it is possible that the bidder misunderstood the bid. Mr. Munn stated that the bid is good for 90 days and it can be dealt with at the next meeting if Council would like to delay it, we would have 30 days to delay it. Danny Jackson stated that there is going to be 30 days delay for the sewer lateral, if he is not mistaken so it will be 30 days before anything can begin anyway. Mr. Munn will add this to the work session. Mr. Hope would like to receive some answers prior to the work session. Mr. Hope does not want to get into another streetscape issue again. Mr. McLean agreed with Mr. Hope. Mr. Hope verified that the references came from WK Dickson and not the staff. Danny Jackson confirmed. Mayor Whitt recommends some fine tuning on the bids.

REPORTS

No committee reports

Mr. Moore - Nothing further

Mr. Hubbard - (1) a resident called and asked if we are planning to pave Maple Street b/c only half was paved when the sewer lines were done, but when we did Adriane Street we did the whole thing, they asked if we were going back to complete the other half of Maple Street (2) erosion at the railroad track on Hawthorne at Sake Express—there is a severe difference in asphalt—Per Mr. Hope, the Rail Road redid that section and it is there asphalt that is breaking away when they raised the rail road.

Ms. Harris - Nothing further

Mr. McLean - Nothing further

Mr. Hope - Nothing further

Mr. Bishop - Update on the streetscape. Mr. Munn spoke with the engineer today. He and his boss with WK Dickson are meeting and they understand the seriousness of this issue. If this meeting on Wednesday is not successful, then staff will meet with the City Attorney to take the steps that the Council directed at the last work session. Mayor Whitt requested the amount of money that is being held back at this point. Jamie Guffey reported that it is $230,000 total that is owed to the contractor. No money is being held back on the Engineer but none will be paid going forward, no invoices have been received recently. Mr. Munn stated that invoices are being held from the contractor. Mr. Hope stated that a contractor said that Cland has not paid them. Did they submit and get paid for a portion of the traffic controllers. Mr. Munn stated that the contractor has received some payment per the Engineer but not all. Discussion about the retaining fee being reduced from 10% to 5%. Jamie Guffey will check on it and have an answer on Friday.

Mr. Munn - will be on vacation April 15th—23rd.

We have been meeting with the US Department of Housing Urban Development and Rural Development about the management of our housing units. We have explored the long term relationship issues that were discussed at the retreat. It is more complicated and will have to get with that at a later date. Right now some of the things that have to be done is to get a management firm to come in and make sure that we are administrating all of the forms that are required by these federal programs to be able to continue to receive the rent assistance from HUD and Rural Housing. The staff will be meeting with Statesville Housing Authority this week. They worked with Belmont for the HUD and Rural housing. They have a very good reputation with HUD and Rural Housing. Mr. Munn feels he will be able to bring back a contract to Council. There are reports that are due this month through the end of the fiscal year that will need to be addressed. He will get resources to address them. There were some changes back in the summer in the housing authority management and we have to have the internal capacity to be able to meet the HUD requirements. Mr. Munn, Danny Jackson and Mr. Michaels have already looked at 10 agencies. It seems that selling the houses will be complicated but Mr. Munn feels we should still pursue it. The indication is that there is a multi year commitment because Mount Holly has been receiving operating subsidies.

ADJORN

Motion: Mr. McLean made a motion to adjorn, seconded by Ms. Hubbard, all in favor.

Clerk

Mayor

MINUTES
MOUNT HOLLY CITY COUNCIL
WORK SESSION
APRIL 3, 2007

The Mayor called the meeting to order at 6:30P.M. Those present were Mayor Robert Whitt, Councilman Jim Hope, Councilman Jerry Bishop, Councilman Frank McLean, Councilwoman Pat Hubbard, Mayor Pro-Tem Phyllis Harris and Councilman David Moore. Also present were Jamie Guffey, Assistant City Manager, Danny Jackson, Assistant City Manager and Greg Beal, Senior Planner.

INVOCATION – Councilman Frank McLean

SET THE AGENDA – Councilman Jim Hope asked that the agenda be amended to allow Mr. Greg Beal, Senior Planner, the opportunity to discuss some recent zoning issues. The agenda was approved upon a motion and second by Councilmen Hope and Moore, respectively. The vote was unanimous.

The first item on the agenda was the approval of the Statesville Housing Authority Contract for Public Housing Management. Mr. Danny Jackson stated that the contracts with Statesville Housing Authority to provide management services for Rollins Apartments and Holly Hill Apartments were reviewed by him and the City Attorney. Mr. Jackson stated that there two separate contracts for each apartment complex. He said that one contract was for handling the more immediate record keeping and the other was for the perpetual management. Councilwoman Pat Hubbard made a motion to approve the contracts. The motion was seconded by Councilman Jerry Bishop. The vote was unanimous.

Request to waive annexation fees for properties located at 105 Walley Drive and 225 Forney Avenue. – Mr. Jackson reminded the City Council about the subject properties not being in the city limits but are receiving city services. He said that it is staff's recommendation that the customary annexation fees be waived since the property owners are not at fault. Councilwoman Pat Hubbard made a motion to waive the annexation fees for the subject properties. The motion was seconded by Councilwoman Phyllis Harris. The vote was unanimous.

Zoning Issues – Mr. Beal told the City Council that a developer wanted to submit an application for a Text Amendment to allow for subdivision plats to be recorded for Model Homes. Mr. Beal indicated that the current ordinance requires a minimum 20% of the total lots before a plat can be recorded. He said that the ordinance should not be circumvented. Mr. Beal also said that the application was not submitted in the required time for review. Mr. Beal stated that Mr. Greg Dimmer has indicated that he would like to conduct a motorcycle shop business in the downtown area. Mr. Beal then talked about the process for reviewing an application for a text amendment once submitted by Mr. Dimmer. The Mayor stated that the message needs to be sent to developers that they should follow the proper procedure by going through staff first. Mr. Beal stated that the new owner of the proposed marina has rescinded their application for rezoning to allow more work on the plan. Mr. Beal stated that it is good that the city is moving toward adopting regulations for Conditional Zoning Districts.

Newsletter Proposals: Mrs. Leslie Shiel and Mr. J.C. Lewis. – The Mayor indicated that Mrs. Leslie Shiel has expressed interest in doing the City Newsletter and that Mr. J.C. Lewis is interested in providing the printing services for the newsletter. Mrs. Shiel stated that the newsletter is a valuable tool for communication to the citizens. She said that it used by new citizens and that there are industry implications. She said that city staff is already too busy to do the newsletter. Mrs. Shiel stated that in regard to obtaining advertisements for the newsletter, it was not a part of her original proposal but she could consider the matter as a part of a new proposal. She said that if you have enough ads the newsletter can be self sufficient.

Mr. Lewis stated that the newsletter was a wonderful idea. He said that it also was a good idea to have the work done outside of city employees doing it. He said that he could handle the printing and postage of the newsletter. Councilwoman Pat Hubbard stated that the city has control of what goes in the newsletter. She said that the city needs to have more than one news source. The Mayor asked about the budget for the newsletter. Mr. Jamie Guffey stated that the budget amount was $12,000 with expected revenue of $12,000. Councilman Jerry Bishop stated that the newsletter would be a good way to inform the public about the new storm water regulations. The consensus of the City Council was to have Mrs. Shiel come back to City Council with a more formal proposal.

Citizens Center Groundbreaking – Councilman Jim Hope, Chairman of the Construction Committee, asked the rest of the Council to check their calendars to see if they are available for either April 17th or 19th to conduct the groundbreaking for the new Citizens Center. The Mayor indicated that a press release needs to be submitted and invitations mailed to necessary parties. Councilman Hope stated that in the case of rain the ceremony would be conducted inside of the building.

To consider adopting new Utility System Fees – Councilman Jerry Bishop reviewed the submitted proposal prepared by W.K. Dickson, Inc. He said that the proposed fees are paid by developers and go toward capacity in the water and sewer plants. He said that the submitted draft was the second draft because the first one had incorrect figures. Councilman Bishop indicated that the Utility Committee, that which he is the Chairman, has reviewed the draft as well. He said that the total fee amount (water&sewer) would be $4,597.00 in addition to the tap fee. Councilman McLean stated that the city needs to protect its water and sewer plants. Councilman Hope stated that the proposed amount should include a charge for maintenance and repair.

Status Report – Streetscape: Mr. Jackson stated that in regard to the testing of the mast arm footings for the traffic signals, three out of the four were approved by NCDOT. He said that one located at the NC 27 intersection was not approved and that it will have to be retested.

Citizens Center: Councilman Hope stated that the renovation of the Citizens Center was on schedule and that the chemical peel on the outside of the building was completed. He talked about broken window ledges, sandblasting, salvage and wall changes. Councilman Hope reminded the City Council that at the retreat it was decided to sell certain properties owned by the city and that the proceeds would go toward financing the Citizens Center. He said that the leased space in the new building would also go toward financing the building. He said that the electrical poles would be removed and the wiring would go underground. Mr. Ed Munn, Interim City Manager, stated that in regard to the sale of certain city owned properties, he would consult with a Real Estate Agent. The Mayor and City Attorney talked about the need to declare the properties as surplus and the need to appraise the ABC site due to recent activity in the area. The Mayor requested that the matter be put on the next City Council agenda. The consensus of the Council was to update the appraisals for the subject properties. The City Council indicated that a "For Sale" sign should be placed on the properties as well.

Neighborhood Meeting Regarding Coyotes – David Belk, Police Chief, informed the City Council that on last Thursday a neighborhood meeting was held with the Riverfront Community to discuss the matter involving coyotes. He said that he is working with Gaston County Animal Control and NC Wildlife to address the coyotes. The Chief said that there is a proposal to poison the animals. The City Attorney stated that the city needs to be aware of its liability in the matter.

Support for Educational Forest – Senate Bill 829 – Mrs. Ann Danzi, Chairperson for the Mount Holly Community Development Foundation, stated that she was seeking support from the City Council as it relates to Senate Bill 829. She said that the Bill is in regard to building an Education Center at the 2000 acre Mountain Island Educational Forest. She said that the forest cannot be opened to the public until the building is built. She said that the forest could be an extension of the greenway system. Mrs. Danzi indicated that there are other organizations supporting the Bill, such as the Belmont Chamber of Commerce and Gaston's as well. The Mayor asked the Council if they wanted to support the Bill. The consensus was that the City Council would submit a Resolution of Support for Senate Bill 829. The matter would be placed on the agenda for the next City Council meeting.

Preliminary Budget Discussion – Manager's Budget Review Process: Mr. Munn asked the Council to review the submitted budget review document. He talked about the initial budget proposals submitted by the City Departments, Capital Projects, focus of the General Fund, operations, employee compensation, the need to make necessary repairs and the use of graphs and charts. Mr. Munn stated that the city's Fund Balance was currently at 29%. He said that 24% is the standard for a city of our size.

Preliminary Revaluation Numbers: Mr. Munn stated that Gaston County has submitted the revaluation numbers for Mount Holly. Mr. Munn stated that the preliminary figure is $713,518,967.00. He reminded the City Council that the numbers are subject to change for various reasons.

Preliminary Revenue Numbers – Mr. Munn asked the Council to review the submitted revenue information. He said that we have to factor property value appeals that could be conducted until June. Mr. Munn also reminded the Council about the new Revenue Neutral requirement for the budget process.

Capital Projects Funding: - Mr. Munn stated that all of the city's projects will be addressed during the budget. Mr. Guffey stated that the proposed Linear Park Project is not set in stone at this point. Mr. Munn asked the Council to review the submitted information regarding the city's Capital Projects.

Initial Department Expenditures Requests: - Mr. Munn stated that the total amount of departmental budget requests is 1.8 million dollars over last year's amount, leaving a 1.2 million dollar gap to balance the budget. Mr. Munn indicated that the City Council could expect a balanced budget from management. Mr. Guffey stated that last year's budget gap was over 2 million dollars. Mr. Munn stated that salaries and insurance cost are high but we will look for ways to cut cost during the budget review. The Mayor indicated that it looks as if the budget presentation for this year is going to be different. Mr. Munn again reminded the Council that the budget number might change.

The meeting adjourned at 9:00P.M., upon a motion and seconded by Councilwoman Pat Hubbard and Councilwoman Phyllis Harris, respectively.

CLERK

MAYOR

CITY OF MOUNT HOLLY

MOUNT HOLLY CITY COUNCIL
REGULAR MEETING

APRIL 9, 2007
MOUNT HOLLY CITY HALL

The Regular Meeting of the City Council of Mount Holly was called to order at 7:00 p.m. by Mayor Pro-Tem Phyllis Harris. The following were present:

Mayor Pro-Tem Phyllis Harris
Councilman David Moore
Councilman Jerry Bishop
Councilman Jim Hope
Councilwoman Pat Hubbard
Councilman Frank McLean
City Attorney Kemp Michael

Assistant City Manager Danny Jackson
Assistant City Manager Jamie Guffey
Police Chief David Belk
Interim City Manager Ed Munn
Fire Chief Dale Oplinger
Planner Greg Beal

The invocation was led by Councilman Frank McLean.

Councilman Hope **MOVED** to set the agenda after moving consent agenda items 3 and 4 from the consent agenda to New Business. Seconded by Councilman Bishop and passed with all in favor.

Presentation by Ms. Leigh Brinkley and Ms. Wendy Foster of the Community Development Foundation

Ms. Brinkley and Ms. Foster stated that the Foundation would like to partner with the City on hanging baskets in the downtown. They stated that the Foundation has set aside money for flowers for the baskets and had hoped to get them up before SpringFest. The only thing that needs to be decided on is the watering problem.

Councilman Moore asked if the Foundation had any idea how many people would volunteer to water the flowers. Ms. Brinkley stated it is hard to get volunteers if we have to use the cart that we used last year. Councilman Hope then asked for the Foundation to tell the council want they want. Ms. Brinkley stated they would like permission to use the city gator. Councilman Hope stated that the city will need in writing what the foundation is looking for so that the city attorney may review it.

Presentation by Ms. Paisley Payton of the SpringFest Committee

Ms. Payton gave a brief update on the planning of SpringFest. She stated that the major change for this year's SpringFest is that the festival and the 5k road race will be on the