

REGULAR MEETING CITY COUNCIL

September 7, 2021

The City Council of the City of Albemarle met in a regular session on Tuesday, September 7, 2021 at 6:30 p.m. in the Council Chambers of City Hall. Mayor Ronnie Michael presided, and the following members were present, to-wit: Mayor Pro Tempore Martha Sue Hall and Councilmembers Bill Aldridge, Martha E. Hughes, Chris Whitley, Benton Dry, Dexter Townsend, and Shirley D. Lowder.

Mayor Michael called the meeting to order.

The Mayor gave the invocation.

The Mayor noted that this month is Pediatric Cancer Awareness Month. The City has a program where residents can paint fire hydrants in honor of pediatric cancer awareness month or a loved one. He encouraged anyone in the community who wishes to support the cause in this way to do so.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Hall, unanimously carried, the minutes of the August 2, 2021 regular meeting as submitted were approved.

Upon a motion by Councilmember Townsend, seconded by Councilmember Hughes, unanimously carried, the minutes of the August 2, 2021 closed meeting as submitted were approved.

Mayor Pro Tem Hall noted that in the August 12, 2021 special minutes, the day of adjournment for the next Council meeting should be Tuesday not Thursday. Upon a motion by Councilmember Hall, seconded by Councilmember Aldridge, unanimously carried, the minutes of the August 12, 2021 special meeting as corrected were approved.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Whitley, unanimously carried, the minutes of the August 12, 2021 closed meeting as submitted were approved.

PUBLIC HEARINGS

Ordinance 21-35 – To Consider Abandonment of the Former Leonard Avenue Right of Way

Council conducted a public hearing to consider the abandonment of the former Leonard Avenue Right of Way. During the July 12th, 2021 Council meeting Mr. Jody Cook came before City Council to request the City to abandon the former Leonard Avenue right of way that runs in front of two homes that he owns. Staff is not opposed to abandoning this right of way due to it not being an active

street and having no purpose otherwise. Staff does propose a permanent utility easement for the infrastructure that we currently have inside the former right of way.

The Mayor called for the public hearing to be opened and asked if anyone would like to speak on the topic. Mr. Jody Cook, owner of 123 and 125 Leonard Avenue, came forward to speak in front of Council. He requested that Council consider entering into a utility easement with him for this portion of Leonard Avenue, and stated that neighbors are interested in acquiring portion of the right of way should Council approve the request to abandon the right of way.

The Mayor called for a motion to close the public hearing. Upon a motion by Councilmember Hall, seconded by Councilmember Aldridge, unanimously carried, the public hearing was closed.

Upon a motion by Councilmember Dry, seconded by Councilmember Hall, unanimously carried, Council approved Ordinance 21-35 to abandon the former Leonard Avenue right of way.

[Ordinance 21-35 – To Consider Abandonment of the Former Leonard Avenue Right of Way]

Consider 48 Lot Major Subdivision MJSR 21-05 Parkwest Phase 2

Council conducted a public hearing to consider approving a 48 lot subdivision of the 18 +/- acre tract, tax ID 15990, on Parkwest Road as proposed by LTC Development LLC for single family dwellings.

Mr. Jay Voyles, Development Coordination Specialist, presented the request and staff analysis to Council. He noted that Phase 2 of the Parkwest subdivision was a preliminary development that was approved in 2003. The City's subdivision ordinance outlines that a preliminary plat is valid as approved by City Council for 2 years. After 2 years, with no recorded final plat, the preliminary plat must be resubmitted to the Planning Board and City Council for approval. The plat currently under review now closely emulates the originally approved subdivision, with minor changes to meet current fire code and subdivision ordinance requirements.

The following aspects of the request were highlighted:

- Access - The accesses are proposed as a primary entrance off of Poplin's Grove Church Road through Parkwest Drive and a secondary emergency vehicle access is proposed through the rear of the platted cul-de-sac and onto Stanly Community College property. Staff comments include planning the emergency vehicle access as a future 60' wide right of way so that it could eventually have the potential to continue as a City street, which is accurately shown as such.
- Open Space - As a traditional subdivision, only 5% of the gross land area is required to be open space. The developer proposes .92 acres of open space which is adequate in size. Since the Planning Board meeting, the developer has revised the plat to show open space within the internal boundary of the development being proposed. Originally, it was shown at the front entrance of the existing subdivision.

- Traffic Analysis - A traffic impact analysis is not currently required as it is under the City's threshold for daily trips. Should the development expand in the future, a traffic impact analysis may be required at that time.

At the Planning Board meeting, staff recommended the developer submit a fully updated preliminary plat instead of the edited copy from the 2003 subdivision. This way, all improvements can be updated with accurate survey data, the open space area can be amended and all stub connections and accesses can be accurately reflected. The developer has provided all of these items to staff that comply with Planning Board's and Staff's recommendation for approval. The Planning and Zoning Board unanimously recommended that Council approve this subdivision at its August meeting with the changes shown.

The Mayor asked if Council had any questions. Council had questions about whether access and stub out roads are being considered as part of this subdivision request, as well as the need for a traffic study. There also was a question about the proposed 2nd access stub out which is on Stanly Community College's (SCC) property.

Mr. Voyles replied in the affirmative about stub out access roads and explained what the NCDOT traffic threshold is for a traffic study. The surrounding streets/roads do not meet the threshold to conduct a traffic study at this time. Mr. Voyles explained for the 2nd stub out impinging on SCC property, emergency access required the developer to include the stub out on SCC property. In answer to follow up questions about the 2nd access, Mr. Voyles explained that the road would be an all weather surface and that currently SCC requires access via a gate. He noted that the SCC access could be revisited.

The Mayor called up Mr. Terry Whitley representing the developer to speak to Council questions. Also coming forward was Mr. Dylan Blalock from Chambers Engineering. Mr. Blalock noted on the SCC access road question, the 2nd access road would be situated just before the SCC parking lot. Mr. Whitley added that they have applied for state funding for this subdivision development and to extend the stub out road on SCC property. They are requesting a 22' wide gravel road for emergency vehicles.

The Mayor called for the public hearing to be opened and asked if anyone would like to speak on the topic. No one came forward to speak.

Upon a motion by Councilmember Hall, seconded by Councilmember Aldridge, unanimously carried, the public hearing was closed.

Upon a motion by Councilmember Whitley, seconded by Councilmember Dry, unanimously carried, Council approved Major Subdivision MJSR 21-05 Parkwest Phase 2.

Ordinance 21-36 – To Consider Annexation of 54.14 Acres off of Morgan Road

Council conducted a public hearing to consider the annexation of 54 +/- acres of tax parcel 6462 otherwise referred to as the second phase of the Morgan Hills development.

Mr. Jay Voyles, Development Coordination Specialist, presented the request to Council.

The Mayor called for the public hearing to be opened and asked if anyone would like to speak on the topic. Ms. Kim Faulkner, residing at 555 Marlbrook Drive in Albemarle, came forward to speak. She is opposed to the subdivision because there would be more zoning and she is opposed to more building. The Marlbrook Drive stub out for this new subdivision leads into their neighborhood.

Upon a motion by Councilmember Townsend, seconded by Councilmember Hall, unanimously carried, the public hearing was closed.

Upon a motion by Councilmember Hall, seconded by Councilmember Whitley, unanimously carried, Council approved Ordinance 21-36 for the annexation of 54 +/- acres of tax parcel 6462 otherwise referred to as the second phase of the Morgan Hills development.

[Ordinance 21-36 – To Consider Annexation of 54.14 Acres off of Morgan Road]

Ordinance 21-37 – To Consider Map Amendment ZMA 21-10 to Initially Zone a 54.14 Acre Property off of Morgan Road

Council conducted a public hearing to consider establishing the initial zoning of 54 +/- acres of tax parcel 6462, Morgan Hills, phase 2 from County R-20 to City R-10, residential in order to build single family dwellings in a cluster subdivision.

Mr. Jay Voyles, Development Coordination Specialist, presented the request and staff analysis to Council. This project is for Phase II of Morgan Ridge Subdivision, of which Phase I annexation and initial zoning to R-10 been approved by Council as ZMA20-04. This overall property is 132 acres, of which +/- 54.14 are petitioned for annexation, initial zoning, and subdivision approval. A cluster subdivision preliminary plat and application has been submitted for planning board review, recommendation and City Council review and approval as MJSR21-04. The Planning and Zoning Board unanimously recommended approval of the zoning to R-10 at its August meeting with the Future Land Use Map Amendment Statement.

The Mayor asked if Council had any questions. Mayor Pro Tem Hall noted that Morgan Ridge and Morgan Hills were both used in the materials presented to Council and wanted clarification on which name would be referring to the same proposed parcel under consideration tonight in the legal descriptions. Mr. Voyles affirmed that the name is Morgan Hills.

The Mayor called for the public hearing to be opened and asked if anyone would like to speak on the topic. Ms. Kim Faulkner, residing at 555 Marlbrook Drive in Albemarle, came forward to speak. She is opposed to the rezoning of the parcel. There is going to be a mess with all of the houses being built and 1 exit onto Morgan Road and 1 onto Marlbrook. There is not a lot of space for the number of homes to be built and her neighborhood is being drawn into this. She lives in an older established neighborhood where the new cluster subdivision will overwhelm and change the scope of her neighborhood.

Ms. Tanya Jones representing the developer came forward to speak in favor of the rezoning request. This continues the existing Phase I subdivision.

The Mayor asked if Council had any further questions. Mayor Pro Tem Hall requested that Mr. Voyles point out Phase I of the subdivision on the plat. Mr. Voyles traced the boundaries on the plat. He then pointed out Highway 52 South and Route 138. She elaborated that she requested this be done because when Council considered the Phase I subdivision request, there already was the issue of the proposed location of the exits/stub outs for the subdivision. It was decided that this dialogue should be held until the subdivision request came up next on the agenda.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Dry, unanimously carried, the public hearing was closed.

Upon a motion by Councilmember Hughes, seconded by Councilmember Townsend, and carried with 6 Council members voting for the motion and 1 voting against, Council approved Ordinance 21-37 which includes ZMA 21-10 with the following map amendment statement:

The Albemarle City Council finds the action initially zone a +/- 54.14 portion of tax record 6462, as defined in the attached annexation boundary survey prepared by Dent H. Turner, from County R-20 to City R10/General Residential District to be inconsistent with the adopted 2028 Land Use Plan; however, rezoning the property will achieve the public interest and shall be deemed reasonable. The aforementioned map amendment shall amend the City's Land Use Plan.

Council members voting for the motion were: Hughes, Townsend, Whitley, Lowder, Aldridge, and Dry. Mayor Pro Tem Hall voted against the motion.

[Ordinance 21-37 – To Consider Map Amendment ZMA 21-10 to Initially Zone a 54.14 Acre Property off of Morgan Road]

Consider a 168 Lot Major Subdivision MJSR 21-04 on a 54.14 Acre Property off of Morgan Road

Council conducted a public hearing to consider approval of Morgan Hills, Phase 2, cluster subdivision.

Mr. Voyles presented the request and staff analysis to Council. A cluster subdivision does not allow any greater number of building units on the property than the R10 classification would allow; however, it does allow for smaller lot sizes in order for the development to be grouped or "clustered" on the property. This concept does provide for great efficiency for the developer as well as in the provision of City services. He then highlighted access and open space considerations, as well as the traffic analysis.

Mr. Voyles stated that the Planning and Zoning Board unanimously recommended approval of the cluster subdivision at its August meeting. Staff's recommendation falls in line with the Planning Board's recommendation with the caveat that further detail should be shown for the amenities provided in the 8 acres of higher intensity open space per the cluster subdivision ordinance.

The Mayor asked if Council had any questions. Councilmember Lowder asked the length of Morgan Road. Mr. Voyles estimated its length to be approximately ½ mile long. Councilmember Lowder then asked when houses would stop being built on Morgan Road. Mr. Voyles replied that there are some areas along Morgan Road which could be developed, but there are barriers such as some of it being on a floodplain, among other difficulties. It therefore is unknown how future developers would plan to develop these parts of Morgan Road.

Mayor Pro Tem Hall asked about whether there were any additional access roads planned since Phase I. Mr. Voyles noted that there have been no additional access stub outs proposed. She then asked about whether there were any plans to provide access to Highway 52 via Henning Drive. He added that the Planning and Development Services team tried to work with NC DOT to provide 2 access roads onto Morgan Road, and ended up with a compromise with the plan for a future stub out to Highway 52.

The Mayor called for the public hearing to be opened and asked if anyone would like to speak on the topic. Ms. Kim Faulkner came forward to speak again. She had heard that a developer had purchased land near Highway 52 some time ago. She was hoping that the stub out to Highway 52 would occur which is what she would prefer. She noted that Marlbrook Drive and Brevard Drive are not that big and have curves and are not suited to build out as access roads. She added that the neighborhood would not be able to handle the increased traffic the new subdivision would cause. She hopes that the stub out to Marlbrook would be temporary not permanent. She finished her remarks by stating that it used to be nice to walk around that end of the neighborhood at the dead end by Marlbrook. Now it's dusty, full of construction traffic and smoke due to the burning by the developer and is not an area to walk in anymore. She and her neighbors are concerned about this development.

Councilmember Dry asked if there was another stub out option besides Marlbrook Drive. The Mayor replied that NCDOT is dictating access roads. Although Henning Drive would be a better access road, if the City stops developing the Marlbrook Drive access point, the City would be in violation of state law.

Councilmember Lowder asked if there was any analysis done about the impact this new subdivision would have on the Stanly County School system and the nearest local school. Mr. Voyles stated that when these proposed new land uses are analyzed they are focusing on engineering and DOT issues typically at this stage in subdivision development. The actual build out could take 2-5 years. To his knowledge there has been no conversations with the Stanly County School system on this proposed subdivision. Mr. Voyles noted that the City could reach out to the Stanly County School superintendent to discuss this. Councilmember Townsend added that when Phase I was in front of Council he noted that the impact on the school system was something to look at and should be addressed at this point.

Ms. Rachel Carter from Chambers Engineering came forward to answer Council's questions about access roads for the proposed subdivision. They have had problems with NCDOT in obtaining 2 access roads onto Morgan Road for the proposed subdivision. The City's ordinances require a stub out from Morgan Road to Henning Drive. NCDOT is requiring a right turn lane from Highway 52 into the new subdivision. Per the traffic study, Marlbrook Drive is cut off as an access road due to DOT requirements. Stub outs are proposed out to Oakhurst near Highway 138.

Mayor Pro Tem Hall asked what the estimated time would be to work on the stub out by Henning Drive. Ms. Carter replied that it hopefully could be done by the end of the year – right now they are waiting on the survey.

Mr. Voyles responded to Council discussion on changes to access roads into the proposed subdivision, specifically the Marlbrook stub out as it related to a potential acquisition of an additional piece of land by Highway 52 which could impact the subdivision access road possibilities. He expressed concern over trying to approve something that was not currently on the plat, and which has not been vetted by the Fire Marshal. Council then discussed keeping this public hearing open to get input on possible changes to access roads for the subdivision before proceeding further. The Mayor asked City Attorney Britt Burch to weigh in on the legality of holding the public hearing open until the disposition of that future land acquisition was known. Ms. Burch stated that with the uncertainties of future actions which could impact this question of access roads, she would not recommend holding the public hearing open, but rather consider the plan already reviewed and approved by the Planning and Zoning Board presented to them tonight.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Townsend, and carried with a vote of 5 Council members for the motion and 2 against, the public hearing was closed. Those voting in favor of closing the public hearing were Aldridge, Townsend, Hughes, Dry, and Whitley. Mayor Pro Tem Hall and Councilmember Lowder opposed the motion.

Upon a motion by Councilmember Whitley, seconded by Councilmember Hughes, and carried with a vote of 5 Council members for the motion and 2 against, Council approved Major Subdivision MJSR 21-04 on a 54.14 acre property off of Morgan Road. Those voting in favor of the motion were Aldridge, Townsend, Hughes, Dry, and Whitley. Mayor Pro Tem Hall and Councilmember Lowder opposed the motion.

Consider Renaming Rebel Road

The last time this issue was discussed, City Council held the public hearing over again to the September 7th meeting. The Mayor called for the public hearing to be opened and asked if anyone would like to speak on the topic. No one came forward to speak.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Dry, unanimously carried, the public hearing was closed.

Councilmember Aldridge proposed renaming Rebel Road to Unity Drive. Before the vote Councilmember Townsend asked Councilmember Aldridge if the proposed new name came from the original petitioner Cross Community Church. The idea came from Mr. Aldridge not the church.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Dry, unanimously carried, Council approved the renaming of Rebel Road to Unity Drive, pending development and approval of an Ordinance to formalize this change a the September 20 meeting.

AGENDA ADJUSTMENTS

The Mayor requested that Council consider a motion to remove the announced delegation of Mr. Scardina et al because they are not here tonight and move up the consent agenda item of the Constitution Week Proclamation due to the delegation here tonight to next on the agenda.

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

Proclamation – Constitution Week September 17-23, 2021

Ms. Joan Eudy and Ms. Janice Abernathy, representatives of the local Daughters of the American Revolution (DAR) chapter, came in front of Council to request adoption of a proclamation for Constitution Week, which will be observed from September 17 - 23, 2021, and to announce planned activities on Constitution Day. Ms. Eudy noted that this will be the 234th celebration of adoption of the U.S. Constitution. The DAR has been handing out copies of the Constitution and Declaration of Independence to 9th graders throughout Stanly County Schools.

Ms. Abernathy handed out flyers to Council and announced on Constitution Day (September 17th), the DAR will assemble in period dress in Courthouse Square at 2pm after their meeting in the Stanly County Library to ring bells 13 times for the original 13 colonies. They would love for anyone to assemble with them to mark the day.

Mayor Pro Tem Hall noted the City's tie in to supporting the education of residents about the country's founding documents by announcing the dedication ceremony for the Charters of Freedom on October 12th and hoped that the DAR will attend.

Upon a motion by Councilmember Hall, seconded by Councilmember Dry, unanimously carried, Council adopted the Constitution Week proclamation.

[Proclamation – Constitution Week September 17-23, 2021]

ADMINISTRATIVE REPORTS

Departmental Monthly Reports

The Mayor and Council received monthly departmental reports for July 2021 prior to the meeting. The Mayor asked if any Council members had any questions or comments. Councilmember Townsend expressed a desire for departmental monthly reports to get back on track every month due to reporting inconsistencies in reports as to which month/s were being reported.

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.

Mayor Pro Tem Hall noted that for October 12th there seems to be a Historic Resources Commission (HRC) meeting approximate to the Charters of Freedom ceremony and wondered if this was brought up with HRC members. Planning and Development Services staff noted they would pass on the information to members, and the City Clerk added that she had made Planning and Services Department Director Kevin Robinson aware of the timing of the two events when the date was secured for the Charters of Freedom ceremony over the summer.

CONSENT AGENDA

The Mayor asked if Council wanted to move any items on the consent agenda. Mayor Pro Tem Hall requested that the Public Works recommendation for the sidewalk on West Main Street be discussed separately.

To Consider a Piedmont Natural Gas Extension on South 3rd Street and on Sunview Drive

Council received a memo provided from Jay Voyles, Development Coordination Specialist regarding the requests of PNG.

Ordinance 21-38 – To Eliminate Parking Restrictions in the Downtown

The cited Ordinance will eliminate Police only parking spaces that are no longer needed by the Department and make these spaces available to the general public. It will also eliminate two 15-minute parking restrictions we feel are no longer needed.

[Ordinance 21-38 – To Eliminate Parking Restrictions in the Downtown]

Resolution 21-23 – To Approve Preservation NC Exercising their Option to Purchase 115-117 West South Street

The City previously entered into an agreement with Preservation NC to market and sell the property located at 115 - 117 West South Street. The property was donated to the City in lieu of the owner demolishing the structures. The City partnered with Preservation NC to find a suitable developer with a focus on preserving the historical, architectural and cultural significance of older properties. The property was advertised online to find experienced developers equipped to buy and refurbish the property into a suitable condition. Two developers showed interest in the property and submitted their plans and qualifications for consideration. Preservation NC chose Michael Carpino/Washington Street Holdings, LLC as the most qualified developer.

[Resolution 21-23 – To Approve Preservation NC Exercising their Option to Purchase 115-117 West Main Street]

Department of Public Housing Write-Offs for FY 2021

HUD requires City Council's approval before write-offs can be removed from Tenant Accounting. It is requested that the attached accounts be written off and turned over to the City of Albemarle Finance Department for the NC Local Government Debt Setoff Clearinghouse. In addition, this implies if someone applies for Public Housing, or Section 8, and owes a back debt, they will have to pay that debt before being placed on the waiting list.

Consider Road Closure for Pfeiffer University Falcons Night Out

Pfeiffer University invites alumni and friends to Falcon's Night Out on Friday, September 24th from 5:00 pm - 9:30 pm in downtown Albemarle. Local restaurants and businesses will be offering specials for the evening. Live music will be played in Courthouse Square Park starting at 6:30 pm. Tours of the new Pfeiffer Center for Health Sciences will be offered from 5:00 pm - 8:30 pm.

They are requesting the following road closure: Second St. from Main Street to North Street.

Consider Road Closures for Charity Motorcycle Ride

DC Investigations and Security will be hosting a charity motorcycle ride for the elderly on Saturday, September 11th between 11am and 2pm. They are requesting the following road closure/s: East Main Street and Moss Springs Road and Freeman.

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

- A PNG gas extension on South 3rd Street and on Sunview Drive;
- Ordinance 21-38 eliminating police and 15-minute parking downtown;
- Resolution 21-23 allowing Preservation NC to exercise their option to purchase 115-117 West South Street;
- Department of Public Housing write-offs for FY 2021;
- Road closures for Pfeiffer University's Falcons Night Out on September 24th; and
- Road closures for a charity motorcycle ride on September 11th.

Public Works Recommendation for Sidewalk on West Main Street

Public Works was asked to review the construction project taking place at the corner of West Main and North First Streets. The question was how to best address the sidewalk work needed to accommodate the construction of window wells being re-established as part of the project, as well as the drainage. Public Works is recommending to replace the sidewalk to the middle of the sidewalk. This will allow the work for the window wells and provide an opportunity to move water away from the building.

Mayor Pro Tem Hall asked if there were other agreements made related to the property, like the parking lot. A request was made for the City Clerk to research minutes to find out if Council considered and took action on the parking lot associated with the property in question.

Council asked Public Works Director Ross Holshouser to come forward. Mr. Holshouser began by stating that he had prepared a memorandum outlining the work done on the sidewalk which was in the agenda packet. He then noted that he was invited by the City Manager at the site a few weeks back to discuss the plan for the sidewalk work. He summarized Public Work's approach to the work by stating that care had to be taken to cut only a portion of sidewalk away so as to not disturb the brick row-lock in the center of the sidewalk which houses an electrical conduit. New concrete would be poured at a slope and grade which will allow flow of water away from the building. They are working with the contractor who is installing the window well and backfills alongside of the building to be notified once that part is done to do their work.

Upon a motion by Councilmember Hall, seconded by Councilmember Dry, unanimously carried, Council approved Public Works replacing the sidewalk to the middle of the sidewalk on a portion of West Main Street for the development project being managed by TEK Development.

UNFINISHED BUSINESS

Heritage Court – Curb and Gutter Assessment Follow Up

The City has received engineer estimated costs on the Heritage Court Curb & Gutter Assessment request. City staff met with the private property owner that is going to be impacted by storm water discharge. The property owner has agreed to allow the City to obtain a utility easement along their property line only if it is piped to Melchor Branch in the rear of the property. With this verbal agreement in place, staff was able to discuss a plan and possible design with LKC Engineering.

Before entering into an agreement with LKC Engineering to move forward with project design, surveying, and planning, a request to staff was made at the January 4th regular City Council meeting for cost estimates to be provided to Council for a decision to move forward.

Council received the estimated cost for the entire project prior to the meeting. There may be some cost savings due to some elements of the project being completed by City staff.

- Estimated Total Project Cost: \$167,000
- Estimated Assessment Fees Collected: \$16,169

This estimate is based on a contractor cost. The City's out-of-pocket expense should be reduced by approximately \$25,000 as a result of elements we are able to perform with our staff. The estimate also includes a contingency. Overall, assessments are not designed to recover full cost; however, the estimated cost of this project is much higher than on other curb and gutter projects due to the need to acquire a drainage easement and install pipe from the cul de sac to the creek, which is what the affected property owner will agree to. With the project also comes improvements to the travel surface of Heritage Court. This would eliminate an estimated \$13,000 expense from the pavement management list that would be incurred at some point to improve Heritage Court. If Council wishes to continue with the project, staff will prepare a budget amendment to be approved at an upcoming Council meeting.

Public Works Director Ross Holshouser came forward to take questions from Council. Mayor Pro Tem Hall and Mr. Holshouser dialogued about the timeframe when Council was made aware of the possibility of this pipe through at the 1 owner's house as part of the Heritage Court curb and gutter improvement project. They also discussed the action needed to fund this pipe installation project.

Councilmember Dry asked if this work would coincide with any stormwater management plan for Melchor Branch. No – the two projects would be separate as they are accomplishing 2 different solutions.

The Mayor asked about easements for this. Mr. Holshouser replied that it could have been done earlier in time with either an open ditch or piped in option, but now that the property owner has weighed in with their request in front of Council to have the City install piping for the right of way, the cost of the project as a whole has increased.

Councilmember Aldridge asked for confirmation that the project cost is now \$142,000 with the City performing some of the work. Mr. Holshouser confirmed that.

Mayor Pro Tem Hall thanked Mr. Holshouser and Public Works for their due diligence on this process. Although she is in favor of making a motion to approve this plan, she still is concerned about the funding needed to pay for it, and that no line items under Public Works would be impacted by this unforeseen cost.

Upon a motion by Councilmember Hall, seconded by Councilmember Hughes, and carried with a vote of 6 Councilmembers for the motion and 1 against, Council approved the utility easement with installation of piping from the right of way to Melchor Branch along 1 property owner's property line. Councilmember Townsend voted against the motion.

NEW BUSINESS

ARP First Tranche Draft Spending Plan

The memo Council received prior to the meeting details of the recommended spending plan of the Strategic Planning and American Rescue Plan (ARP) workgroup. Assistant City Manager Nyki Hill came in front of Council along with Parks and Recreation Director Lisa Kiser to present the City's ARP plan. A workgroup was formed on August 23rd after initial federal guidelines were published on authorized uses of ARP funding. Ms. Kiser is heading this workgroup, which includes multiple staff members, City Manager Michael J. Ferris, the Mayor, Mayor Pro Tem Hall, and Councilmember Whitley.

The workgroup decided to work through the City's newly approved vision and mission as a method of determining how the initial draw down of ARP funds would be distributed. They also wanted to develop a plan in a transparent and fiscally responsible manner.

Congress passed the bill in March 2021 authorizing \$1.9 trillion for the program distributed to the states. Local municipalities received their share of funding from NC. The City of Albemarle received an installment of \$5 million, half of which was sent in July 2021, and half of which

will be distributed in July 2022. The Department of the Treasury has authorized 5 allowable categories of uses for ARP funds.

Ms. Hill then outlined the first tranche plan the workgroup is presenting to Council, which includes:

- Public Health –
 - Risk Manager position (COVID response) - \$65,000 (60% of compensation and supplies/equipment)
 - Public Housing Wifi - \$50,000
- Negative Economic Impacts –
 - Downtown free Wifi - \$150,000
 - Downtown Alleyway revitalization - \$250,000
 - A park in a qualified census tract - \$250,000
 - Downtown business grants - \$150,000
 - Finance for a part-time position for ARP reporting and tracking (100% compensation and supplies/equipment)
- Investments in Water, Sewer and Broadband –
 - ABC – Water and Sewer infrastructure - \$1.6 million

Ms. Hill explained that many of the above costs are suitable for spending under the presumption by Treasury that certain types of services are eligible uses when provided in a Qualified Census Tract (QCT) or families in a QCT.

Key dates are as follows:

- Federal final guidance is expected this month or next;
- Expense reports for ARP 1st round funds is due by October 31, 2021;
- Funds are to be spent by December 2024.

The City's plan for funds is contingent on the final federal guidance being issued.

Mayor Pro Tem Hall gave an attaboy to the workgroup for pulling this together and then asked Ms. Hill to define what a QCT is for the public. A QCT is an area where 50% of the population in that area makes 60% of the median household income. The boundaries here in Albemarle are: Rock Creek Park to the north, Optimist Park to the east, Moss Springs Road to the south, and Highway 24/27 to the west.

When will the funding for the second tranche be decided? During Council's strategic planning process.

Mayor Pro Tem Hall gave attaboys to Ms. Hill and Ms. Kiser for guiding the workgroup in how to use the money and split it out, taking care of multiple departments' requests. She noted that the Capital Improvement Plan (CIP) will be part of the workgroup process. Councilmember Hughes asked if the second round will incorporate the CIP. Ms. Hill confirmed that it would.

Councilmember Townsend asked if the Risk Manager position would be absorbed by HR when the ARP funds are spent. Ms. Hill confirmed that it would. He also stated that he hoped with the downtown business grants that criteria be established such that grants are well distributed and not just 1 or 2 business owners. Ms. Hill confirmed that this would be the case since the program now has morphed from a loan to a grant program.

Councilmember Hughes asked if staff have what they need for employees too. Ms. Hill said that the workgroup took that into consideration. There have been General Funds put into reserves for other projects, but now with ARP funds they can get these projects going. The process is a balance. The second tranche process will be more strategic.

Ms. Hill noted that the workgroup considered using ARP funds for stormwater management, but they are waiting on state funds and the Congressional infrastructure bill to maximize all resources.

Councilmember Dry noted that the ARP plan might be public, but residents might not know the thought process behind the ARP funding bill. Ms. Hill stated that the ARP bill passed Congress in March 2021 to address the economic and health impacts of COVID-19. This funding opportunity is a once in a lifetime gift to the country. The City will put information on the website to further explain the ARP plan.

Upon a motion by Councilmember Hall, seconded by Councilmember Townsend, unanimously carried, Council approved the first tranche draft plan for spending of ARP funds.

Ordinance 21-39 and Resolution 21-26 – To Consider Designation of Funds for the Albemarle Business Center

With the first phase of the construction now awarded and under contract, the City needs to designate the specific funding sources to support the project. Finance Director Jake Weavil and City Manager Michael J. Ferris have developed a recommended funding plan to support the project. Finance Director Jacob Weavil came in front of Council to explain the funding structure for ABC and to take questions.

The funding plan as detailed in the memorandum provided to Council ahead of the meeting is summarized as follows. The General Fund is proposed to fund its share 50% interfund loan and 50% cash contribution. This is a significantly more favorable proposition than when First Tryon first estimated the budgetary impact of the development of the ABC. It was initially estimated to require a tax increase of several cents to fund the project. Our strong financial planning has greatly reduced the need for additional revenues. The cash contribution would not drop reserves below our self-designated 20% fund balance level.

In the Water and Sewer Fund it is recommended that a significant percentage be funded with our portion of our first allocation of ARP funds. The remainder can be funded through a cash contribution from reserves. The City's ARP workgroup discussed funding for this project as well as many others. The amount of \$1,600,000 in ARP funds toward the Water and Sewer cost of the ABC was

established by backing out the estimated cost of the other projects identified for the first allocation of ARP funding. The Water and Sewer cash contribution keeps this fund well above the recommended days of cash on hand level. The cash contribution and ARP money fully funds the cost of the Water and Sewer portion of the project and no borrowing would be needed.

The Electric Fund expense is a very small portion of the overall costs and can be funded from its reserves. The cash funding will allow the Electric Fund to remain in a very strong position with regard to reserves. Line item information regarding the expenses to date and future costs is also provided.

Mr. Weavil took questions from Council along with Economic Development Director Keith Tunnell. Mayor Pro Tem Hall asked how much already has been spent on the ABC project to date. Mr. Weavil directed Council to the ABC budget tracking workbook. He and Council discussed the totals spent in the design and construction phases of the project so far. It was established that the City has spent in sum \$830,000 to date on various design and construction costs, including permitting, thus far.

Council, Mr. Weavil and Mr. Tunnell discussed various concerns related to ABC project costs to date such as permitting, engineering, and design. The Mayor reminded Council that when the ABC project budget was set up by former Finance Director Colleen Conroy, Ms. Conroy had to estimate costs at that point in time, which could not have accurately reflected actual costs. Now Council has to seed the project budget as different phases come up for their consideration, such as the Leonard Avenue extension.

Mr. Tunnell noted to Council that since the City is in a construction phase, the activity of “moving earth” will make the ABC more marketable because it shows potential businesses that the City is serious about moving forward. Speculative building can move forward and the City can market this based on local statistics.

Councilmember Dry noted that recently Montgomery County brought in a manufacturing business opportunity and wondered why it didn’t come to Stanly County. Mr. Tunnell replied that 70% of manufacturing companies begin their search online largely looking for existing modern buildings.

Councilmember Townsend noted that Mr. Weavil can help Council moving forward with tracking expenses related to the ABC project. Mr. Weavil replied that in the future the original budget and amount spent to date will be tracked and will be included for Council when ABC agenda items are to be considered. Mr. Tunnell added that safeguards have been placed on spending in the next phase of the project, and that the City won’t entertain change orders.

Upon a motion by Councilmember Whitley, seconded by Councilmember Townsend, and carried with a vote of 5 Council members in favor and 2 Council members against, Council approved Ordinance 21-39. Council members voting in favor of the motion were Whitley, Townsend, Dry, Lowder, and Aldridge. Mayor Pro Tem Hall and Councilmember Hughes voted against the motion.

Upon a motion by Councilmember Whitley, seconded by Councilmember Townsend, and carried with a vote of 5 Council members in favor and 2 Council members against, Council approved

Resolution 21-26. Council members voting in favor of the motion were Whitley, Townsend, Dry, Lowder, and Aldridge. Mayor Pro Tem Hall and Councilmember Hughes voted against the motion.

[Ordinance 21-39 – To Amend the FY22-23 Operating Budget to Designate Funds for the Albemarle Business Center Project]

[Resolution 21-26 – To Authorize the Interfund Financing Agreement for the Albemarle Business Center Project]

Resolution 21-24 – Consider Setting a Public Hearing for Voluntary Annexation of 136.063 Acres off of Highway 52 South

A petition has been submitted for Council to consider setting a public hearing to consider annexation of 129 +/- acres on Hwy 52 S. If Council wishes to consider the annexation, the hearing can be set for Monday, October 18.

Before the vote, a question was asked if there was enough time for Planning to work with Public Utilities and other departments to coordinate ahead of the October 18th meeting. Development Coordination Specialist Jay Voyles replied that Planning should have time to engage other City departments by the listed meeting date for the public hearing.

Upon a motion by Councilmember Hall, seconded by Councilmember Aldridge, unanimously carried, Council approved Resolution 21-24 setting a public hearing for Monday, October 18th for voluntary annexation of 136.063 acres off of Highway 52 South.

[Resolution 21-24 – Consider Setting a Public Hearing for Voluntary Annexation of 136.063 Acres off of Highway 52 South]

Resolution 21-25 - Consider Setting a Public Hearing for Voluntary Annexation of 85.53 Acres off of City Lake Drive

A petition has been submitted for Council to set a public hearing date to consider annexing the 86 +/- acre tax parcel 13976 on City Lake Drive. A public hearing can be set for the October 18th Council meeting to hear the request if Council is interested in considering the potential annexation.

Upon a motion by Councilmember Hall, seconded by Councilmember Dry, unanimously carried, Council approved Resolution 21-25 setting a public hearing for Monday, October 18th for voluntary annexation of 85.53 acres off of City Lake Drive.

[Resolution 21-25 - Consider Setting a Public Hearing for Voluntary Annexation of 85.53 Acres off of City Lake Drive]

Resolution 21-27 – To Provide Incentives for Employees Vaccinated Against COVID-19 and Provide Additional Leave for Employees Adversely Impacted by COVID-19

This Resolution provides an incentive for employees who choose to be vaccinated for COVID-19 as well as additional time away from work for employees impacted by COVID-19.

Human Resources Director Dana Chaney came in front of Council to present to Council and take questions. She stated that the reason this resolution is in front of Council is to add benefits for COVID for employees and their families. For the incentive portion of the resolution, since the City has no idea at this point which employees have been vaccinated and which have not, the incentive of 2 days paid vacation for all employees showing proof of vaccination will help. The incentive program would be in effect through October 31st should Council decide to adopt the resolution tonight.

The second portion of the resolution is to extend 1 week of paid COVID leave for all employees. As of today, 62% of employees have maxed out their 2 week COVID leave granted by Council in March 2020. Fifteen percent (15%) have gone over the 2 week COVID leave and subsequently have had to use personal or sick time to make that time up.

Mayor Pro Tem Hall asked a hypothetical question about those employees who have already maxed out their COVID leave and had to apply accrued time – would they be able to use this extra week against any personal time already taken? Ms. Chaney replied that no, that kind of retroactive action could not occur – only time used moving forward would be impacted by the extra 1 week of COVID leave time should Council decide to adopt the resolution. Mayor Pro Tem Hall then asked what proof would be needed in order to get the incentive of 2 days paid leave. In order to get paid leave employees would need to show full vaccination occurred regardless of the timeframe of when vaccination occurred. Assistant City Manager Nyki Hill added that the ARP funds can be used retroactively for the incentive proposal.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Hughes, unanimously carried, Council adopted Resolution 21-27 providing incentives for employees vaccinated by COVID-19 and additional leave for employees adversely impacted by COVID-19.

[Resolution 21-27 – To Provide Incentives for Employees Vaccinated Against COVID-19 and Provide Additional Leave for Employees Adversely Impacted by COVID-19]

COMMENTS

Councilmember Townsend:

- Re: Piedmont Natural gas stakes – he noted that the stakes for gas line work had been planted quite a while ago to the point that grass has overgrown around them.
- Re: September 9th Fire recruit graduation – is it still on? Yes it is – it will be held at 6 pm at North Albemarle Baptist Church.

Councilmember Aldridge:

- This coming Thursday September 9th Vac and Dash is offering free Pfizer COVID vaccines from 2:00 – 7:00 pm. All who are vaccinated will be entered into a \$500 giveaway. He thanked Peter Ascitutto for keeping the community safe.

Mayor Pro Tem Hall:

- Food Truck Friday for September will be held this coming Friday September 10th at Market Station to coincide with the Tour de Elvis 5K bike tour.
- Re: Charters of Freedom dedication ceremony - a lot of time has been spent on planning the event on October 12th. She asked if a request to block off the driveway where the drive through is located could occur so that the band scheduled to play can sit there. Assistant City Manager Nyki Hill noted that she could ask to see if billing collections could shut down at 4:30 pm that day. The Mayor asked about street closures for that day. Ms. Hill replied that she will follow up with Public Works on this.

CLOSED SESSION

Upon a motion by Councilmember Dry, seconded by Councilmember Hughes, unanimously carried, Council approved moving into closed session pursuant to N.C.G.S. 143-318.11(a)(1) to prevent the disclosure of confidential or privileged information and N.C.G.S. 143-318.11(a)(6) Personnel.

RETURN TO OPEN SESSION

Upon a motion by Councilmember Dry, seconded by Councilmember Aldridge, and unanimously carried, Council returned to open session. The Mayor stated that a closed session was held pursuant to N.C.G.S. 143-318.11(a)(1) to prevent the disclosure of confidential or privileged information and N.C.G.S. 143-318.11(a)(6) Personnel. There was nothing to report.

Upon a motion by Councilmember Aldridge, seconded by Councilmember Hughes, unanimously carried, the meeting was recessed to September 8th at 6:00 pm in City Council Chambers to continue closed session discussion of a personnel item.