don't report it so

they get their incentive, and so they wind up being in much worse shape; he had a man who lost two fingers. This means you take the good man off work, and the man who is not safety conscious working over for him. I want you to think this over, and realize there are two sides to this issue, and it is not necessarily a rosy picture. Mr. Don Price said that his employees deal with very dangerous chemicals, and he agrees with Mr. Santmire. He also noted that they use those safety classes to increase their certification so it is for their benefit.

Ms. Rodgers, the incentive program only rewards preventable accidents, and the employees need to be aware of the difference. The days off have to be arranged in advance with the supervisor.

Councilman Helms said that at Duke Power we have a group safety goal, but not individual goals, it is a condition of employment. He agrees with that concept. This matter was tabled with no action.

NB#4 Solid Waste Management 3 Year Plan

Mike Santmire presented a proposed updated plan as required by EPA for Solid Waste Management. It was his recommendation that it is better for us to do this as part of a countywide plan. City Manager Kraus agreed that it saves us money to do it in the county plan.

Motion: Councilwoman Hubbard **MOVED** to approve Res. #06-09-03C, seconded by Councilman Hough.

Vote: All in favor. CARRIED.

NB#5 Budget Adjustment

City Manager Kraus said that at the end of each fiscal year we have to make year end adjustments as required by the auditor, and this action is to comply with that.

Motion: Councilwoman Hubbard **MOVED** to approve the budget amendments as presented, seconded by Councilwoman Harris

Vote: All in favor. CARRIED.

NB#6 Refinance of Existing Bonds

Jamie Guffey said that in an effort to save money, he has investigated refinancing our existing outstanding bonds. This proposal to refinance will save us about \$150,000 over the next ten years. We have to get approval from the LGC but we do not have to have public hearings. He had called the bond counsel and was told that our bond counsel had heard of this consultant and she has a good reputation. Councilwoman Hubbard asked what is the cost of the refinancing? Mr. Guffey said it will cost about \$47,000, but the stated amount of savings is after that cost amount.

Motion: Councilwoman Hubbard **MOVED** to approve the refinance of our existing bonds, seconded by Councilman Hope.

Vote: All in favor. CARRIED.

NB#7 Approval of Audit Contract

City Manager David Kraus stated that we required by state law to have an audit annually. This contract is with Cherry Bekeart & Holland. The cost is included in the upcoming budget. The amount is about a \$600 increase over last year.

Motion: Councilwoman Hubbard **MOVED** to approve the audit contract with Cherry Bekeart & Holland, seconded by Councilwoman Harris.

Vote: All in favor. CARRIED.

NB#8 Call for Public Hearing on Zoning Changes

City Manager Kraus stated that the City will need to make amendments to our zoning ordinances right away since the ABC referendum passed, so that Council can control where and when the sale of alcoholic beverages will be permitted. Danny Jackson said we have other state mandates that we need to prepare as well. We will have a proposal before you for the public hearing. City Attorney Kemp Michael said if you are going to have a public hearing, it would be helpful if Council would put something a little more specific in the notice of the hearing about proximity of sales to churches and schools; Mr. Kraus added residential zones. Danny Jackson added playgrounds and daycares. Councilman Hough said he was going to recommend a retreat so we discuss what we want to see in this ordinance. Attorney Michael said there are already people applying for ABC permits, and if you don't have anything in place, these people can operate under the state statute. Mr. Kraus said the ad would not state specific distances, Council would decide that after the hearing. Danny Jackson said we have to sign off on ABC permits, so we can hold off on signing them if we do not have our zoning in place as we want it. Mayor Black said John Dudley from the ABC Commission called him and asked questions that he could not answer. He had names of people who can come down and give a public service meeting for citizens. Kemp Michael & Danny Jackson were dismissed to prepare the notice for the public hearing.

City Manager Kraus said that from this point on with regard to the bond referendum matters, we want to go out to landscape design firms for proposals for our review and then select a design firm. We need the RFP first. We recommend a committee to work on the design review. We suggest five members: one member from the vision committee, one from business community, one from recreation committee, one a contractor, and one a general citizen. Councilman Hough said we need to do the Glendale Street widening; it will be done in July. Mr. Hough also said we need the Catawba Heights committee to give us their proposal so we can move on to that next. Mr. Hough suggested this matter be put on another meeting agenda to discuss. Councilman

Hope said he would like the Council to designate the revenue from ABC sales to retire our bonds. Councilman Hough agreed.

PUBLIC COMMENT

Mayor Black opened the floor for public comment.
None.

ROUND TABLE

Councilman Helms stated that on Belton Avenue said that at house #197-199, the concrete pipes have been closed up, and it is causing flooding at house #200, where a disabled man resides. He suggested that we put an asphalt bump on the edge of the road to turn the water down the road to the ditch.

Councilman Helms said that on Belmont-Mt.Holly Road, the ditches are stopped up near the roads to the school, and so the roads flood when it rains.

Councilman Helms said that yard waste is put out all over town in all kinds of containers, and asked, could we use old garbage cans? Mike Santmire said those have been disposed of.

Councilman Helms stated that on Smith Street there is a real need to do something about flooding.

Councilman Helms said that there are so many street lights out, and he believes the police are the best to report them being out. We need to get them fixed. Mike Santmire said the contractor Duke Power uses has been out and changing them. Mr. Kraus reported they are about half way down the list we gave them.

Councilman Helms said he has had a lot of complaints about grass not being cut. Ryan Baker has sent out 24 letters. We need to follow up closely.

Councilwoman Hubbard stated that with regard to the crossing guards, the Council had voted to spend that money and now she wanted to know if the police chief can just take that out of the budget without the Council voting to do that. Mr. Kraus said that when Council votes on the budget it is voting on that, but he will check with the City Attorney.

Councilwoman Hubbard asked about the status of helping the Habitat people? Chief Davis said we met with them four times in May. We are going to get a street light. Mr. Kraus said Habitat told the residents we were going to clear off the woods on the back of their lots, because when the police come by the drug dealers run into the woods. Mr. Kraus stated that the City is going to clear 30 feet for sewer line, but we do not have a contract for any more than that. We are patrolling more and officers are getting out on foot more.

Councilwoman Hubbard asked what is the status on the East Gaston water line? Mr. Kraus said the county said they were going to push this through the committee. The city managers have met and agreed they will all meet with the county as a group only. It is in negotiation.

Councilman McLean asked, when is our work session in July? July 8th.

Councilman Hough asked about the status of the drainage situation for Mr. Drumm and Mr. Helton. Have we talked about curbing that up to help his drainage problem? Mike Santmire stated that the water was coming underneath the road. Councilwoman Harris recalled that it has already been curbed. Mr. Kraus said his neighbor has said he will put in a better ditch.

Mayor Black asked Chief Davis about burglar alarm applications. Chief Davis said the software program is being written, and everything is going fine so far.

Mayor Black asked Mr. Kraus what the Business Association's reaction has been to the Council's decision; Mr. Kraus stated that their special event is going to be held at the middle school.

Mayor Black said he has asked City Attorney Michael about hotel and motel taxes, and he is researching that. Councilman McLean said the county did that for the welcome center to be in Gaston County.

Mayor Black thanked our intern, Megan, for doing a good job; she has been doing press releases.

City Manager Kraus asked Council to consider the need for a backflow prevention certification. Don Price stated that as of July 1st we are required to have this. We do not have anyone certified; the next school is not until August. There are individuals we can contract with until we get one of our employees certified.

City Manager Kraus said we are in the middle of interviews for a police chief. We hope to have two finalists by the end of week. We will then do background and psychological exams.

NB#8 continued

Danny Jackson read a proposed ad for the public hearing. City Manager Kraus said there will actually be public hearings before both the planning commission and at Council. Kemp Michael stated that the state ABC Board may delay action on the applications they receive pending the outcome of this zoning action. You will not have to take action after the public hearing unless you are ready to do it.

Motion: Councilwoman Hubbard **MOVED** to set public hearings regarding zoning amendments in connection with the ABC ordinance for July 7th & 14th and approve the notice as presented, seconded by Councilwoman Harris.

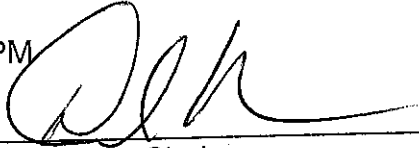
Vote: Unanimous. CARRIED.

Mayor Black returned to the crossing guard issue. Councilwoman Harris asked if the Chief can change this number of bonuses without Council voting on it? Mr. Michael said No. This matter will be put on the budget meeting agenda at the end of this month.

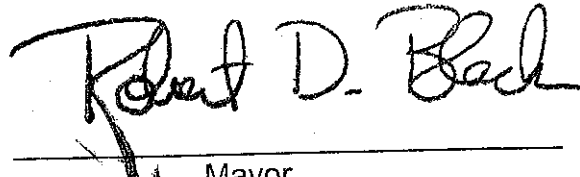
ADJOURN

There being no further business, the meeting was adjourned, upon motion duly made, seconded and carried.

PM



Clerk



Mayor

cpm