

REGULAR MEETING CITY COUNCIL  
August 16, 2010

The City Council of the City of Albemarle met in a regular session on Monday, August 16, 2010 at 7:00 p.m. in the City Hall. Mayor Elbert L. “Whit” Whitley, Jr. presided, and the following Councilmember’s were present, to-wit: Troy E. Alexander, Martha Sue Hall, Judy Holcomb, Jeanette M. Napier, Jack F. Neel, Dexter Townsend and T. Ed Underwood. Absent, none.

-----

Upon a motion by Councilmember Holcomb, seconded by Councilmember Underwood and unanimously carried, the minutes of August 2 regular session and August 2 closed session minutes were approved as submitted.

-----

A public hearing was held to consider budget amendments for the Morrow Chase Senior Housing CDBG Grant Project. No one from the public spoke for or against the proposal.

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

Upon a motion by Councilmember Hall, seconded by Councilmember Napier, and unanimously carried, an Ordinance entitled (Ordinance 10-29) “AN ORDINANCE TO AMEND 2009 GRANT ORDINANCE 09-32 and 10-25, FOR A COMMUNITY DEVELOPMENT BLOCK GRANT MORROW CHASE PROJECT ORDINANCE” passed first reading.

Upon a motion by Councilmember Hall, seconded by Councilmember Napier, and unanimously carried, an Ordinance entitled (Ordinance 10-31) “AN ORDINANCE TO AMEND FY 2010-2011 BUDGET” passed first reading.

-----

Mr. Todd Swaringen, Chairman and Mr. Tom Ramseur, President of the Stanly County Chamber of Commerce provided an update on Chamber of Commerce activities.

Mr. Ramseur came forward and stated he is proud of the vision for the City and the new City Hall and that it sets a good image. He thanked Council for the donation given to the Chamber the last several years.

Mr. Swaringen came forward and said that he appreciates the City volunteers that are on their boards. He asked that Council look to them if there is anything that the chamber can do, just let them know.

-----

Ms. Louise Hooker came before City Council as an unannounced delegation. She stated that she was representing someone who was on the ban list of Public Housing and requested that the City change the process for placement on the ban list to automatically remove a person if they are not convicted. She said that the problem is someone being placed on the ban list before being determined guilty. If they are not guilty, their name may not be taken off the list. Ms. Hooker stated that some of the people on the list have been on there since 1993 and some of them are now deceased. She asked Council if a person has been arrested in the past three years and is found not guilty, can they be taken off the list.

Councilmember Townsend asked if any of the Public Housing staff in the audience has any discretion on the ban list where someone has broken the law. Section 8 Housing Manager Rachel Hough came before Council and stated that the Chief of Police would be the one who bans anyone from the premises. After someone is banned, the Chief of Police speaks with them. Staff refers this to police if the ban is within 3 years to see if the ban can be lifted. Ms. Hough stated that the ban has to be lifted by the Chief.

Mayor Whitley stated that the City will talk with Chief Michael and get back to her. Ms. Hooker stated that she had already spoken to Chief Michael and the City Manager had told her if she was not satisfied with the result, she would need to come back to his office and file an appeal.

Councilmember Neel stated that Chief Michael will have to be contacted because he is not here tonight.

Councilmember Townsend asked Ms. Hough if the residents have a copy of the ban list and Ms. Hough said yes. Mayor Whitley asked Ms. Hooker to give her name and phone number to Ms. Hough and we will get back to her.

The City Manager stated that Ms. Hooker is referring to her son Marcus Pemberton and the case is pending and Chief Michael is considering releasing him from the ban list. Ms. Hooker would also like Chief Michael and Public Housing Director Garry Lewis to look at the City's policy on banning someone from Public Housing.

-----  
Mayor Whitley stated that City Council has a copy of the monthly departmental reports in their agenda packets and asked if there were any questions.

-----  
Upon a motion by Councilmember Hall, seconded by Councilmember Townsend and unanimously carried, the following Ordinance passed second reading and was duly adopted:

(Ordinance 10-27. To amend the 2010-11 budget to reflect an interfund loan between the Electric Fund and the Landfill Fund)

-----  
The Mayor and City Council discussed plans for site work at Amhurst Gardens and Elizabeth Heights. The City Manager noted that a new site work project includes tree trimming and other items for City Council consideration. Wayne Stogner, Stogner Architecture, PA came before City Council to present and review these plans. The site plans for the next work project at both Public Housing sites include sidewalk repair, tree trimming, removal, plus additional tree planting at both public housing sites.

In addition to the site improvements, Mr. Stogner stated that they are preparing to bid for the replacement of ranges and refrigerators which will be a separate contract. Public Housing Director Garry Lewis and Mr. Stogner asked that Council consider approval of the site plans and to give permission to proceed with bids for the site work and appliance replacement at Amhurst Gardens and Elizabeth Heights.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Townsend and unanimously carried, the City Council approved the site plans and permission to proceed with bids for the site work and appliance replacement at Amhurst Gardens and Elizabeth Heights.

-----  
The Mayor and City Council received a report for fiscal year ending June 30, 2010 from the Department of Public Housing for SEMAP & PHAS. The City Manager noted that HUD requires public housing agencies to submit the Section Eight Management Assessment Program report annually and Public Housing presented the reports for City Council to consider before submission to HUD. As a designated small PHA, the Public

Housing Assessment System report is exempt for this year but conventional housing staff wanted to do the PHAS report to check areas that need improvements.

Upon a motion by Councilmember Townsend, seconded by Councilmember Holcomb and unanimously carried, the City Council approved the Department of Public Housing's Section Eight Management Assessment Program Report (SEMAP) & the Public Housing Assessment System Report (PHAS).

-----

The Mayor and City Council considered approval of additional debt issuance with previously approved financing. The City Manager noted that at the last Council Meeting, August 6, Council authorized borrowing \$221,733 from RBC Bank for Landfill Equipment. Since that time Public Utilities has requested \$111,173.17 for the purchase of Equipment (\$34,057.17 for a Diesel Pump and \$77,126 for a Backhoe). Finance Director Colleen Conroy contacted RBC to see if the City could add additional equipment to finance at this very favorable rate. RBC Bank agreed to add this amount to the original bid for financing via Build America Bonds at the effective rate of 1.6965%, if Council authorizes. Staff is requesting that rather than \$221,733, the City borrow \$332,916.17 over 59 months to include Landfill and Public Utilities equipment.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Hall and unanimously carried, the City Council approved the additional debt issuance of \$111,173.17 for a total amount of \$332,916.17 over 59 months to include Landfill and Public Utilities equipment with RBC Bank at the effective rate of 1.6965%.

-----

Upon a motion by Councilmember Hall, seconded by Councilmember Underwood, and unanimously carried, an Ordinance entitled (Ordinance 10-30) "AN ORDINANCE OF THE CITY OF ALBEMARLE, NORTH CAROLINA, ADOPTING A GRANT PROJECT BUDGET ORDINANCE RELATING TO THE 2010 LOCAL SOLICITATION JUSTICE ASSISTANCE GRANT FROM THE US DEPARTMENT OF JUSTICE " passed first reading.

-----

The Mayor and City Council considered designation of Snyder Greenway as a Carolina Thread Trail Route. Phase 2 of the Roger F. Snyder Greenway in Albemarle has been identified as a future section of the larger regional Carolina Thread Trail greenway system.

Parks and Recreation Director Toby Thorpe came forward to answer any questions that Council had. He stated that signage is available at no cost to the City. The greenway would continue to be signed and recognized as the Roger F. Snyder Greenway, but would be recognized as a component of the regional greenway system. Mr. Thorpe stated that once complete, the City would like to have a ceremony sometime late fall. He stated that a date will be set for the ceremony and he will contact Carolina Thread Trail and let them know once the signs are in place.

Upon a motion by Councilmember Hall, seconded by Councilmember Holcomb and unanimously carried, the City Council approved the designation of the Roger F. Snyder Greenway as a Carolina Thread Trail Route and to allow the placing of signage at the greenway at no cost to the City.

-----

The Mayor and City Council received a report on Cycle North Carolina Planning. At a recent meeting Councilmember Hall had requested an update on planning for this event.

Parks and Recreation Director Toby Thorpe stated that Albemarle will host the 12th annual Cycle North Carolina "Mountains to the Coast" Bicycle Tour as it passes through Albemarle this year, with riders arriving on Wednesday, September 29 and departing on Thursday, September 30. Approximately 1,200 riders will spend the night in Albemarle. ADDC and Parks and Recreation are both part of the host team.

-----

The Mayor and City Council received the results of the Morrow Chase CDBG Street Bids. The City Manager noted that the City received a CDBG grant to provide infrastructure to serve this apartment complex for senior residents. It is planned to do part of the work with force account labor, and City staff is negotiating with JT Russell on a reduction in contract scope and cost to be able to perform this work within the amount of funds available.

Engineering Services Director Jon Mendenhall came before Council to give the latest update on the street bids for Morrow Chase. He stated that at the pre-bid conference on July 22, there were six attendees on the roster, including J.T. Russell. On August 29, bids were taken and they received only one from J.T. Russell with it being in excess of grant funds. He stated that at this point their options following General Statutes 143-129 are to negotiate with the sole bidder and if that does not create the results needed, would again advertise for bids.

Upon questioning by Councilmember Alexander, Mr. Mendenhall stated that the main reason that 5 of 6 bidders did not bid was because of excess paperwork, HUD requirements, bonding requirements, and timing. The sole bid by J. T. Russell came in at \$276,778.20 and the budget is at \$200,000. He said final negotiations with J. T. Russell were going on until around 6 pm this evening. Mr. Mendenhall handed out to Council the revised design changes, changes in quantity and changes in scope with final totals. Mr. Mendenhall stated that the total contracted cost is \$189,704.60 and the City will have a force account material costs of \$6,116.42. Also the additional engineering redesign cost of \$3,000. This makes the total project cost \$196,153.52. Not included would be City labor and equipment costs.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Hall and unanimously carried, the City Council approved the low bidder, J.T. Russell & Sons for the Morrow Chase CDBG Street Bid award in the amount of \$ 189,704.60 subject to approval by the Department of Commerce.

-----

The Mayor and City Council considered approval of agreements with the Cities of Concord and Kannapolis. City Council received copies of the proposed water sales and purchase agreement and the interlocal agreement for water facilities between the three entities. The City Manager noted that these were the agreements that were reviewed and discussed at the joint meeting with Concord and Kannapolis in May. The Concord City Council approved these agreements this week, and they are supposed to be on the Kannapolis Council agenda for later this month. The City Manager expressed thanks to Public Utilities Director Ernie Borders, who has spent a considerable amount of time the past couple of years working on these arrangements with the Concord and Kannapolis staffs.

Public Utilities Director Ernie Borders came before Council and stated that based on today's water rates this agreement would create \$1.2 million a year in revenue, of approximately \$96,000 per month. For 1,000 gallons of water used there is a \$1.58 cost per customer at today's rates and cost.

Upon questioning by Councilmember Neel, Mr. Borders along with City Manager Raymond Allen, stated that the interconnection point is the point at which the billing meter is located along the Concord-Kannapolis Transmission Line near the County line between Stanly and Cabarrus County on NC Hwy 49. This point is assumed to be the point at which the Albemarle and Concord-Kannapolis water systems connect.

Upon questioning by Councilmember Neel, Mr. Borders stated that the wholesale rate at whatever given point over time, the City would make a 5% premium paid by Concord and Kannapolis. Councilmember Neel asked if the City could break this

agreement with Concord and Kannapolis if deflation sets in. The City Attorney David Beaver stated that he does not feel that the City could do this. If this happens, this will also affect the City's other government agreements as with Oakboro and Stanly County. Mr. Beaver stated that Concord's Attorney is a member of their City staff and drafted this agreement.

Councilmember Townsend stated that Concord and Kannapolis would be allocated 5.0 MGD of water treatment capacity and required to pay for at least 2.0 MGD at the present time. Councilmember Neel stated that this contract will allow the City to recapture sales that was lost from 1987 to present due to large industries closing. Industries including Wiscassett Mills, Jeffries, Collins and Aikman, Snyder and American Efird Mills, causing the City to lose the sale of around 5 million gallons per day.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Hall and unanimously carried, the City Council approved the agreements with the Cities of Concord and Kannapolis of the proposed water sales and purchase agreement and the interlocal agreement for water facilities between the three entities.

-----

The Mayor and City Council received a report on the surplus property sales. City Council received a copy of two memoranda reporting on the sale of surplus property.

-----

The Mayor and City Council considered approval of the 100 Year Electric Power Anniversary banner. The City Manager noted that the Public Utilities Department is asking the City Council for approval to proceed with the purchase of 35 pole banners for the 100th Year Anniversary of Public Power in the City of Albemarle. These were designed by ElectriCities based on the logo previously approved by City Council. The City was awarded a grant from Electricities of NC for \$4,500 to offset the cost of these items.

Upon a motion by Councilmember Hall, seconded by Councilmember Underwood and unanimously carried, the City Council approved the 100 Year Electric Power Anniversary Banner.

-----

The Mayor and City Council considered attendance at the NC League of Municipalities Annual Meeting. This meeting will take place in Winston-Salem from

October 24-26, 2010. The City Manager noted that this is the most important meeting of the year for local elected officials in North Carolina, and he encouraged any board member who can to attend.

The Mayor asked that any Councilmember planning to attend, to contact the City Manager in the next couple of days.

-----

The Mayor and City Council considered attendance at the Stanly County Council of Governments on Tuesday, August 31. This meeting will be at 6:30 pm at First Baptist Church in Oakboro. This meeting will take place in the fellowship hall of FBC in Oakboro, at 322 North Main Street. The program will include a representative from USDA about their grant and loan programs, and from the Census Bureau as a follow up to the 2010 Census.

Mayor Whitley and Councilmembers Alexander, Hall, Holcomb, Napier, Neel, Underwood and Townsend all stated that they would be attending. The City Manager said that they could use the van from Public Housing. It was determined that everyone meet at City Hall at 6pm on Tuesday, August 31 and ride together.

-----

The Mayor and City Council received information about a Local Officials Meeting which will be held on the proposed widening of NC 24-27 from NC 740 to the Troy Bypass. This meeting will be held on Thursday, November 18, 2010 from 2 PM to 4 PM at Stanly Commons.

-----

Councilmember Holcomb stated that she wanted to commend the Police Department for all of their hard work on the large group of suspects for drug charges.

-----

Councilmember Hall stated that she attended the ElectriCities meeting this past week-end and she displayed posters she received congratulating Farmville, Forest City and Albemarle on 100 years of electric power. She asked that Council consider placing these posters inside City Hall.

Ms. Hall also stated that she would like for City Council to meet with the ABC Board and take time discussing State ABC Board reform issues.



Ms. Hall stated that Council members need a key or staff card so that they are able to get into the City Hall building if it is locked. The City Manager said that a card can be issued for each Councilmember that needs one to the outside door and Council area.

-----

Councilmember Neel stated that he had received a personal letter from a veteran and would like to read in the closed session meeting tonight. Upon questioning, City Attorney, David Beaver stated that it would have to meet one of the permitted purposes for having a closed session and he did not think that it did. Mr. Beaver stated that it may be in violation.

-----

Councilmember Alexander asked about street paving from the intersection of Main Street and Pee Dee Avenue and if the state is going to complete the paving of Pee Dee Avenue up to the Quik Chek area. City Manager Raymond Allen stated that he did not believe this was on DOT's list to resurface. Engineering Services Director Jon Mendenhall also stated that this is not on their list to pave and that staff has mentioned this area to them several times and they are aware of the City's concerns.

-----

Upon a motion by Councilmember Hall, seconded by Councilmember Townsend, and unanimously carried, the City Council adjourned to a closed session pursuant to NCGS 143-318.11(a) 3 and 6 to consult with the City Attorney and to discuss personnel matters.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Underwood, and unanimously carried, the City Council reconvened to open session. Mayor Whitley announced a closed session was held pursuant to 143-318 (a) 3 to consult with the City Attorney and that there was nothing to report at this time.

-----

Councilmember Holcomb moved that Council not be supplied with a key or staff card to the City Hall building. Councilmember Napier seconded the motion. Voting for the motion were Councilmembers Holcomb, Napier, and Underwood. Voting against the motion were Councilmembers Hall, Neel, Townsend, and Alexander. The motion failed.

-----

Upon a motion by Councilmember Underwood, seconded by Councilmember Holcomb and unanimously carried, the meeting was adjourned.