

ADJOURNED MEETING CITY COUNCIL
May 10, 2011

The City Council of the City of Albemarle met in an adjourned session on Tuesday, May 10, 2011, at 5:00 p.m. in the City Hall Management Conference Room. Mayor Pro-Tem Troy E. Alexander presided and the following Councilmembers were present, to wit: Martha Sue Hall, Judy Holcomb, Jeanette M. Napier, Jack F. Neel, Dexter Townsend and T. Ed Underwood. Absent, Mayor Elbert L. "Whit" Whitley.

The City Council held a Fiscal Year 2011/2012 Budget Work Session.

The City Manager reviewed the Planning and Community Development Budget. He noted the significant increase in the cost of housing condemnation and demolition. This was an item Council and the Mayor have recently expressed an interest in. He also noted funding is included for quarterly meetings with the Zoning Board of Adjustment and the Planning and Zoning Board. Finally, the budget includes 30% of the cost of the City Hall utilities.

It was noted there is a significant increase in the electric line items in the Parks and Recreation budget due to the renovation and increased use of the EE Waddell Community Center. The City Manager said a portion of the construction cost to renovate the Niven Center is included.

Councilmember Holcomb said she received an email from an employee requesting that Curves be added to the list of gyms the City will pay for an employee membership. After discussion, it was noted this facility does not meet the City's requirement as a full service fitness operation, and therefore could not be added.

The Powell Bill fund does include the cost of the biennial bridge inspections. The City is reimbursed 80% of these costs. The Powell Bill also includes a portion of the cost for the City's share of the sidewalk on the new section of US Highway 52.

Councilmember Neel said he heard from a resident along the new section of US Highway 52 who indicated they are confused about the name of the road, post-construction. Assistant City Manager Michael Ferris said there has been

discussion of this issue, but he does not know where it stands. He said he would report this back to Council.

The City Manager indicated he is proposing to double the funding for street resurfacing to \$150,000.

The Water and Sewer Fund includes expenditures and revenues for a water system study. The City has received a grant to cover 50% of these costs. The City Manager indicated he is proposing a 5.5% increase in Water and Sewer rates for usage above 300 cubic feet per month. This will still provide rates well below the state average. The fund will also pay for its portion of shared expenses, such as personnel and technology costs. Also, the fund will pay its portion of the debt for the City Hall. There is money budgeted for right of way acquisition for the CKA water line and roof repairs at Tuckertown WTP. Equipment purchases and paving the sludge road are included in the WWTP budget, along with a grant match for construction. The Systems Division will continue to have 2-3 frozen positions. Funds are included for a replacement service truck, a sewer rodding machine and replacement of sewer manholes.

The Electric Fund includes an anticipated 4% customer rate increase to offset a 5% wholesale rate increase, though the amount of the wholesale increase is not finalized. The Electric Fund will be paying its share of the City Hall debt, shared salary expenses with other funds, and share technology purchases.

The Landfill has a proposed \$1.00 per ton tipping fee increase on MSW and CD materials. Money is budgeted for a posi shell, which is a new method of providing daily cover on the Landfill.

Council inquired when the current contract with Waste Management expired. The Assistant Manager said it expires in July 2012. Councilmember Neel noted that other towns in Stanly County have recently bid their services and Waste Management won the bids by reducing their rates. It was suggested that the City negotiate with Waste Management for a reduced rate in exchange for a contract extension.

Councilmember Hall said the City should keep in mind the needed repairs at Market Station.

Councilmember Underwood said he thought the City of Albemarle should support the community homeless shelter. The City Manager said Homes of Hope will be receiving building space once the Niven Center is renovated, at no

charge to them. In addition to the construction and renovation cost, they will not be charged for utilities.

Councilmember Neel said he is still dissatisfied with the recent decision of the Board of Adjustment concerning a fence variance at the southwest corner of East Cannon and Moss Springs Road. He said he was contacted by the Board Chairman Charlie Frye. Mr. Frye did not attend the meeting when the variance was granted and told Councilmember Neel that he would have never voted for the variance and told the applicants that their request should not be approved. Councilmember Neel feels the Board acted inappropriately and illegally by granting a lesser variance than what was requested. He asked that the UNC-CH School of Government be contacted for their opinion of how and if the decision can be reconsidered.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Napier, the meeting was adjourned.