

CITY OF MOUNT HOLLY**MOUNT HOLLY CITY COUNCIL
WORK SESSION****TUESDAY, JUNE 8, 2004**

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 Manager David Kraus
 City Attorney Kemp Michael*

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

The invocation was led by Councilman David A. Moore.

#1: Presentation by Wachovia Bank.

Mayor Hough recognized Helen Jones, Missy Connell, and Janet Sarn of Wachovia.

The representatives from Wachovia stated that they had met with city staff yesterday and have addressed many of the problems with the accounts. They have also put a process in place to take care of other issues. They have written a check to refund service charges. They asked that Council move to maintain their banking business with Wachovia.

Mayor Hough thanked the ladies for coming and assured them that we would let them know which direction we choose to take.

#2: To Discuss Redevelopment of A&E Building.

Mayor Hough recognized Andy Cox and David Creech of Cox & Schepp Construction, Inc., and Narmour-Wright Associates, respectively.

Mr. Cox stated that they have done some minor demolition inside the building and discovered that the windows are still in tact and are in wonderful shape. He stated that the estimated construction cost for the project is \$5,294,000, or \$73/square foot.

Mr. Creech clarified that this is an estimate for construction and does not include furnishings, the Police Department's communications equipment, *et cetera*.

Mr. Kraus asked is this for renovating the new section, or demolishing it and building something else?

Mr. Cox said it is for renovating the new section.

**Kemp Michael entered the meeting.*

Councilwoman Hubbard asked what does this include for the retail space, will it be sheet rock or just studs?

Mr. Cox stated that it will have more of an open, transitional feel.

Mayor Hough thanked Mr. Creech and Mr. Cox for attending the meeting.

#3: To Consider Proclamations.

Mayor Hough read the proclamation that was presented on behalf of the City by Mayor Pro Tem Helms to the Stowe Family YMCA on Thursday, May 27, 2004.

Mayor Pro Tem Helms MOVED to approve the proclamation as read. The motion was seconded by Councilman Moore and was approved unanimously.

Mayor Hough discussed the proposed proclamation in support of Dr. Forrester's bill before the State Senate, which would allow a referendum on banning same-sex marriage in North Carolina.

Councilman Hope said it is appropriate for the county to do this.

Councilwoman Harris asked the County already passed a resolution?

Mayor Hough said yes, they did it at their last meeting.

Councilman McLean said he is for it.

Councilwoman Hubbard said she is for it.

Mayor Hough said we will add it to the agenda for next Monday night.

#4 To Discuss the Proposed 2004-2005 Budget.

Mayor Hough recognized Mr. Kraus.

Mr. Kraus stated that the proposed budget has no tax increase, but there are increases in city fees. The tipping fee is increased by a dollar. There is a 15% increase in water rates starting in November. If we reach the agreement to sell more water to Stanley, we would probably not have to raise the water rate. This also includes charging the county for ambulance service. There is a large usage of fund balance: \$450,000 in fund balance usage for acquisition of land, and \$500,000 in fund balance usage for other items. The proposed budget also includes some capital projects, including the sewer rehab project. The budget does not include downtown water tank, a parks master plan, expansion of Tuckaseege Park/Center, and the ABC store.

Councilman Hope wants to make a few comments. He stated that with all the projects that the City has going on, we will have a lot of expenses coming at us in the next few years. He wants to earmark 2 or 3 cents this year that will go to cover the expense of the bonds. He thinks we should set a little aside this year to help pay for the bonds so it won't be such a burden on our hard-working citizens.

Mayor Pro Tem asked about the salaries for the Street and Solid Waste Department employees. Does the budget reflect the reduction in benefits?

Mr. Guffey said yes.

Councilwoman Hubbard asked did we reduce the Street and Solid Waste Department budget by \$6,000 and put that money in stormwater?

Mr. Guffey said Mr. Santmire budgeted low for this year. They did not get that much of a drop for the benefits. He said he had informed Mr. Santmire that the final costs would probably end up being lower.

Mayor Pro Tem Helms stated that the stormwater fee is set at \$2.50 per standard household, will commercial and industrial customers pay a lot more?

Mr. Kraus stated that this was calculated using a standard unit. They calculated the average for a house as 2600 square feet. He said this is fairly typical of how other cities have done it.

Mayor Pro Tem Helms said that communication on this will be very critical.

Mr. Kraus said we will definitely refer to this service as unfunded. The total amount of revenue for the stormwater service will be approximately \$176,900.

Mayor Hough asked did we discuss sharing services with Belmont?

Mr. Kraus said yes, we have, but they are still unsure what they would like to do.

Guffey: especially with utility jobs

Mayor Hough asked can you adjust a fee during the year?

Mr. Kraus said yes, the only thing you can't adjust during the year is the tax rate.

Mayor Pro Tem Helms said he wants to consider the studies that Councilman Hope spoke about.

Mr. Kraus said that the studies are related to planning, economic development, and changes to zoning ordinance, such as the manual for development standards.

Councilman Hope asked where did the need for all these studies come from?

Mr. Kraus said we took these from the items and priorities that Council has addressed over the past year

Councilwoman Hubbard asked can we start discussing the budget for legislative expenses? She questions budgeting \$8,000 for elections when the City doesn't have an election this year.

Mr. Kraus said this is for the presidential election this fall, we have to pay for the polling expenses

Mayor Hough asked for Council's input on the proposed budget for items such as beautification, Springfest, archives, parade, and the Miss Mount Holly pageant. Could we possibly cut the beautification budget in half if we recruited volunteers to help alleviate the costs?

Mayor Pro Tem Helms suggested taking the extra money out of travel for legislative and use it to cover the expenses of these special events.

Mayor Hough clarified that Council's travel is not going to be a reimbursable expense, and that everyone would provide their own transportation.

Councilwoman Harris asked didn't we say last year we would not have a newsletter, and now we have one? Why is it in for next year too?

Mayor Hough said the one thing we need right now is communication. We have a lot of things going on that we need to communicate to the public.

Councilwoman Hubbard said the email newsletter is wonderful, but not everyone uses email.

Councilwoman Hubbard asked about the capital item of an Internet GIS system for \$3000. Is this not available on the county website?

Mr. Kraus said yes, but not specific city information, such as water and sewer lines.

Councilwoman Hubbard suggested to cut it.

Councilman Hope said he thinks we have to leave in the comprehensive plan.

Councilwoman Hubbard agreed.

Mayor Hough opened the floor to discuss the proposed budget for the Police Department.

Mr. Kraus said we are leasing five squad cars next year and one detective car. We are also turning in some cars to offset the expense of these cars.

Chief Hoyle said there is nothing proactive in this year's budget; this is a "catch-up" maintenance budget. There were a lot of items that were left out in last year's budget, including debt service on the Police Department's building, maintenance on the generator, and software.

Councilwoman Harris asked about the crossing guards. Do we still give them an incentive?

Mr. Kraus said yes.

Mr. Kraus said on the issue of a School Resource Officer, the County has offered to pay each of the municipalities in the County \$15,000 per year for an officer in their middle school.

Mayor Hough asked do we need to have the SRO at the school full-time?

Councilwoman Hubbard said we should keep the School Resource Officer, and accept the \$15,000 from the County as a bonus to the budget.

Mayor Hough opened the floor to discuss the proposed budget for Fire and Rescue.

Mr. Kraus said there are some additional expenses for testing of equipment.

Chief Stevens said our rescue territory is very large. We respond all the way up to Lincoln County and down to I-85. City residents are paying for a service that also benefits people outside of Mount Holly.

Mr. Kraus said there is a difference between first responder and medical responders.

Chief Stevens said for the last few years, our personnel have been stretched very thin. Volunteers are very hard to come by.

Mr. Kraus said we want our people to feel ownership with the organization.

**Councilman Hope exited the meeting.*

Chief Stevens said the reason why I'm asking for three more firefighters is because we currently only have four; when we are out one person, it makes it very difficult for us to respond.

Councilwoman Hubbard asked if we added the EMT positions to run the ambulances, and not add the firefighter positions, could we avoid doing the county billing?

Councilwoman Harris why are we considering charging for calls?

Chief Stevens said because the city residents are subsidizing county residents.

Council decided to recess the meeting to this Friday, June 18, at 3:00 pm.

#5: To Discuss Agenda Items.

Mayor Hough opened the floor to discuss the agenda items for the next Council meeting.

Councilwoman Hubbard added a presentation from the Springfest Committee.

Mr. Kraus added two items under consent agenda: one for public housing and approval for grant.

Mayor Hough added Mike McLaurin under presentations, and the proclamation in support of Sen. Forrester's referendum bill.

Mr. Kraus added the East Gaston water and sewer line under unfinished business.

Mr. Michael said the ABC Commission will hear our petition this Friday in Raleigh. David and I plan to go. If anyone else would like to go please let him know.

Mayor Pro Tem Helms MOVED to go into executive session for the purpose of attorney-client privilege at 10:08 pm. The motion was seconded by Councilman Moore and was approved unanimously.

Councilwoman Harris MOVED to adjourn at 10:30 pm. The motion was seconded by Councilman McLean and was approved unanimously.

Clerk

Mayor

Respectfully submitted,

Megan Hanks
Communication Director