

**CITY COUNCIL
REGULAR MEETING
May 10, 2004**

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 Hough. The following were present:

Mayor Bryan Hough
Mayor Pro-Tem Michael Helms

Councilman Jim Hope
Councilwoman Phyllis Harris
Councilman Frank McLean
Councilwoman Pat Hubbard
Councilman David Moore

City Manager David Kraus
City Attorney Kemp Michael

Jamie Guffey, Assistant to City Manager
for Finance/Administration

Danny Jackson, Assistant to City
Manager for Community Development

Benson Hoyle, Police Chief

David Stevens, Interim Fire Chief

Don Price, Utilities Director

Mike Santmire, Street & Solid
Waste Director

Greg Beal, Community Dev. Officer

Ryan Baker, Fire Inspector

Megan Hanks, Communication Director

Special Visitor

Montario Johnson, Mayor for a Day in Mount Holly, a third grader at Pinewood Elementary.

INVOCATION

The invocation was led by Rev. Jeff Bost.

PLEDGE OF ALLEGIANCE

Troop 59 led the Council and audience in the ceremony of the Pledge of Allegiance under the guidance of Rick Connell.

APPROVAL OF THE AGENDA

The agenda was approved with the following changes: moving Unfinished Business to just after Consent Agenda, move Consent Agenda #2 to New Business #5, upon motion by Councilwoman Harris, seconded by Councilman Moore, with all in favor.

CONSENT AGENDA

Councilman Hubbard **MOVED** to approve the Consent Agenda with eight (8) items, seconded by Councilman McLean, with all in favor. The items approved were:

CA#1. To Accept and Approve the Minutes. Minutes of April 6 and April 12, 2004.

CA#2. Moved to New Business #5.

CA#3. To Call for Public hearing on the 2004-2005 Budget. Set for Monday, June 14, 2004.

CA#4. To Approve Tax Debt Setoff. Tax releases approved for April 2004 list in the total amount of \$49.50. (copy attached)

CA#5. To Call for Public Hearing on Rezoning of Vacant Lot located at Auten Circle and Beatty Drive. Upon recommendation of Planning Commission, set for June 14, 2004.

CA#6. To Call for a Public Hearing to Consider Amending the Permitted Uses of Section 6.4 of the Zoning Ordinance. Set for Monday, June 14, 2004.

CA#7. To Authorize Application for Transportation Enhancement Grants. Staff is authorized to apply for a grant that could help pay for the proposed greenways.

CA#8. To Adopt Resolution to Establish Flat Rent for Public Housing. (copy attached).

CA#9. To Adopt Resolution in Honor of National Osteoporosis Month. (copy attached).

UNFINISHED BUSINESS

UFB#1 To Consider Appointing ABC Commission

Mayor Hough turned over the floor to City Attorney Michael. Mr. Michael said that a method had been approved by Council for voting on the nominations that have been made. Councilwoman Hubbard said that Council had asked that the nominees come to tonight's meeting, so she asked if they could come up and introduce themselves. Mayor Hough agreed.

First, he recognized Daphne Barton, who stated she had lived in Mount Holly all her life, and has been co-chair for the Mount Holly Christmas Parade for many years. Councilwoman Hubbard asked, why do you want to be on the ABC Board? Ms. Barton stated she wants to see Mount Holly grow and she feels this will originate that and would like to be a part of that; also, she has managed a restaurant and has dealt with ABC before.

Next, Howard Black was recognized. He stated that he believes that during the next 10-25 years Mount Holly will go through tremendous growth, and the ABC Board will be part of it. He wants it to be done right, and he further thinks it will be eventually a ABC system as the City grows, and we need to be sure it goes together correctly.

Carlton Broome, 116 Patrick Lane, Mount Holly, was recognized next. He said Mount Holly will grow a lot and he wants to be a part of that, and believes this ABC Board is an important part of that growth.

Kathy Drum was recognized next. Councilwoman Hubbard asked her, what would you contribute? Ms. Drum said she has experience in management in her career, is and is a life long resident of Mount Holly. She remembered when we had many stores in our city and would like to see that again. She feels it is more critical to expand our sales tax base to help keep property taxes from rising, and the ABC Board and its efforts will be a great initiator for businesses and retail.

Bill Wilson was recognized next. He said he is an Asst. General Manager at Charlotte Douglas airport, he manages restaurants and alcohol sales, supervises 700 employees, of which 230 serve alcohol. Councilwoman Hubbard asked, why would you like to be on our Board? Mr. Wilson read the mission statement from the ABC Board book; he believes in that mission and believes he is an expert in that and can bring a lot to our board.

Robert Whitt was not present.

Attorney Michael stated that if there is a three to three vote tie on the first ballot, the mayor will not break it until there is a three to three vote tie on the second ballot. This is a written ballot. Ballots were then filled in by the council members and passed to the Attorney, who tabulated them. Carlton Broome, Robert Whitt, and Kathy Drum had four or more votes. Mayor Hough declared that our Board will be Carlton Broome, Robert Whitt, and Kathy Drum. He asked the Council, Do you wish to name a chairman? Councilman Helms nominated Carlton Broome, seconded by Hubbard. There were no other nominations. The Council unanimously confirmed. Carlton Broome is the Chairman and will have a three year term. Mr. Broome drew from a box with the two other names in it to determine their terms. Mr. Whitt will have a one year term, and Ms. Drumm a two year term.

UFB#2 To Consider City Citation Ordinance

City Manager David Kraus stated that the staff recommends adding paragraphs (c) and (d) to Sec. 13-19. Councilwoman Hubbard asked, how much would you like the penalty to be? Chief Hoyle said \$25 is suggested, but he had no preference.

Motion: Councilwoman Hubbard **MOVED** to amend Sec. 13-19 as proposed, with a penalty of \$25, seconded by Councilwoman Harris.

Vote: Unanimous. CARRIED.

PRESENTATIONS

PR#1 Presentation by Todd Lanham from BellSouth.

On behalf of BellSouth, Mr. Lanham presented two framed copies of the cover of the 2004 Yellow Pages showing the Mount Holly Fire and Rescue Headquarters building on it. Mayor Hough thanked them on behalf of the City for doing that.

PR#2 Presentation by Eastern Gaston County Youth Basketball Tournament Champions.

The Mount Holly Huskies and Mount Holly Blazers teams and their coaches won the county tournament for the Mount Holly Parks and Recreation Dept.; John Blackwood and Rodney Coleman, the coaches, and some of the team members presented to the City a plaque to be displayed at City Hall. They were congratulated by Mayor Hough and the Council.

PR#3 Proclamation for City Employees for Springfest 2004

Councilwoman Hubbard read a proclamation for city employees in recognition of their hard work during the 27th annual Springfest. (copy attached)

PR#4 Presentation of Mayor for a Day

Mayor Hough recognized Mayor for a Day Johnson. Mayor Hough read Mr. Johnson's essay to the audience. In it he said he would slow down traffic, clean up trash, visit people in rest homes, make it safer for kids to play, make schools better and have nutritious food, with no tobacco and weapons on school grounds, and have all schools be clean. He also said the best thing to do is stop child abuse and he hoped there are not many in Mount Holly. He said he could clean all the stores in Mount Holly. Mayor read a proclamation in his honor. (copy attached)

The Council took a five minute recess.

PR#5 Presentation of the 2004-2005 Submitted Budget

Jamie Guffey stated that, at the retreat, the Council asked for more detail in this year's budget proposal; hopefully, we have complied. This was difficult to prepare, he said, with last minute changes made that day. The proposal does not include a tax increase. It does include a fund balance appropriation over \$900,000 of which \$400,000 is for property purchase. Water and sewer rate increase is proposed but we may not have to do that if Stanley decides to buy all its water from us. This increase is because of reduced amounts of consumption. This budget also includes debt payment on bonds, paid at interest only for the first three years during construction. This covers the entire amount of the bonds if all are issued. Mr. Kraus said that once the construction is complete the full payments will have to be made. Mr. Guffey said he is also passing along a proposal from a phone company to save money on the phone service at city hall for Council's review and later decision. The budget has the current rate we are paying. Mr. Kraus said what is not in the budget is three firefighters overtime and giving 'kelly' days; it eliminates payment of the school resource officer, downtown walking policeman, snow plow, reduces tuition reimbursements, reduced the vehicle fleet by at least one vehicle from every department. Mr. Guffey said the budget amount for insurance is a savings from what it would be due to our agent shopping around, at 11.3% savings. Mr. Kraus said also not in this budget is the ABC store, street department, and water intake upgrades; if we do that, the debt payments will come the next year fiscal year. It does include two additional EMTs, economic development, development standards, money for corridor standards, money for economic summit, money to purchase land for parks with \$450,000 from fund balance. Mr. Kraus said they need to set a date for a budget workshop meeting. Mayor Hough suggested it be discussed at the next regular work session and then schedule another date that night, if needed. Council agreed. James Guffey stated that the county tax assessor would not give us a property valuation until after July so he had to use the 2003 valuation. Mr. Kraus reminded Council that we had two large amendments to the valuation, with Clariant and Freightliner reduced. Also, Mr. Kraus reminded Council that next year is the first year for the sales tax agreement; Mr. Guffey stated that this is a maintenance budget, not progressive. Mr. Kraus stated that loss of textiles has cut consumption at the water plant and that affects the water

and sewer budget. Councilwoman Hubbard noted that they said the new budget includes two EMTs, so she asked, is that a response to Mr. Stevens' memo; Mr. Kraus said, yes. Councilman Hope asked if Mr. Kraus sees this as a maintenance budget. Mr. Kraus said, yes. Councilman Hope made the point that we are taking eight cents out of our fund balance. Councilman Hope asked, the items that are not in the budget, how much would that come to if they were in there? Mr. Guffey said, 10 to 12 cents. Councilman Hope stated that in his opinion this proposal budget is in reality an increase of about 20 cents.

PR#6 Future Municipal Building Design

The Council and Mayor moved to the council room floor to see a presentation from Narmour-Wright. Mr. Creech said the team appreciates the Council's assistance and input. Mr. Cox, from Cox & Shepp was present as well. Mr. Narmour was present. The presentation showed the project on Central Avenue for the A&E Building purchased by the City. Mr. Jim Love, a Mount Holly resident, had given them an accurate photo of the old A&E building.

Mr. Creech referred to other projects they had done, namely, the Design Center of the Carolinas, a former mill, and he showed photos of the exterior and interior. Also, the Atherton Mill, before and after, with lofts, primarily office. The old Spaghetti Warehouse building, with retail and office spaces. Comparisons were made between Mount Holly and other similar sized cities. They took old maps of the site for consideration. Where the old spur line off the railroad used to be, the pavement is coming loose, so there is an area about two or three feet where you can see the old spur line. Then they showed the current pictures. The building was "modernized" in the 1980s. The loading dock entrance goes onto the second floor. The parking lot side shows the old gable. The newest addition was built in 1982, and is a nice, large, open space. In the older part, there is an opportunity to insulate on the outside and expose the wood. At the Charrette, Day One, they concluded at the end of the day with a presentation, looking at department needs for twenty years. Choices in floor plans were considered. Decisions were made in favor of a courtyard space along the front with a ceremonial drive. The main entry would be on Central Avenue. They would restore the Historic Mill view. A Community Room seating 100 and could hold 200-300 would be on the ground floor. They decided the exercise facility should be in an alternate location. There are commercial opportunities: 11,600 square foot on first floor, 5,500 square feet on second floor. The Grand Hall and Community Room could be rented out; also the council chamber could be rented out. On Charrette Day Two; the building site tour started the day, then site concepts, and elevation studies. They presented a site plan that afternoon; ceremonial drive, 101 parking places, plus 75 for police. There would be on street parking as well. He showed the First Floor and Second Floor plan, a color coded map. During Charrette Day Three, they tested the proposed concepts. The produced computer measured drawings for the first floor, with the grand hall, council room seating 150, and with a conference room. The blue area is the police department, reviewed at least two times with the police department. The green area is Planning/Parks & Rec/ Utilities offices. The Purple area is retail space for shops, restaurants, with open windows and doors from the street. The Orange area is the

billing department. On the Second Floor, the administration offices are in pink, with a conference room, file room and mayor's office; the purple is lease space, probably offices. Next, they produced a three dimensional computer generated model, followed by an architectural drawing. The ceremonial drive can be blocked off as a courtyard for events. Their next steps are to prepare a preliminary cost estimate, which they can present in about two weeks; the Council said they would like to see it June 8. After that, they will complete architectural and engineering plans; followed by financing alternatives. Mayor Hough asked, will there be an archives room? Mr. Creech said Yes, there is a lot of space we are looking at adjacent to city administration offices for historical archives; also, the grand hall has exhibit space.

PUBLIC HEARINGS

PH#1 To Consider Amending Zoning Ordinance for Co-existing Uses

Councilwoman Harris moved to go into public hearing, seconded by Councilman McLean, and unanimously carried. Mayor Hough recessed the regular meeting and opened the public hearing to consider amending the zoning ordinance for co-existing uses.

Greg Beal stated that this amendment will add greater flexibility to reviewing co-existing uses. The Planning Commission recommended approval. This draft incorporates both planning board and council input. There were no comments for or against from the audience.

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

Motion: Councilwoman Hubbard **MOVED** to approve amending the zoning ordinance, Section 6.4, and Note 23 of Article VII, as presented, seconded by Councilman McLean.
Vote: unanimous. **CARRIED.**

PH#2 To Consider Extending Moratorium on Demolitions in Downtown District

Councilman Helms moved to go into public hearing, seconded by Councilwoman Harris, and unanimously carried. Mayor Hough recessed the regular meeting and opened the public hearing to consider an extension of the moratorium on demolition or exterior remodeling in the downtown district.

City Manager David Kraus stated that the map in the agenda shows the downtown district as an overlay district over the zoning map. The moratorium was for 120 days. However, the design standards for the downtown district are still being drafted this month; our meeting to see the proposal is on the 18th. Final comments will be translated to the plans presented to us in July, and we will have public hearings in August. That puts us beyond the 120 days. There were no comments for or against from the audience.

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

Councilwoman Hubbard asked, if we want to extend the area, is that staff's recommendation. Mr. Kraus said some council members mentioned extending the district down to the river, and if you want these standards to apply to that corridor, then that area needs to be added to this downtown district. Mr. Kraus stated the actual zoning will be determined later, this just puts everything on hold as to exteriors until that is done.

Motion: Councilwoman Hubbard **MOVED** to approve an extension to the moratorium to August 9, 2004, with no change in the boundary of the downtown district, seconded by Councilman Helms.

Vote: unanimous. CARRIED.

PR#3 To Consider Fats, Oils, and Grease Ordinance

Councilwoman Hubbard moved to go into public hearing, seconded by Councilman Helms, and unanimously carried. Mayor Hough recessed the regular meeting and opened the public hearing to consider adoption of an ordinance to control the deposit of fats, oils, and grease into our sewer system.

City Manager David Kraus referred to the proposed amendment to our sewer use ordinance in the agenda packet. Don Price stated there are a few changes to be made: 1. Instead of Section 14.234, it should be 14.2.11; 2. paragraph A "Section 4", delete b and c; 3. Paragraph D, strike "or City of Gastonia Plan. Dept. Insp. Div."; 4. City has permit, under that permit must account for sewer overflows. If we have an event and it can be attributed to fats, oils and grease, then we address that, which is added under Section 2.

There were no comments for or against from the audience.

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

Mayor Hough asked if this amendment primarily affects restaurants. Mr. Price said, Yes. Mayor Hough asked, how much discretion do we have? Mr. Price stated that this problem is partially covered by the state plumbing code; this amendment just gives us more options. Councilman Hope asked, how will this affect our existing restaurants? Mr. Price said, most have a grease trap under the wash sink; some may have to expend about \$200 to meet this ordinance. Councilman Hope asked, does this include car washes? Mr. Price stated that car washes are controlled by this ordinance as well. Mr. Kraus said this may affect the Lutheran Church which prepares Meals on Wheels. Mr. Price suggested that we allow a nine month period to comply for existing

establishments. Mayor Hough asked, how is this enforced? Mr. Price said the annual inspection for pretreatment will check this.

Motion: Councilwoman Hubbard **MOVED** to approve the amended Section 14.2.11 to the sewer use ordinance as presented, with a transition period for existing establishments to comply, seconded by Councilman McLean.

Councilman Helms asked Mr. Price, to your knowledge, this is not going to be detrimental to any business in Mount Holly? Mr. Price said, Not to my knowledge. Councilman Hope said that was his main concern, because in his business he deals with new restaurants, and they put in units for this purpose that cost \$2,000; so he wondered what our local businesses would be using to take the place of that and costing only \$200. Mr. Price said it is based on sink gallon per minute flow.

Vote: Unanimous. CARRIED.

NEW BUSINESS

NB#1 To Consider Mountain Island Lake Memorandum of Understanding

City Manager Kraus stated that this agreement would require us to share information with others that are in the watershed. We would have to notify others members of the group and they have opportunity to comment on what we are doing before it is done. Mr. Mozzelle was recognized from Mecklenburg County. Councilman Hope said he would like to see us take this for information and not make a decision tonight. Council agreed.

NB#2 To Consider County Water and Sewer Memorandum of Understanding

City Manager Kraus stated that the County has adopted this concept of a county wide water and sewer system, and he had received late today a draft of agreement, but the attorney has not reviewed it yet. Representatives from the county were present, Mr. Maxwell and Mr. Beasley. Councilwoman Harris said she is not prepared to vote on this until the attorney reviews it. Mayor Hough said he is aware there is a sense of urgency. Mr. Beasley was recognized, and gave a quick overview of the agreement. The county has worked with Mount Holly to formalize a specific interlocal agreement for funding and construction of water line to East Gaston High School, which got bogged down on how the county would recoup its investment. We had issues of tap fees, user fees, and annexation. We came up with verbage that could resolve those issues. The cities met and made recommendations to the county. This is a specific agreement that addresses those issues. We hope to resolve this matter in 30 days, so we can construct the lines this summer. Mr. Kraus said there were a lot of rumors about this, but to set the fact straight, there will not be a double billing. Commissioner Torbett was recognized, and he said he wanted to touch on the homeowners' cost. We were looking at an affordable way to have water and sewer county wide. If you approve this it will be the first project for the countywide system. We looked at fees to keep the plan going. It had to be affordable to the homeowners. I learned from the fire chief that the fire

hydrants will create a large savings to the homeowner in their homeowner's insurance, so that this will be acceptable to the citizens.

NB#3 To Consider Resolution Supporting Referendum for a Local Half-Cent Sales Tax
City Manager Kraus said this resolution would support sending the matter of a local half-cent sales tax going to the voters. One half would go to cities on a per capita basis, which would go to economic jobs or travel and tourism jobs. Mayor Hough said the cities in Gaston County are asked to support the referendum so that the people can vote on this decision. Gastonia has agreed to lower its typical 75 percent cut to 50 percent.

Motion: Councilwoman Hubbard **MOVED** to adopt Res. #5-10-04A in support of the referendum for a local half-cent sales tax, seconded by Councilman McLean.

Vote: Unanimous. CARRIED.

NB#4 To Consider Resolution on Self-Financing Tax Referendum

City Manager Kraus said NC law does not allow self-financing bonds, although most states have that. This matter is already on the November ballot. This resolution would show our support for the referendum, and our agreement to educate the public about it. Mayor Hough asked if with self-financing bonds, would that mean that if the A&E building was owned by a private individual, then the tax from that building would pay the bond cost. Mr. Kraus said that it keeps the costs on just the area being improved so that taxes are not raised city wide. Councilwoman Hubbard said she has heard about this at a Chamber of Commerce meeting.

Motion: Councilwoman Hubbard **MOVED** to approve Res. #05-10-04B in support of the referendum, seconded by Councilman Moore.

Vote: All in favor. CARRIED.

NB#5 To Approve HUD HOME Resolution

City Manager Kraus said the City of Gastonia has asked us to join this program. It is an interlocal agreement, but the attorney has not reviewed it yet. This needs to be adopted in May. The program provides money to low and moderate income families for purchase of homes or rehabilitation of their home. It is administered by the City of Gastonia. Mayor Hough asked, what is the cost to us? Nothing. Councilwoman Harris asked, why did we refuse before? Mr. Kraus stated that he believed the councils in the past have hesitated to participate in a housing program because of difficulties they had in the past. Mayor Hough asked, what was that? Mr. Kraus said the City administered a program in the past and legal difficulties occurred. Kemp Michael said he recalled the events, which involved a community development program that did rehab on Noles Drive and Hawthorne Street. The director of the program created a scheme to submit bogus bids and his companies were low bidders and the money did not go where it was supposed to go; the council disbanded that board, and stopped that program, and we took over the housing authority and control of the housing projects. Councilwoman Hubbard said she has several problems with the program, and the City chose not to get

involved three years ago. One of the comments in the paperwork says the assistance they get is a five year second mortgage. Councilwoman Hubbard said that from her experience these families do not need that additional expense. The administrator of the Gastonia program, was recognized. She said the program does a downpayment program, and the second mortgage is not required to be repaid as long as they stay in the house five years, and they make no payments. They also give credit and budget counseling. Kemp Michael said if you administer it, then Mt. Holly would not have to administer the funding or foreclosures? No. Gastonia would handle also the client education and oversight of the program. They handle reporting back to HUD. Mayor Hough stated that if we do not participate, then our citizens cannot benefit from this program. Mayor Hough asked, who has not adopted this? She said only McAdenville, Mt. Holly and Spencer Mountain. She reported that they completed \$3.4 million in loans last year. Mr. Kraus said that in the resolution there is a statement that needs to be stricken; it is the fourth "whereas", since we are not contiguous, if Council wishes to adopt this.

Motion: Councilman Moore **MOVED** to approve Res. #05-10-04C, seconded by Councilman McLean.

Vote: five ayes. One nay (Hubbard)

PUBLIC COMMENT

Mayor Hough opened the floor for public comment.

Greg Dietz, 325 Gaston Avenue. On March 2nd, he had approached the Council about an interest penalty on his taxes. There was confusion in 1996 about who was collecting the taxes, the county or the city. My attorney submitted to my mortgage company that they did not pay it, but we have not heard back. Mr. Guffey had told him he was aware of this being a problem for some people. Mayor Hough said this has to be considered in the context of the whole city. We will have to take this to legal consideration, but we will get you an answer within 30 days.

ROUND TABLE

Councilman Moore said he had a question about environmental impact studies on the greenways. Do we need to start looking at those now? City Manager Kraus said that in the grant application for the enhancement grant, environmental impact studies are included.

Councilman Moore said the Mount Holly Optimists want permission for a sign for football sign-ups, which will be there for two months, during June and July. Councilman Moore **MOVED** to allow the Optimists to erect a sign during June and July for football sign-ups, seconded by Councilwoman Harris, and carried unanimously.

Councilman Hope asked, have we heard about the post office grass? David Kraus reported that John Hope went up there and, technically we have no control, but they have agreed to clean up their yard.

Councilman Hope said that at the next workshop we need to talk about what we are going to establish on the corridor to the river. He asked Mr. Price to speak to watershed issues; also we need to rezone the A&E Building that the City bought. Mr. Price stated that the current watershed is WSIV-CA, which extends all along the Catawba River, and up Dutchmans Creek about a half mile. It is a critical area because their map still shows a water intake on Dutchmans Creek even though we have our water intake in Mountain Island Lake. We need to make a formal request to change that classification, showing our plans for that area, and that the old structure be physically removed. You have to get approval from public supply that we would never need to use that. Councilman Hope said he would like to see this procedure begun. David Kraus said the first thing would be to have the fire department go down there and take pictures to show the structure is not there anymore. Who knows where it used to be? Councilman McLean knows. Mayor Hough asked, how long would that process take? Mr. Price said he didn't know. Council agreed to have staff do this. David Kraus said that with regard to the rezoning, you can see there is various types of zoning in the area of the old A&E building. Councilman Hope suggested that it be rezoned as a general business zone. Greg Beal stated that he had itemized a list of what can occur in general business zones, so Council can review it and make amendments to the permitted uses if you wish before rezoning it. Mr. Beal said he is also working on a proposed landscape ordinance for new commercial construction; we already have that regulation for residential construction. Councilman Hope said the Council has to stay on top of this so the City is ready.

Councilman McLean said he noticed on the map sent to the Council a good place for the street department building. He suggested down Tuckaseege Road next to Hodgins Chemicals (on A&E land).

Councilwoman Harris asked if City staff has been in touch with Willie Melton from the church on the Lee Street project? Mr. Don Price said he has left a message for him to set a time for them to meet with the contractor and us; but nobody has called back.

Councilwoman Hubbard said it has been suggested that the City sponsor a River Festival, or river float; she thinks it is a great idea. Councilwoman Harris agreed. David Kraus said they are thinking perhaps the last two weeks of June, and he did not believe it would cost much; they are looking for corporate sponsorship.

Councilwoman Hubbard asked if we have update information on the naming of the bridge? Megan Hanks said she now has the forms and she is gathering letters of support to send with it. We need to show community support of this. Mayor Hough asked, what is our deadline? Mr. Kraus said the DOT board sees this and then it is reviewed by a subcommittee. Mayor Hough said we should try to send this in next Monday, so he suggested getting with the police departments, churches, and others to

get support letters ready. Councilman Hope said another source of support would be Randy Pendleton's classmates.

Councilman Moore asked if the matter on the Friedl's property has been resolved? Mr. Kraus said staff decided to talk with them about greenway easements at the same time. Mr. Moore felt that this matter needs to get resolved.

Councilman McLean asked about the water line contract for East Gaston High; wanted to consider it at the work session? Mayor Hough said we need to look at the budget, but if that is ready we can do this. Mr. Kraus said that would be a budget item.

City Manager Kraus asked about the proposal by City Partners, what is Council's input? Councilwoman Hubbard said the way she read it, they would agree to go through the A&E building as a test case free of charge. Mayor Hough said Mr. Creech is working on financing options, and he said we should consider RFPs. We met with developers; we have three looking at it. We have showed it to City Partners also. They said yes. Councilwoman Harris said, if there is no cost to the city, she didn't mind trying it. Councilman Hope said he doesn't know anything that is free, there is always a catch. Mayor Hough said he thinks they are trying to prove their worth to earn our business. There would be no guarantees.

City Manager Kraus reminded Council that June 9th is Town Hall Day, and he asked who is going? This is a chance for the Council to go to Raleigh and lobby for funding and other issues.

City Manager Kraus asked council what it would like to do about the existing aerial sewer line, should we get rid of it as we build the East Gaston line? Don Price stated that to take it out of service will cost about \$30,000, and to remove it would cost 20,000 more. David Kraus asked what problems we anticipate. Don Price said the line is deteriorating, and will begin to leak. Councilman Hope felt that Council needed more information before it can decide on this.

Mayor Hough said that last year the middle school parents hosted an eighth grade dance, and they requested use of the Tuck Center. They are requesting it again for this year's dance. Last year the City let them use it for a contribution. This is an ongoing annual event. Councilman Hope said we need to be town friendly and let them use it. Councilwoman Harris said that since she is on the Recreation Commission, she was cautious about that because the City has a lot of people who have requested the same thing, and we would have to be town friendly to everyone. She wants the school to do it too, but there are others that asked that had just as much importance and are in the city too, and they were denied. Councilman Moore asked, do we know the utilities cost per night? Not exactly. Councilman Hope asked, what would it cost for the 8th grade to use that? Danny Jackson said the fee schedule is \$40 per hour. Councilwoman Harris said our staff prepared a cost schedule and we adopted that, and we need to either support it or do away with it. Mayor Hough asked, are there certain events that the council feels should be excluded from the policy? Councilman Moore said he thought if

it is a school event we should let them do it for free. Councilman Hope stated that this event is not sponsored by the school, but by the parents. Councilwoman Harris recalled that they used to use the Optimist building and paid nothing. Councilman Hope asked, what if this event was sponsored by the police department? Councilwoman Harris said we have tried to be fair to everyone on the Recreation Commission, without prejudice. Councilman McLean asked, what about the old gym? Councilwoman Hubbard said the Springfest Committee is not a city department and for a lot of years we used the school cafeteria for no charge. Councilman Hope asked, how much did we pay to use the building for the Springfest Saturday night dance when it rained? Councilwoman Hubbard said nothing. Danny Jackson said events that the city sponsors are excluded already by the adopted fee schedule; there are expenses, staff time, utilities, bills have to be paid and he has to sign off on those in his budget; he is not trying to keep people from having a dance, but has to follow the rules. Councilman Hope said everyone is all in favor of this, but there is a policy in place that needs to be complied with, and he has been reminded.

Councilwoman Hubbard also asked that staff look into that property on Tuckaseege for the street department and get back to Council right away. City Manager Kraus said that given that we are no longer considering the same location where they are, we will not meet the August deadline.

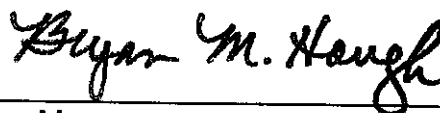
Councilman Moore said that Ms. Heafner is in the audience and has waited all night, she wanted to speak and we overlooked her. Mayor Hough said you have discussed vendor issues with people. Mr. Guffey has met with her on more than one occasion. Ms. Heafner was recognized and said she is a citizen of Mount Holly. She has been working on this with Mr. Guffey but it needs Council approval. Her company has prepared a layout, and would also like to install DSL services to your police and other departments. She said the total savings would be over \$25,000 annually. She understands budgeting is important. Mayor Hough said this information was given to Council by Mr. Guffey to review and to be considered at the work session in June.

ADJOURN

There being no further business, the meeting was adjourned, upon motion duly made by Councilwoman Harris, seconded by Councilman Helms and carried unanimously.

9:50 PM


Clerk



Mayor

cpm