

CORRECTED
REGULAR MEETING CITY COUNCIL

June 1, 2020

The City Council of the City of Albemarle met in a regular session on Monday, June 1, 2020 at 7:00 p.m. in the Council Chambers of City Hall. Mayor Ronnie Michael presided, and the following Councilmembers were present, to-wit: Mayor Pro Tempore Martha Sue Hall, Bill Aldridge; Chris Bramlett; Martha E. Hughes; Dexter Townsend; Chris Whitley; and Shirley E. Lowder.

Mayor Michael called the meeting to order.

The Mayor gave the invocation.

Upon a motion by Councilmember Townsend, seconded by Councilmember Hall, unanimously carried, the minutes of the May 4, 2020 regular meeting as submitted were approved.

PUBLIC HEARING

Proposed FY 2020-2021 City of Albemarle Budget

This represents the required public hearing on the budget.

The Mayor called for any members of the public to come forward to provide their comments. No one from the public came forward. Upon a motion by Councilmember Aldridge, seconded by Councilmember Hall, unanimously carried, the public hearing was closed.

Council discussed the following:

- How the budget was determined considering the uncertainty of revenues during this spring due to COVID-19. A 10% reduction in sales tax revenue was based on a conservative estimate, and City positions are frozen. Positions affected are vacant, and are not expected to be filled until there is a better idea of how revenues are affected in the current economic climate.
- The extent to which dissemination of the proposed budget to the public occurred considering the circumstances of COVID-19 closing off some avenues of public inspection of the budget. Staff confirmed that public notice to radio and newspaper outlets was sent out early in the budget review period, the budget was posted on the City webpage, and a copy was provided in the main branch of the Stanly County Library when it opened back up. A copy was also available through the City Clerk.

- Regarding the fund balance, what is the current amount? The City Manager reported that at the close of the last fiscal year, \$6.2 was in the General Fund Reserves.
- What amount was spent to balance this current budget year (FY19-20)? Finance Director Colleen Conroy responded that an estimated \$200,000 was spent to balance this year's budget. However the City attempts to keep the budget balanced throughout the year.
- How the budget would impact the average household. The vehicle tax would go up from \$5.00 to \$10.00; water and sewer fees would go up 6% and 8% respectively; the household waste disposal fee would go up 50 cents; and electric rates would actually show a decrease for the average residential customer but overall impact would vary based on consumption.
- Parks and Recreation pool operation closures for this summer and impact on the budget. Are there other municipalities that have decided to close pools this summer? There are a number of municipalities that decided not to open their pools, including Greensboro, Winston-Salem, Troy, and many others. Can the City use the budget line items dedicated to pool operation for other expenditures? There are other Parks and Recreation expenditures which could be implemented with those funds.
- The 50% reduction in the hotel/motel occupancy tax revenue and how that was estimated. The City Manager noted that since the coronavirus pandemic hit and hugely reduced business and personal travel this spring and therefore hotel/motel stays, and likely will continue to do so further into the calendar year, the 50% reduction in occupancy tax revenue was calculated based on these circumstances.

Upon a motion by Councilmember Bramlett, seconded by Councilmember Lowder, and carried with a vote of 6 for and 1 against, Council adopted Ordinance 20-14 and approved the FY2020-2021 City of Albemarle budget as presented. Voting in favor of the motion were Council members Townsend, Whitley, Lowder, Bramlett, Hughes and Aldridge. Mayor Pro Tempore Hall voted against the motion.

(Ordinance 20-14 – To adopt the City of Albemarle FY 2020-2021 Budget)

Consider Request for Conditional Use Permit

This quasi-judicial public hearing is for a request for a conditional use permit by Save The Children Federation, Inc. to install a 68' X 28' modular classroom unit on the existing preschool facility located at 405 Davis Street. The property is owned by the City of Albemarle and rented by Save the Children.

The Mayor swore in Mr. Christopher Felder and Mr. Khari Garvin to provide testimony to Council related to this request. Planning and Development Service Director Kevin Robinson summarized the conditional use permit request and Staff analysis. This is an extension of an existing long-time use on site. The applicant has provided evidence of the low impact this addition will have on the surrounding neighborhood. Staff finds this request to be generally in conformance with city plans and development regulations. There is no evidence that this use will be detrimental to the quality of life or property values.

The Mayor called for any members of the public with standing to come forward to provide their comments. He also confirmed that no *ex parte* dialog occurred about this request. Mr. Garvin from Save The Children addressed Council. Currently the center cannot meet demand for services in the neighborhood, but the addition of the modular unit would support the center in meeting this demand.

Council posed a series of questions to Mr. Garvin which were addressed as follows:

- If the Center happened to leave Albemarle, would the modular unit stay? Mr. Garvin said it is a requirement of the federal program that funds the unit that it must be removed if the program stops. The unit could stay on the property if it was there for a length of time to have depreciated to a level where it had little to know value, at which time he speculated the City would probably not want it to remain if the program was stopped.
- Would the modular unit impact house values in the neighborhood? The modular unit would be designed to fit the neighborhood motif so that it would not impact house values.

The Mayor called for a motion to close the hearing when no other members of the public appeared to speak. Upon a motion by Councilmember Hall, seconded by Councilmember Aldridge, unanimously carried, the public hearing was closed.

The Mayor called for Council to make a motion for the following conditions required to approve the conditional use permit:

- That the use will not materially endanger the public health or safety if located where proposed and developed according to the plan as submitted and approved. Upon a motion by Councilmember Townsend, seconded by Councilmember Lowder, unanimously carried, Council approved the conditional use permit for this condition.
- That the use meets all required conditions and specifications. Upon a motion by Councilmember Aldridge, seconded by Councilmember Townsend, unanimously carried, Council approved the conditional use permit for this condition.
- That the use will not substantially injure the value of adjoining or abutting property, or that the use is a public necessity. Upon a motion by Councilmember Lowder, seconded by Councilmember Hall, unanimously carried, Council approved the conditional use permit for this condition.
- That the proposed use is in harmony with adjacent uses in terms of location, scale, site design, hours of operation and operating characteristics. Upon a motion by Councilmember Hughes, seconded by Councilmember Lowder, unanimously carried, Council approved the conditional use permit for this condition.
- That the use be in general conformed with adopted plans. Upon a motion by Councilmember Aldridge, seconded by Councilmember Lowder, unanimously carried, Council approved the conditional use permit for this condition.

The Mayor called for a motion to approve the conditional use permit. Upon a motion by Councilmember Hall, seconded by Councilmember Aldridge, unanimously carried, Council approved the conditional use permit as presented for Save The Children Federation, Inc.

AGENDA ADJUSTMENTS

The Mayor asked if there were any agenda adjustments. There were two items noted:

- Move the April Departmental Monthly Reports and Municipal Calendar items from Administrative Reports to after the two New Business items.

Upon a motion by Councilmember Hall, seconded by Councilmember Townsend, unanimously carried, Council approved the agenda adjustments.

ANNOUNCED DELEGATIONS

Adam Kiker, LKC Engineering – To Discuss Long-Term Plans and Options for Improvements to the Wastewater Treatment Plant

Mr. Kiker presented long-term options for improvements to the wastewater treatment plant to Council. LKC Engineering is proposing a comprehensive solution to the issues the City needs to address at the Wastewater Treatment Plant, which is something the City currently does not have. Although there are plans to implement electrical improvements over many phases, these do not address the biological challenges the City faces with the treatment process.

The proposal is a change of direction that addresses all issues with which we are dealing. This solution can be achieved in one project, unlike the electrical rehabilitation project, which would still require a solution to address the biological challenges with the treatment process. No commitment is needed on pursuing the proposed path at this time.

Specifically, LKC Engineering provided an in-depth overview of converting four of the wastewater treatment plant aeration basins into fine bubble diffusion basins, with the remaining two basins as flow equalization basins. Other upgrades needed would be improvements a B-station to improve operator flexibility, complete electrical systems upgrade, and creating a Supervisory Control and Data Acquisition (SCADA) system. Although the projected cost of this capital project would be \$16.78 million, the electrical upgrade capital projects alone for this plant are a little over \$12 million. The benefits of the proposed new basin conversion/associated upgrade project include increased operator safety, easier cleaning of the basins, and a decrease in electrical power use.

LKC Engineering recommended to Council that they consider removing Phases 2 and 3 of the wastewater treatment plant electrical upgrades from the recently awarded State Revolving loan and further research this proposed modified Phase 3 rehabilitation project. Staff recommends this proposal because it can solve the electrical and treatment issues, shows a favorable cost benefit, can be done in one project in the next few years instead of decades, and resolve the issues we are facing with the SOC.

Council had the following questions/statements about the proposal:

- The City is planning on researching other municipalities' experiences with this kind of capital project as executed by LKC Engineering.
- How does the proposed plan compare with the current electrical upgrade plan in terms of scope and cost? The current electrical upgrade projects will ultimately cost a little more than \$12 million and will only cover electrical upgrades but will not provide any improvements on the wastewater treatment side. For about \$4 million more, LKC is estimating that both electrical and wastewater treatment systems upgrades can occur in one future project.
- How would the basin replacement process occur? LKC would replace the system one at a time for the four basins proposed for rehabilitation.
- What should be prioritized – this work or proposed work at the Tuckertown facility? Since the City has immediate and ongoing compliance issues at this facility, LKC would recommend that this project take precedence.
- What is the “sunk” or already encumbered cost of the rehabilitation project so far? Since Year 1 of the 6-year project plan is almost complete, about ¼ to ⅓ of the total project cost has been spent.
- Has the funder bought into the plan? LKC confirmed that the funding source is ok with removing the current phase 2 and 3 funding and having the Council commit to \$3 million for the collection project. Would the City have latitude with the \$6 million dedicated to this capital project? Yes it would.
- Is the State abandoning the 0% loan option for projects like these? Not necessarily; it depends on how a municipality rates on its application per criteria such as user rates and the cost of the project vs. the number of utility connections. Can the City apply for a no interest loan up front? No – the application would need to be submitted first, then the State would evaluate a municipality's financing rate.

The Mayor called for a motion to approve removal of the current phase 2 and phase 3 electrical upgrade capital projects for the wastewater treatment plant and to continue investigating a plants conversation to a fine bubble treatment system. Upon a motion by Councilmember Hall, seconded by Councilmember Lowder, unanimously carried, Council approved removal of the current phase 2 and phase 3 electrical upgrade capital project for the wastewater treatment plant.

ADMINISTRATIVE REPORTS

Update on Census 2020

Planning and Development Services Coordination and Development Specialist Jay Voyles provided the update to Council. He distributed a packet of information to Council in meeting. His presentation covered an update on changes in the Census tract maps, timeline changes due to COVID-19, and Census response dates and efforts to encourage residents to submit their Census responses.

The drawn Census maps for 2020 include a large area outside of the City of Albemarle boundaries, however all parts of the City are included in the Census maps. Currently the City of Albemarle's Census response rate stands at 57.3% and has been stagnant. The East and South Albemarle sections have the lowest response rates so far. A question was raised about how the Census would

know the percentage response rate while they are undergoing a “head count” with this process. The percentages are thought to be calculated using the 2010 Census population count.

The Census is extending the entire process out two months for all phases. So households’ “self-response” phase ends on October 31, 2020. Today (June 1st) the county field office re-opened, and canvassing to encourage Census responses begins on September 3rd. The period from August 11th to October 31st will be the “forced” response phase.

Mr. Voyles has teamed up with the two City facilities currently providing school lunches to families, EE Waddell Center and Amhurst Gardens, to give away swag bags with promotional materials encouraging Census participation. The City has made efforts to increase social presence on its website and social media pages to promote Census participation.

A question was asked about the current status of hiring Census canvassers for Stanly County. All of the needed canvassers were hired right before COVID-19 hit, but then they had to be furloughed. An inquiry will be made about this status and reported back to Council.

Council thanked Mr. Voyles for his update.

Update on City’s Fire Rating

The City's Fire Department was recently reviewed for insurance rating purposes by the NC Department of Insurance, Office of State Fire Marshal. The City has improved its rating from a 4 to a 3.

Fire Chief Pierre Brewton provided comments regarding this accomplishment. First he reported that on March 11th the NC Department of Insurance conducted its inspection of the department. The rating system on which the NC Department of Insurance rates municipal fire departments is on a 10 to 1 scale, with 10 being a fire department that has no rating to 1 which is the highest rating to receive. The three categories on which the Department of Insurance bases its rating are: emergency communications; departmental operations; and community risk reduction. The change in rating for the City of Albemarle Fire Department is significant in that a higher rating provides the benefit of lower insurance rates to residents and businesses.

Chief Brewton concluded his remarks by thanking the Mayor and Council, City leadership, fire department personnel and predecessors for providing the support, efforts, funding, and exemplary work which culminated in this rating change.

A question was asked if in the City’s history of having a Fire Department have we ever ranked at a 3. There is no recent recollection of holding that ranking.

The Mayor and Council congratulated Chief Brewton and thanked him for his presentation.

CONSENT AGENDA

The Mayor asked if Council wanted to move any remaining items on the consent agenda down to New Business. A Council member requested that the last item, the resolution for the capital reserve fund for sidewalk improvement be moved under New Business.

Consider Agreements Related to City of Albemarle Receiving Disaster Recovery Funds for the February Severe Storms

There has been a disaster declaration for the severe storms that occurred on February 6, 2020. We are moving forward with the process to be eligible for reimbursement with the State and Federal governments. We recently participated in an applicant briefing. The attached forms that need to be approved by the City Council in order to be eligible to receive assistance are:

1. Applicant Assistance Agreement
2. Resolution to Designate Applicants Agent - I recommend Assistant Finance Director Jacob Weavil be the primary agent and I be the Secondary Agent.
3. Lobbying Prohibition
4. Assurance - Construction Programs

Consider Agreements Related to City of Albemarle Receiving Disaster Recovery Funds for COVID-19

Disaster recovery funds are being made available as part of the COVID-19 recovery process. We are moving forward with the process to be eligible for reimbursement and recently participated in an applicant briefing. The attached forms that need to be approved by the City Council in order to be eligible to receive assistance are:

1. Applicant Assistance Agreement
2. Resolution to Designate Applicants Agent - I recommend Assistant Finance Director Jacob Weavil be the primary agent and I be the Secondary Agent.
3. Lobbying Prohibition
4. Assurance - Construction Programs

Consider Approval to Renew Phone System Service Lease

The Mayor and Council received a desk phones and services lease renewal. The annual lease payment will continue to be provided for in the budget.

Ordinance 20-15 – To Amend the Police Headquarters Project Budget

This is an amendment for the Police Headquarters Project budget. Council had approved change orders and we had some expenditures outside the construction contract that the City was paying for. Last fiscal year, Council transferred funds from General Fund to the project to cover costs that happened before the loan was secured. Since that time we had to make adjustments for things such as the elevator, landscaping, and some Information Systems equipment and other expenditures we were aware of, but the project budget needs to reflect these. This amendment appropriates the amount we already transferred and some interest earnings and expenditures Council

previously approved. No additional funds are needed and only the project budget description is being impacted.

(Ordinance 20-15 –To Amend the Police Headquarters Project Budget)

Ordinance 20-16 – To Create a Project Budget for the SCBA Grant in the Fire Department

The Mayor and Council received a Grant Project Budget Ordinance for the Assistance for Firefighters Grant Program for the Self Contained Breathing Apparatus (SCBA).

(Ordinance 20-16 – To Create a Project Budget for the SCBA Grant in the Fire Department)

Consider Bids for Liquid Alum and Liquid Caustic for Use at the Water Treatment Plants

On May 26, 2020 Public Utilities received and opened bids for supplying liquid alum (aluminum sulfate) and liquid caustic. These chemicals are used in the treatment of water at the respective treatment plants. The chemicals would be ordered and delivered to each plant periodically throughout the fiscal year. Payment for the respective chemical is based on the dry tons contained in each delivery.

The Mayor and Council received the bid tabulation for the bids received on May 26, 2020. The Finance Department facilitated the bid opening and is in agreement with the Bid Tabulation and the process. The apparent low bidder for liquid alum is Univar, Gastonia at \$304/dry ton. The apparent low bidder for liquid caustic is JCI Jones, Inc. at \$490/dry ton. The Public Utilities Department is in concurrence with this as well.

Report of Surplus Sales

The Mayor and Council received the Report of Sale of Surplus Property for Fiscal Year 2019-2020 for review and approval.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Townsend, unanimously carried, Council approved the following:

- Agreements related to the City of Albemarle receiving disaster recovery funds for the severe weather in February, 2020;
- Agreements related to the City of Albemarle receiving disaster recovery funds for COVID-19;
- Phone system lease renewal;
- Ordinance 20-15 amending the Police Headquarters Building project budget;
- Ordinance 20-16 creating a project budget for the Fire Department’s SCBA Grant;
- Bids by Univar, Gastonia for liquid alum at \$304/dry ton and JCI Jones, Inc. for liquid caustic at \$490/dry ton; and

- Fiscal Year 2019-2020 Report of Surplus Sales.

NEW BUSINESS

Consider Resolution for Capital Reserve Fund for Sidewalk Improvements

This resolution is to set up a Capital Reserve Fund for the Fee-In-Lieu of installation program that Council approved back in August 2019. The program is for improvements such as sidewalks, pathways, greenways, etc. Citizens apply to be a part of this program and if approved give the City money based on an estimated cost to construct a sidewalk or other related improvement in front of their property. The City holds the funds until enough accumulates that a larger project can be completed at one time.

Planning and Development Services Director Kevin Robinson came in front of Council to answer questions. Is it Council's understanding that a business owner could pay for sidewalk improvement in front of his/her business but would have to wait until other businesses paid in enough in order for the project to be done? The options local businesses would have are to: 1) Pay for the improvement out of their own pocket; or 2). Pay 75% of the project cost into the fee-in-lieu program. There would be no guarantee on the timing of the implementation of the project.

Upon a motion by Councilmember Hughes, seconded by Councilmember Hall, unanimously carried, Council approved Resolution 20-06 creating a capital reserve fund for the Fee-in-Lieu Sidewalk Improvement Program.

(Resolution 20-06 – Establishment and Maintenance of the Sidewalk Capital Reserve Fund)

Consider City Council Summer Meeting Schedule

For the last few years, the City Council traditionally has met once a month during the months of June, July and August. It looks like Council will have a need to meet June 15, leaving July and August for consideration. If this is the case, distancing the meetings equally would be July 13 and August 10. These meetings have also traditionally been scheduled for 6:00 p.m.

Council confirmed with City staff that the June 15th meeting was needed. They agreed on a 6:00 pm rather than a 7:00 pm start time.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Whitley, unanimously carried, Council approved the change in time for the June 15, 2020 regular meeting from 7:00 pm to 6:00 pm.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Lowder, unanimously carried, Council approved regular City Council meetings on July 13, 2020 and August 10, 2020, both beginning at 6:00 pm.

Discussion of the 2020 Albemarle Christmas Parade Dates

For the last few years the Albemarle Christmas Parade has taken place on the second Saturday of December. This year that date is scheduled for December 12th. Mayor Pro Tem Martha Sue Hall has requested that Council discuss this topic. In recent past years there has been public feedback about the timing of the three Christmas-related events in the City: the Christmas Parade, Downtown Christmas, and the Tour of Homes. Also there is an MOU between the City and the Albemarle Downtown Development Corporation. Per the MOU question, the City Manager clarified that the events listed as a City responsibility are still managed and coordinated out of the Main Street office.

Main Street Director Joy Almond was present to respond to questions. She relayed to the Mayor and Council that there has been some recent feedback from the public that the Christmas parade is too late in the season and the Downtown Christmas is too early. In 2018 ADDC surveyed local businesses about the timing of the Downtown Christmas event, and as a result of feedback, scheduled that event after Thanksgiving.

Council discussed different options about the timing of the events in relation to other municipalities' events, whether to hold on a weekday night or a Saturday, as well as the possibility of combining the Parade and Downtown Christmas to occur on the same day. Mainstreet Director Almond offered to conduct another survey of local businesses. Council agreed to that and requested that she have that information available for Council at the June 15th meeting.

April 2020 Monthly Departmental Reports

The Mayor and Council received monthly departmental reports prior to the meeting. The Mayor asked if Council had any questions or comments about the reports. There was a question related to the Public Works Department report. Specifically the "EOBY" (End of Business Year) entries for projects being completed – are the funds being used now? City Manager Michael J. Ferris replied that many of these projects are nearing completion or have been completed, as in the case of the downtown parking plan work. In the case of the King property upgrade, work is proceeding and the City will have an update for Council at either the June 15th meeting or at the July meeting.

Municipal Calendar

Mayor Michael and Council members received the municipal calendar prior to the meeting. The Mayor asked if Council had any questions or comments about the calendar. The June 15th Council meeting time should be changed from 7:00 pm to 6:00 pm noting the earlier discussion/vote.

COMMENTS/UPDATES

Mayor Michael asked if Council members or the City Manager had any comments/updates they would like to make.

Councilmember Bramlett:

- Per the quasi-judicial item on the agenda today, can Council have that noted on an agenda that it is a quasi-judicial hearing when applicable?
- For the Pfeiffer sidewalk project, if the work and materials are all accounted for if the City undertakes the job, why is there still a cost to the owner/developer? The City Manager replied that it is related to capitalizing assets in order to track costs and that the city's expense in the project are accounted for as part of the annual operating budget and that it is not a cost in addition to the approved budget.

Councilmember Aldridge:

- Stanly Appliance on Highway 52 gets a shout out for doing a lot to improve the appearance of their lot.
- What is the progress on the Fire Department air packs acquisition? AFD has completed its first round of review of bids and is reevaluating them now.

Councilmember Hughes:

- Will the grass be cut on the King lot across from the courthouse? The plan is to demolish the property although it is not known exactly when this will happen.

Councilmember Whitley:

- The Rocky River RPO sent its list of projects to approve to the NCDOT.
- The 24/27 widening project is scheduled to be complete by the end of 2023, with the bridge portion to be completed 6 months before the overall completion date.

City Manager Michael J. Ferris:

- The week of May 17-May 23rd was National Public Works Week. The Mayor signed a proclamation. The City owes a lot of gratitude to all of our Public Works employees.
- The new sign for the newly named Jack F. Neel Water Treatment Plant will be done this week. Does Council want to have an unveiling event? Council suggested that the City Manager contact one of Mr. Neel's daughter and ask when they would be available for the event and then alert Council as to the date/time.

Mayor Pro Tempore Hall:

- FYI – Per the overgrowth in the Highway 52/2nd Street DOT right-of-way area, DOT cleaned and cut it back. Their hope is to be more proactive in maintaining right-of-way areas in the new fiscal year.
- “Atta boy” goes out to everyone who played a part in solving the East Cannon Avenue flooding issue.
- FYI – North Sixth Street also has a big flooding problem.
- Good work on the part of APD and federal authorities in the recent murder arrests.
- Locust will be hosting a “white goods” clean up day soon; does the City or Council want to get a group together for a clean up day?
- Per the uneven road surface over on Highway 52, the road needs to be fixed.

- FYI - per Executive Order 124, the Governor over the weekend extended the moratorium on utility cut-offs for another 60 days.
- Thanks to Assistant City Manager Nyki Hardy, the City Management Team and others for helping the City prepare for the severe storms last week.

Councilmember Bramlett had one final announcement. Pfeiffer University's OT program has been approved to begin enrolling students in the 2020-21 academic year. The program will open in August 2020.

Upon a motion by Councilmember Townsend, seconded by Councilmember Aldridge, unanimously carried, the meeting was adjourned to the next regular City Council meeting on Monday, June 15, 2020 at 6:00 p.m. in City Council Chambers.