

CITY OF MOUNT HOLLY
CITY COUNCIL MEETING MINUTES
MONDAY, APRIL 22, 2024
COUNCIL CHAMBERS
6:30 PM

CALL TO ORDER

Mayor Moore called the meeting to order at 6:30 pm. The following were present:

Mayor David Moore	Jonathan Blanton, City Manager
Mayor Pro Tem Lauren Shoemaker	Brian DuPont, Assistant City Manager
Councilman Ivory Craig	Brian Reagan, Police Chief
Councilman Jeff Meadows	Ryan Baker, Fire Chief
Councilman Bryan Hough	Greg Beal, Planning Director
Councilwoman Phyllis Harris	Tony Walker, Streets and Solid Waste Director
Councilman Kenneth Reeves	Robert Stewart, Deputy Utilities Director
Marie M. Anders, City Attorney	Mark Jusko, Recreation Supervisor
Danny Jackson, Consultant	Michelle Wood, Finance Director
Tara Douglas, City Clerk	Alexis Hill, Human Resources Director

INVOCATION

Councilman Hough led the Council, staff, and attendees in prayer.

PLEDGE OF ALLEGIANCE

Mayor Moore led the Council, staff, and attendees in the pledge of allegiance.

SET THE AGENDA

Mayor Moore entertained a motion to approve the agenda as presented. Councilman Hough made a motion to approve the agenda as presented. Councilman Reeves seconded the motion.

All Council members present voted in favor. (Motion Carried)

CONSENT AGENDA

1. Approval of a Capital Project Ordinance and Budget Amendment for the Wastewater Treatment Plant Decommissioning.
2. Accept and confirm final bid for sale of property at 147 E. Catawba Ave.
3. Approval of a Proclamation of Professional Municipal Clerks Week 5/5-5/11/2024.
4. Approval of a Proclamation of National Arbor Day
5. Approval to Apply for a Parks and Recreation Trust Fund Grant

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6. Approval of Minutes from the April 8, 2024 Council Meeting
7. Approval of Minutes from the April 8, 2024 Closed Session

Mayor Moore entertained a motion to approve the consent agenda as presented. Councilwoman Harris 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. Presentation and Discussion from the YMCA

Sharon Padgett and Mary Moffitt

Sharon Padgett discussed updates to the YMCA. Ms. Padgett showed a video presentation of the proposed updates. Ms. Padgett highlighted some of the updates including a Youth Wing, splash pad, turf soccer field and an outdoor water park which will be breaking ground in September. Ms. Padgett discussed the senior population and discussions with Councilman Reeves regarding partnering with the City of Mount Holly to do more for the senior population. Ms. Padgett stated that the YMCA would like to include the senior population in Mount Holly and proposed that the City of Mount Holly pay for YMCA memberships for up to 25 adult seniors. Ms. Padgett stated that the adult senior rate would be \$55 with a 10 % discount.

Mr. Blanton mentioned that potentially partnering with the YMCA was discussed at the Council Retreat. Mr. Blanton stated that a potential partnership with the YMCA would provide additional amenities for our Sole Patrol program. Councilman Meadows stated that it would cost approximately \$1250.00 for 25 seniors to have a more robust program than they currently have. Councilwoman Harris asked the approximate cost of the additional trips that the seniors participate in at the YMCA. Ms. Padgett stated that the cost varies depending on the type of trip that is taken. Councilman Reeves asked about the transportation between YMCA and Tuckaseegee and would that be included in the proposal. Ms. Padgett stated that this would be something that could be evaluated further. Mayor Pro Tem Shoemaker asked if we are looking to dissolve the Sole Patrol. Mayor Moore stated that this partnership would enhance the Sole Patrol. Councilwoman Harris stated that the Sole Patrol is primarily interested in the trips.

Councilman Meadows stated that the City would like to have a full-size gym and could we explore partnering with the YMCA to expand their current gym plans to have a full-size gym instead of the City trying to take that on. Ms. Padgett stated the YMCAs all over the country have had partnerships with Parks and Recreation departments and that the YMCA would love to explore that opportunity. Councilman

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Hough stated that he is in favor of pursuing that opportunity. Mayor Moore stated that the consensus is that the Council would love to sit down to discuss this opportunity further.

2. Presentation from OneDigital

Brian Flynn

Brian Flynn presented from OneDigital. Mr. Flynn stated that OneDigital is the benefit consulting team for the City of Mount Holly. Mr. Flynn stated that a couple of years ago the decision was made to go back to the Municipal Insurance Trust for the health insurance program. Mr. Flynn stated that we had been there previously and had a good run from a service perspective, but the claims were higher, and the rates went up, so the decision was made to leave. Mr. Flynn stated that going back to the Municipal Insurance Trust had the same results as before in terms of day-to-day service and the benefits that were offered to the employees. Mr. Flynn stated that one of the advantages to this is that we get data, and this data is important due to the size and growth of the City. Mr. Flynn stated that the Municipal Insurance Trust was able to provide detailed claims. Mr. Flynn stated that these detailed claims told us over the last couple of years that the City was running very well and the result of this was no increase in the rates. Mr. Flynn stated that this is the result of the City paying more in premiums than was paid out in claims, and that this projected amount is approximately \$300,000.00.

Mr. Flynn stated that the Municipal Insurance Trust is leaving MedCost as an insurance provider and that they are moving effective July 1, 2024 to Aetna and are again offering a zero-rate increase. Mr. Flynn stated that the goal is to make us comparable to other organizations your size to give you options. Mr. Flynn stated that the City has roughly 186 employees that are on the plan plus dependents. Mr. Flynn stated that most organizations of this size look at an alternate type of program where if there is a surplus in your plan then that surplus would come back to the City, or it is claims dollars that you do not spend.

Mr. Flynn stated that the options are to move with the Municipal Insurance Trust to Aetna at a zero percent increase keeping the rates exactly where they are, or we can continue our relationship with MedCost in an alternative funded program where the City will save approximately \$290,000 in the upcoming year based off the claims that were paid over the last several years. Mr. Flynn stated that there would be a third-party underwriter who would actuarially price out the City's claims for the following year. Mr. Flynn stated that organizations of the City's size are moving to these types of alternative funded programs. Mr. Flynn stated that staying with MedCost as the administrator in an alternative funded program the City employees would keep the same network and benefits that they are familiar with.

Councilman Hough stated that Municipal Insurance Trust is a group of municipalities that come together for health insurance. Councilman Hough stated that you are paying a set premium and if you do not get an

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increase, you subsidize other municipalities for their claims and plans. Councilman Hough stated that you are paying for what you use in the self-funding and alternate funding programs. Mr. Flynn stated that if you have a bad year, then you will pay for the bad year in the year that you have it whereas in the Municipal Insurance Trust, your rates will go up the following year. Mr. Flynn stated that in the Municipal Insurance Trust if your claims do not reach the increased rates, they will keep the surplus. Mr. Flynn stated that the alternative funded program would have stop gaps in place to protect the City from any large claimants, a bad year, and then if the City ever wants to get out of it, we can look at other types of programs. Mr. Flynn stated that this type of plan is more efficient, and it gives the City the buying power of larger organizations.

Councilman Meadows confirmed that MedCost would be the administrator. Councilman Meadows asked about the process for the handling the financial aspects of the program and how it would be handled internally. Mr. Flynn stated that they would establish a budget for the City each year and assist in managing any potential surplus.

Councilman Meadows discussed the idea of having a cafeteria style where if the organization is spending a dollar amount on the employee, then the employee can pick what insurance and types of benefits that best serve their situation. Mr. Flynn stated that the City could offer multiple types of plans. Councilman Meadows stated that he is looking for the most equitable options for the employees.

Councilman Hough stated that this is new information, but it is not new information to the industry and employers of this size. Councilman Hough stated that this makes the most sense from a fiduciary standpoint. Councilman Hough stated that we should be looking at every dollar. Councilman Hough stated that this process is the best for the taxpayers. Councilman Hough stated that this process is transparent and uses our dollars for Mount Holly instead of subsidizing other cities.

Mayor Moore stated that there would be further discussions with staff on this topic as part of the budget process.

3. Presentation of the SpringFest Interactive Map

Chloe Clary and Beth Ann Winebarger

Chloe Clary and Beth Ann Winebarger showed the Mayor and Council a demonstration of the SpringFest Interactive Map. Ms. Clary and Ms. Winebarger state that this interactive map gives general information, road closures, parking map, ADA, and restroom locations to citizens and visitors of Mount Holly.

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4. Raftelis Water and Sewer Rate Study Update

Elaine Vastis and Raftelis Staff

Elaine Vastis from Raftelis stated that she is here to review the two items that the Council asked her to bring back for further discussion. Ms. Vastis stated that the two discussion topics are the water bulk rate calculations associated with the Town of Stanley and the system development fees. Ms. Vastis stated that Raftelis was asked to calculate a cost justified rate for the Town of Stanley. Ms. Vastis summarized the approach that was taken and the ultimate rate that was calculated. Ms. Vastis stated that they looked at the operations and maintenance component and a capital component. Ms. Vastis stated that their current calculations for the bulk water rate is \$3.27. Ms. Vastis stated that the bulk rate has been pegged to tier one for the retail customer and that this would decrease from where it currently is.

Councilman Hough asked Ms. Vastis to remind everyone where we currently are for the bulk rate. Ms. Vastis stated that we are at \$4.52 currently. Councilman Meadows asked staff for the rate offered to the bulk rate customer. Mr. DuPont stated the offer was for \$3.60.

Councilman Meadows confirmed that this was a standard industry methodology that was used. Ms. Vastis stated that it was one of several standards used in the industry. Councilman Meadows asked about a rate escalator for the bulk rate customers and would like to see Raftelis bring back an outline of the rates for the next five years. Ms. Vastis stated that they can provide the schedule requested.

Ms. Vastis stated that the second portion of the study was about the system development fees. Ms. Vastis stated that the system development fees are the fees assessed for new development that are charged one time. Ms. Vastis discussed the legislation that was passed in 2017 that gave cities and counties the authority to do this and provided a process as to how the fees should be calculated. Ms. Vastis stated that she is going to talk through the calculations and the report. Ms. Vastis stated that the report must be posted on the website for a period of 45 days to provide the public with an opportunity for written comments. Ms. Vastis stated that after the 45-day period, the City can have a public hearing and then publish the fees. Ms. Vastis stated that this is the process that the City must follow to implement these fees. Ms. Vastis stated that there have been changes to the legislation since that time and that is one of the factors that is impacting the information that we are going to see. Ms. Vastis discussed the allowed methodologies for the fee calculation and listed them as the Buy-In Approach, Incremental/Marginal Cost Approach, and the Combined Approach. Ms. Vastis stated that the Combined Approach focuses on existing facilities with some available capacity to serve new customers and on additional facilities required to meet some anticipated growth. Ms. Vastis stated that the Combined Approach is the methodology that was chosen for the fee calculation. Ms. Vastis stated that they used the Buy-In Approach the last time the fee was calculated.

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Ms. Vastis discussed how the fee is calculated. Ms. Vastis stated that one of the changes from the last time is on the sewer side since the City is building a line to Charlotte Water for sewer treatment. Ms. Vastis stated that Raftelis is recognizing the fact that these fees are going to be in place for the next five years and have removed the sewer treatment plant assets because very soon those assets will not be in service. Ms. Vastis stated that the Council will see the added asset to connect the City to Charlotte Water.

Councilman Meadows asked if the legislation closes the door on somebody coming back to us for the changes in the fees. Ms. Anders stated that she does not believe that this is a concern because the requirement under the state law was to follow the process and ordinance as adopted. Ms. Anders stated that the Council has followed the law every time the legislation has changed so our ordinances were defensible at every time at the point of collection. Ms. Anders stated that the only time that this could come into question is if at the time of collection, the fee itself was incorrect.

Ms. Vastis stated that the next steps would be to finalize the water and sewer rate adjustments based on the Fiscal Year 2025 budget and CIP and analyze customer billing data to identify one or two rate structure alternatives that simplify rate structure and identify impact on customers.

OLD BUSINESS

1. Discussion on City Committees and Commissions

Marie Anders

Mrs. Anders stated at the April regular meeting that Councilman Meadows requested further discussion regarding the current ordinances regarding committees and commission. Ms. Anders discussed the legal memorandum included in the agenda packet regarding how municipal committees are formed and abolished and how members are appointed to municipal committees. Ms. Anders stated that she gave a brief high-level outline of that at the last meeting, but she is happy to assist with any discussion tonight.

Councilman Meadows stated that the main driver for this conversation is to have citizen participation. Councilman Meadows stated that he is hoping to explore and discuss uniformity for all the Committees and Commissions. Councilman Meadows stated that he does not think that what we are currently doing is the same in all the cases. Councilman Meadows stated that we have state law, ordinances, and practices that we should make sure are aligned. Councilman Meadows stated that there should be standardized rules and regulations for the Committees and Commissions. Councilman Meadows stated that there should be a clear direction for what the policy is and then addressing enforcement. Councilman Meadows stated that the appointment process seems to be handled in various ways and that other municipalities have something like what the City did regarding the Council seat whereby the City Clerk collects interest and then nominations

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are completed through a Council process. Councilman Meadows stated that he would like for this process to be looked in to. Councilman Meadows stated that he would like to see the City to consider subcommittees put in place for some of the committees to allow for additional citizen involvement. Councilman Meadows stated that if you look back to the Strategic Vision Plan, there was a citizens committee that drove that and is there a way to capture what has been done in the past and formalize a process? Councilman Meadows stated that the more ambassadors we have in the community that have actual information would be a good thing.

Mayor stated that we could look at all our committees, but that each one is different. Mayor Moore stated that we have liaisons on different committees, voting and non-voting committees, and committees with Council members. Mayor Moore stated the Councilman Craig brought up the Recreation Commission and that there are ten members on that Recreation Commission. Mayor Moore stated that he and Councilwoman Harris are voting members of the Recreation Commission. Mayor Moore stated that one of the things discussed was that he and Councilwoman Harris could still be on the committee but as a non-voting member. Mayor Moore stated that we could add two more people since seven people applied to be on the Recreation Commission.

Mrs. Anders stated that she would like to point out that there are separate state laws surrounding filling vacant seats on the Council and that the Council did follow those laws. Mrs. Anders stated that the recent change in rules that came up regarding the Board of Adjustment and Planning Board highlighted some difference between practices and what is written down. Mrs. Anders stated that from the legal perspective beyond filling Council appointments and committees that are required under state law like Board of Adjustment and Planning Commission the state law sets the Council as the body who forms and appoints to committees. Mrs. Anders stated that historically committee appointments have been filled in different ways with different terms. Mrs. Anders stated that she would advise looking at each committee one at a time to have a systematic approach.

Councilman Meadows stated that he is looking for a roadmap for how this process works. Councilman Meadows stated that the Economic Development committee should be revised. Councilman Hough asked about how council members are appointed to committees. Councilman Hough stated that it might be good to look at ways to standardize this process and rotate Council members through committees as the liaison.

Councilwoman Harris discussed how appointments were conducted for the Parks and Recreation Commission. Councilwoman Harris stated that the candidates were interviewed for the position. Councilwoman Harris stated that Mr. Jusko gave them ballots where the panel listed their top three choices.

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Councilwoman Harris stated that they followed a point system. Mayor Moore stated that vacancy was advertised, promoted on social media, and was in the newsletter. Councilman Craig stated that he brought up the email to everyone before anyone was voted in. Councilman Craig stated that starting this process is what he would like to do.

Mayor Pro Tem Shoemaker stated that it is good to evaluate the committees and commissions and how they have been running over time. Mayor Pro Tem Shoemaker stated that we should examine terms in light of the increased interest to be involved.

Mr. Blanton recapped the points discussed. Mr. Blanton stated that it is a good idea to review the committees one by one on an individual basis and upon the conclusion of the individual evaluation having them all encompassed in one place. Mr. Blanton stated that we need to look at how to appoint uniformly across all the committees and ensuring that we have that specifically written down to include a master list. Mr. Blanton stated that people could submit to have an application on file with the City Clerk so that when these vacancies become available, we have a list of people that we can go to in order to gauge interest.

Mr. Blanton stated that we need to evaluate if there are committees that lend themselves to subcommittees and what that would look like on a case-by-case basis. Mr. Blanton stated that we would need to review the process for appointments, terms, to ensure that we have a uniform system across the board to ensure that everyone is being treated fairly. Mr. Blanton stated that we would need to look at terms and how that relates to each board or committee, as well as having a unified document to include the process. Councilman Meadows stated that the only item that should be added is exploring new or revived committees such as construction and economic development. Councilwoman Harris stated that attendance to the meetings should be considered. Mayor Pro Tem Shoemaker stated that we adopt a code of conduct for each committee as well. Councilman Hough stated that we should consider an honorary title to those who have been a long-time member, but through no fault of their own not always attend the meetings.

NEW BUSINESS

1. City Manager Report

Jonathan Blanton

Mr. Blanton stated the two arrests have been made in relation to a homicide that happened on Gander Way. Mr. Blanton thanked the City of Mount Holly Police Department and the District Attorneys Office. Mr. Blanton stated that we have a lot of exciting events coming up to include Arbor Day, the Mount Holly Community Development Foundations 5k, the Senior Dinner, the Community Dinner and wrapping up with SpringFest. Mr. Blanton stated that we are continuing with the budget drafting process and are continuing to meet with department heads. Mr. Blanton

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stated that there have been some questions regarding public involvement, and we of course will have open meetings throughout May to discuss the specific items in the budget and then of course that will lead up to the public hearing in June where we will get input from the public and be able to get that before the public and Council's consideration.

CLOSED SESSION

1. Closed Session Pursuant to N.C.G.S 143-318.11 (a) (3 and 5)

Mayor Moore entertained a motion to go out of the regular meeting and into closed session pursuant to N.C.G.S 143-318.11 (a) (3, and 5). Councilman Meadows made a motion to go out of the regular meeting and into closed session at 7:58 pm . Mayor Pro Tem Shoemaker seconded the motion.

All Council members present voted in favor. (Motion Carried)

Mayor Moore entertained a motion to come out of closed session and back into the regular meeting. Councilman Hough made a motion to come out of closed session and back into the regular meeting at 8:29 pm. Councilman Meadows seconded the motion.

All Council members present voted in favor. (Motion Carried)

ADJOURN

With no additional items for discussion, Mayor Moore entertained a motion to adjourn the April 22, 2024 Council meeting. Councilman Reeves made a motion to adjourn the April 22, 2024 Council Meeting at 8:29 pm. Councilman Meadows seconded the motion.

All Council Members present voted in favor. (Motion Carried)

The meeting adjourned at 8:29 pm.