

**CITY COUNCIL
REGULAR MEETING
April 14, 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

Fire Chief John Ekiatis

Street & Sanitation Dir. Mike Santmire

Mayor Black recognized a special guest, our Mayor for the Day, Kimberly Burnett, who is a third grader from Pinewood Elementary School. Her parents were in attendance as well. The Mayor for the Day struck the gavel to begin the meeting.

Mayor Black announced the birth of Samantha Black the past Friday, Mayor Pro-Tem Jim Hope's granddaughter.

INVOCATION

The invocation was led by Rev. Todd Wright, First Presbyterian Church.

PLEDGE OF ALLEGIANCE

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

APPROVAL OF THE AGENDA

The agenda was approved with additions, Ron Morgan UFB#4, and UFB#5 CRO, upon motion by Councilwoman Harris, seconded by Councilman McLean, with all in favor.

CONSENT AGENDA

Councilman Hough **MOVED** to approve the Consent Agenda, with four (4) items, seconded by Councilwoman Hubbard, with all in favor:

CA#1. To Approve Minutes of March 4, 10, and 13, 2003. Approved as written.

CA#2. To Call for Public Hearing on Water Supply Plan Update. Set for May 12 regular meeting.

CA#3. To Call for Public Hearing for Closing a Portion of Piedmont Avenue. Set for the May 12th regular meeting.

CA#4. To Request the NC Department of Insurance Conduct an ISO Review. Chief Ekiatis believes that our fire department should meet a Class 3 rating, and possibly a Class 2. It is currently Class 6. This rating affects insurance rates for residents in Mount Holly.

PRESENTATIONS

PR#1 To Present Mayor for the Day

Mayor Black stated that Mayor Jennie Stultz of Gastonia came up with an idea for a county wide essay contest throughout the county schools, and every mayor in the county selects a mayor for the day for their city. Mayor Black introduced Kimberly Burnett as our Mayor for the Day, and her parents. They came to City Hall at 5:30 and they rode to the fire station in the fire truck and had a tour of that facility, and then a tour of the police department, followed by dinner at city hall and meeting all the council members. Mayor Black read Kimberly's letter which had been selected as the winning entry. Then he read a proclamation declaring her Mayor of the Day that had been framed for her, and gave it to her. (copy attached)

PR#7 To Recognize Police Chief Rick Davis on Retirement

Mayor Pro Tem Hope read a proclamation in recognition of Chief Davis's contributions to our police department and city, upon his retirement. (Copy attached)

His wife operated a restaurant in Gastonia for many years and is also retiring. Chief Davis will remain until a new chief has been selected.

PR#2 To Present Plaque to Mayor Black from Eastern Gaston County 9-10 Year Old Champions, Mount Holly Bulldogs

Doug Hawkins, coach of the city champions, who also won in the county and region. They represented our city well as a Mt. Holly recreation department team. The plaque will hang in the front hall of City Hall.

PR#3 To Recognize East Gaston State Championship Wrestling Team

Coach Goins and the wrestling team members were recognized. Mayor Black said this is special group of young men; they traveled throughout the state and were champions by winning, and also in their conduct as gentlemen. Their good behavior was acknowledged wherever they went. A resolution was read by the Mayor and presented to team. Mayor Black said he hopes the Council will talk about having recognition signs at our city entrances to honor our winning teams.

PR#4 To Recognize Victory Chevrolet

Mayor Black introduced Bruce Gandy, one of the new owners of Victory Chevrolet, formerly Spruill Chevrolet, saying we are excited about having them in Mt. Holly. He presented a key to the city and said we look forward to a long relationship with this company. Mr. Gandy said his family has a small town dealership. He stated he is from a family of loving parents and brother and

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sister. "We were famous for our advertising at our old franchise." He studied communications in Greensboro and is ready to go in this new enterprise.

PR#8 To Recognize New Employees

Jamie Guffey introduced our new tax collector, Lee Ann Carpenter. She has an accounting background, and has increased collections to almost 98%.

PR#5 Resolution to Support US Armed Forces

Mayor Pro-Tem Hope read a resolution supporting President and our armed forces. (copy attached)

PR#6 To Consider Report by Jim Gilpin on Storm Water Issue

Mr. James W. Gilpin, P. E. made his report to Council of his findings regarding the drainage situation along North Drive. Mr. Jack Drum was in attendance to hear the report as well. Mr. Gilpin investigated a storm water issue on North Drive. He found that there is an infrastructure problem caused by the developers of the subdivision; namely, a drain under North Drive that is too small or is partially plugged. There has also been a compromise of a swale in a couple of locations by its being filled in and obstructed by a fence. The water was accumulating from the properties on North Drive and South Timberlane. The drain in Mr. Drumm's yard needs major work and it is not in the city's domain. It was caused by the developer not the city, and it is on private property. A copy of the written report will be sent to Mr. Drumm.

PUBLIC HEARINGS

PH#1 To Consider Annual HUD Submission for Holly Hills

Councilman Helms moved to go into public hearing, seconded by Councilwoman Harris, and unanimously carried. Mayor Black recessed the regular meeting and opened the public hearing to consider the annual HUD submission for Holly Hills Apartments.

City Manager David Kraus stated that this is the annual submission to HUD for the annual budget plan presented by the management company. There were no comments for or against.

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

Motion: Councilman Helms **MOVED** to approve the Holly Hills budget and its submission to HUD, seconded by Councilwoman Harris.

Vote: unanimous. CARRIED.

UNFINISHED BUSINESS

UFB#1 To Consider Belmont Abbey College Water Bill

Director Don Price said he was not here at the work session due to his wife's illness. This bill is from 2002, December reading on November usage. There was a touch reader. If they get a zero, they move on. After the second month, they lifted the lid and the wires had been cut. However, the manual register was working and they read that. Jimmy Haas was present at this meeting also. Mr. Haas said the college called Bo Eller to turn the service on during the drought. He told them to call when they were ready to have it turned off. We had Mr. Eller take us out there and showed us how to cut it off. But, we never got a call from them to turn it off. After two or three weeks I asked the others and neither of us had received a call. Bo Eller said they would often turn it on themselves instead of calling us. There was also nothing in the log book that we got a call from them. A meter company representative was recognized and he showed Council one of the devices. It is a mechanical device, the water goes in, goes through the measuring impellor, and then out. It registers on the meter, similar to an odometer in a car. There is also an electronic device that goes to the touch pad. The cutting of the wires stopped that, but not the mechanical register. If the water goes backwards, it would take numbers off the register, lowering the reading. Mr. Jim Schuppenhauer, from Belmont Abbey College, stated that they believe there are discrepancies in that the bill reads that the usage was in January; we could not have used that much water in one month. Don Price said it was probably over a three month period of time, since they had a zero for two months. They have suggested paying one-half the bill.

Motion: Councilman Helms **MOVED** to leave the bill as it is, seconded by Councilman Hope. The motion was amended to add that the cut off day shall be May 1.

Vote: Unanimous. CARRIED

UFB#2 Update on Fire Grant

Fire Chief Ekiatis said that the fire act grant application was previously authorized. The application has been completed, and he presented it here. There are six items, total \$194,774, requiring 10 % matching funds from City. The list is for turnout gear, an electronic accountability system, an exhaust system at Catawba Heights station, 5 portable radios and 1 mobile radio, 60 pagers, and 1 thermal imaging camera.

UFB#3 To Consider Adopting Gaston County Soil Erosion and Sedimentation Control Ordinance

City Manager Kraus stated that Gaston County got approval from the State for its ordinance, and wants the City to adopt its ordinance as our ordinance and enter an inter-local agreement for enforcement. Mr. Kraus recommended this matter be tabled for 30 days so that Council can give review it and give him their input, and then he and Mr. Michael can bring back to Council a final product.

Motion: Councilman Hough moved to table, seconded by Councilwoman Harris.

Vote: unanimous. CARRIED.

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UFB#4 Ron Morgan

City Manager Kraus stated that he met with Ron Morgan the prior Friday and discussed with him Council's wishes to end his engagement. As we were finalizing payments to him, he wanted to speak to Council. Mr. Morgan was recognized. He stated that one item he wanted to clear up, regarding the movie theater, that he was not asking for public funds. If he can find an investor, there would be a need for help with parking issues. He needed confirmation that the city was interested in a cooperative effort. Second, with reference to his billing. From a consultant's view, the City is in his protection. For example, he gave public talks at luncheons that took two or three hours which he did not bill individually. He went to a huge effort to print a brochure so you would have one at the public hearing meeting. Renderings were done, with concept ideas. He will make a presentation for Catawba River conservancy. He handled two visioning sessions, three nights each. At the third session we hit a snag and we had to have extra meetings, and he billed at the unit price in his contract. He felt that this was correctly billed at \$1,000 per unit, for two of them. He said he spoke to David Kraus that night about that, and he said it sounded fair. Councilman Hope said he is in contracting, and if additional work is done, then change orders are done. Mr. Morgan said he never even considered that he would not be paid at the unit price for the additional meetings.

Councilman Hough stated that he saw it as part of completing the job contracted for, so it was not left half done. It was his view that Mr. Morgan was completing the job. Mr. Hough said he thought Mr. Morgan had a vested interest in that he had a project in mind of his own. So the meetings he did were not just to promote our process, but also his own at the same time. Councilman Hope asked the City Manager if the contract has been paid in full. Mr. Kraus said he has been paid the contract amount of \$32,500.

Motion: Councilman Hope **MOVED** that no further funds beyond the initial contract amount be paid to Mr. Morgan, seconded by Councilman Helms.

Vote: Unanimous. CARRIED.

Extra Items

Mayor Black thanked the Mayor for the Day, Kimberly Burnett, and asked her to gavel a five minute recess. Ms. Burnett needed to leave as it was a school night.

City Manager Kraus introduced Megan Hanks, an intern from Appalachian University. She currently works in Senator Hoyle's office and is going to be working here temporarily as an internship.

Mayor Black reported that the sidewalks committee has begun meeting about the proposed Catawba Heights project. Angela McConnell, of 516 W. Henry Street

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was recognized. She thanked the Council on behalf of the committee for getting the three way stops and one way signs for traffic control near the school. Her daughter was with her and she also thanked the Council on behalf of the students at the elementary school, and also reported that Shelby is doing a whole lot better.

UFB#5 Community Relief Organization Request

Mayor Black referred to a letter from Jeff Bost on behalf of the CRO, and said Mr. Bost had called him and asked what Council had decided about their request that the City waive the late fees, etc. when they are helping someone pay their bill so that their funds are not stretched beyond their ability to perform their mission. Councilman Hope said he wants to support the CRO, but he had a concern. His question was, is it fair that the fee should be waived just because a non-profit pays it? Councilman Hough stated that he believes it is more of an issue of the people going to the CRO late, perhaps to avoid the late fee, when they could go there in time to get it on time if they wanted to; they know the bill in the first week of the month. He felt that they need to go to CRO early enough to get it paid on time rather than wait until the last minute. Councilman Hope said he doesn't know how to do what CRO is asking and be fair to our other citizens, like elderly citizens or others that pull together their own money to get it paid and they pay the late fees and all. Councilman McLean stated that he agreed with Councilmen Hope and Hough. Councilman Hope said it is not that they don't want to help the CRO, it's that Council has to respect this policy, and cannot show favors to one and not another. Councilwoman Hubbard agreed; she also reported that after Council had talked about water bills being late getting out causing electronic payers to have trouble getting paid on time, the post office delivered the bills this month on the 2nd. No action.

NEW BUSINESS

NB#1 Contract for Construction at Waste Water Treatment Facility

City Manager Kraus stated that city employees at the water treatment facility must use the lab as a break room and lunchroom. This is a contamination issue. Director Don Price said the City had two violations and after investigation we determined it was sampling errors. We asked for remission on them, they granted it on the first and we are waiting for the second decision. This office space will correct this problem. They had obtained quotes.

Motion: On recommendation of staff, Councilman Hope **MOVED** to award the contract for construction at the waste water treatment facility to Jewell Building Systems, seconded by Councilman Hough.

Discussion: Councilman McLean highly recommended that this be done; he felt it has been needed for almost twenty years. Councilman Hope told Mr. Price that if the City gets the permit it won't cost anything, and then he can deduct that cost from their price.

Vote: All in favor. CARRIED.

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NB#2 To Consider an Increase in Fees for Garnishment of Wages

Jamie Guffey stated that when the City garnishes wages, two certified letters have to go out, that is about \$9.00 alone, plus the staff time involved. Our fee is currently \$5.00. Councilman Hope wanted to know how this started. Lou Ann tried to get a payment agreement, but he refused on the business and personal taxes. She put a freeze on his account, and he called and threatened her and made very unflattering remarks that cannot be repeated.

Motion: Councilman Hope **MOVED** to increase the fee for garnishment of wages to \$25, Councilman McLean.

Vote: All in favor. CARRIED.

Councilman McLean asked about the man on Louise Avenue. Jamie Guffey said he agreed to a payment plan, but he only paid one payment. Councilman Hough stated he recalled that the Council put a deadline on that, and if he did not pay on the payment agreement, there was to be a forfeiture of property. City Attorney Kemp Michael said we asked the county to foreclose on the property because they are going to foreclose on county taxes also, and it is on a list for them to do. Jamie Guffey said the City can foreclose on its own if Council wants to.

NB#3 Selection of Banking Services

Jamie Guffey stated that he has been waiting for several months for BB&T to get back to us about banking services, but they have not. We finally got a drop box but we had to do all the work to get it. He got proposals from Bank of America and Wachovia/First Union. He and Donna have reviewed the proposals. Both are good, but we do not have a Bank of America here in Mount Holly, so we recommend Wachovia. Councilwoman Hubbard noticed that the monthly fee would go up from \$400 to \$700 a month. She asked, Would the improved services be worth that? Jamie Guffey said that includes the on-line services, and he gave an example where we did not know a wire had come into our account because we did not have on-line service. City Manager Kraus said we would be able to pay employees through direct deposit. Councilman McLean asked what about Citizens South? Jamie Guffey said the bank officer has had over a month to give a bid, and also Trent Wilson stated he is concerned that they cannot handle our volume. This is not a reflection on that bank, it is fine, but it is smaller than the others. Mr. Kraus stated that BB&T has not expressed any real interest in keeping our business. If this is approved it would be effective July 1.

Motion: Councilman Hough **MOVED** to change the city's banking services to First Union/Wachovia, Councilwoman Hubbard.

Vote: unanimous. CARRIED.

NB#4 Purchase of New Hand Held Meter Readers

Don Price reported to Council that the City has had to send the meter reading units in several times for repairs, and they are very inefficient. The budget in the Dutchman Creek outfall was \$300,000, and our contract is about \$150,000, so

we request that Council allow us to use some of that money to purchase new meter readers. He had three quotes. Pipeline Supply is closer to us since it is in Rock Hill, SC. Councilwoman Hubbard asked if the old inefficient ones were the ones we used at Belmont Abbey; yes, but that bill reading was not from the touch readers, it was from the mechanical device.

Motion: Councilman Hope **MOVED** to authorize the expenditure of \$13,562.26 to Pipeline Supply for purchase of two new handheld meter readers, and to upgrade our two old ones, Councilwoman Hubbard.

Vote: All in favor. CARRIED.

NB#5 Street Paving List

Mike Santmire said he has made two changes to the list in the agenda packet, namely, replace #3, River Street with Hicks Circle from Adrian to Bell, and add #15 American Street from A&E Drive to the entrance. He had one correction at #1 to correct the square yards to 1,001. City Manager Kraus stated we will go to bid, and then see how many we can afford. Councilwoman Hubbard recalled that the City has talked about going in together with our neighbor on some projects to save money, and this might be a good time to try that. Mr. Kraus said he will check on that for Council. Mr. Santmire said we may have more stringent specs than them which may affect whether or not we can do this together with another city. Councilman McLean asked if this list and estimates includes fill in of dirt if the asphalt is too high. Mr. Santmire said we are getting to the point where we will have to mill out before we repave. No action at this time.

NB#6 To Consider Burning Debris on the Dutchman's Creek Outfall

Councilman Hope said this was a contract and he knew he would have to remove the debris, so he is just trying to save money. No action.

PUBLIC COMMENT

Mayor Black opened the floor for public comment.
None.

ROUND TABLE

Danny Jackson told Council he received a letter from Joe Harding thanking the city for partnering with them to form the new park in Catawba Heights. Councilwoman Harris said it is so nice to see kids there every day and parents with them.

Councilman Hough asked about the status of the trees being planted beside the fire department. Mr. Kraus said it has been done.

Councilman Helms has had a complaint about skateboarders on Sunday running people down. Mr. Kraus said we will have our ordinance enforced. Police Chief Davis said he has been working on getting permission from churches and

property owners with parking lots, but does not have enforcement agreements with all of them.

Councilman Helms said he had complaints about the house on the corner of W. Nims and N. Main. Chief Ekiatis is going to have Ryan Baker look into that.

Councilwoman Harris said the Council and Mayor has gotten Cindy and Kemp a gift certificate for having the council retreat at their house. They thanked the Council and Mayor for the gift and said they were happy to do it anytime.

Councilwoman Hubbard said that the State has almost finished the new river bridge, and she wondered what is the status of naming the bridge, since they had said we could not do so until it was finished. Mr. Kraus said he would find out.

Councilwoman Hubbard said that Springfest Week begins on Saturday, April 26th, with the 5K run, and a whole week of activities. One event is new, on Thursday night, May 1st, at 6:30 PM we will have the grand opening ceremony at Mountain Island Park. There are lots of other events you can be a part of, so she urged them to just let her know what they want have a part in. The golf tournament is Wednesday, April 30.

Councilman McLean said he wants the City to push that Pendleton name for the river bridge.

Mayor Black said the business association wanted a written response to its questions. Councilwoman Hubbard said that was because they wanted to form a written sponsorship, but now they are not going to sponsor as a group because of mixed feelings in the group. Mr. Kraus said they are happy the way it is. Councilwoman Hubbard said there will be opportunities at Springfest for people to register to vote and see the proposals for the bonds.

City Manager Kraus said that in front of you is a contract for leasing the gym from the county. Councilman McLean said he thought former City Manager Ponder got a ten year for that. Councilwoman Harris said she thought it was longer than ten years. Mr. Kraus will check on that.

City Attorney Michael said he believes everyone has seen the contract with A&E and reviewed it. The due diligence has begun.

Mr. Kraus reported that a homeland security meeting has been announced by the local business association.

City Manager Kraus reported to Council that Creative Dyeing has canceled their water account. Jamie Guffey said they were our largest water user, spending about \$5,000 a month.

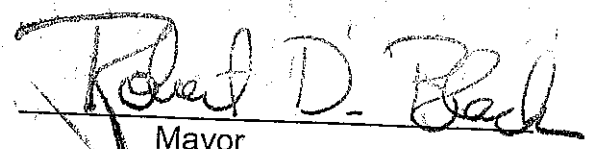
ADJOURN

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

9:20 PM



Clerk



Mayor

cpm