

REGULAR MEETING CITY COUNCIL

May 4, 2009

The City Council of the City of Albemarle met in a regular session on Monday, May 4, 2009, at 5:30 p.m. in the City Hall Annex. Mayor Elbert L. "Whit" Whitley, Jr. presided, and the following Councilmembers were present, to-wit: Troy E. Alexander, Judy Holcomb, Jeanette M. Napier, Jack F. Neel, Dexter Townsend, and T. Ed Underwood. Absent, Martha Sue Hall.

Mayor Whitley delivered the invocation.

Mayor Whitley presented a retirement certificate to David F. Holt with 37.5 years of service. David Holt began his work with the City in 1971 as a draftsman in the Public Works Department. He was later promoted to Special Projects Agent and Electric System Specialist. He is retiring as the Electric Project Coordinator in the Department of Public Utilities.

Mayor Whitley presented a retirement certificate to Mary E. Wing with 22.4 years of service. Mary Wing began her career with the City in 1980 as an Operator I at the wastewater treatment plant. She was later promoted and is retiring as an Operator II.

Mayor Whitley presented a retirement certificate to Terry L. Ritchie with 15 years of service. Terry Ritchie was hired by the City as a Records/Communication Officer in the Police Department. He was later promoted to Records/Communications Supervisor, the position from which he is retiring.

Mayor Whitley presented a retirement certificate to Joe Parker who retired with 20 years of service. Joe Parker began his career with the City as a WTP Operator I in the Public Utilities Department. He later was promoted to WWTP Operator II, then later promoted to utility mechanic, the position he remained in until retirement.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Underwood and unanimously carried, the minutes of the April 20 regular session and April 20 closed session were approved as submitted.

Ms. Stephanie Demby came before City Council as an announced delegation to request the blocking of South Fifth Street between Green Street and Dr. Martin Luther King, Jr. Drive on June 13, 2009 from 12 noon until 7 pm for a community/graduation party.

Mayor Whitley asked Police Chief Michael if anything else should be considered on this request. Police Chief Michael stated that Ms. Demby would need to contact all of the residents to make sure no one had a problem with the street being closed. Mayor Whitley asked Ms. Demby if the residents had been contacted. Ms. Demby said that they had not but that she would contact all of the residents affected by this street closing.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Napier and unanimously carried, approved the request to close South Fifth Street between Green Street and Dr. Martin Luther King, Jr. Drive on June 13, 2009 from 12 noon until 7 pm for a community/graduation party subject to Ms. Demby contacting all residents affected by this street closing.

Mr. Jeffrey Lynn Mullis came before City Council as an announced delegation to request a City of Albemarle Peddler's License. Mr. Mullis stated that he had previously had a vegetable and fruit stand behind the taxi station. He said that he was unemployed and was trying to get this small business started for himself.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Underwood and unanimously carried, the City Council approved Mr. Jeffrey Mullis for a City peddler license.

The Mayor stated that Council had a copy of the municipal calendar in their agenda packets.

Upon a motion by Councilmember Alexander, seconded by Councilmember Townsend and unanimously carried, the following Ordinances passed second reading and were duly adopted:

(Ordinance 09-15. To amend the FY 2008/2009 Budget to appropriate funds for a Brownsfield study.)

(Ordinance 09-16. To establish a Grant Project Budget for a NCDOT Bicycle Planning Grant.)

The Mayor and City Council considered a request of GHA, Inc. to rezone 1519 E. Main St. from GHBD to R8/Two-Family Residential-Conditional Use Duplex. They are moving their office downtown and desire to return the structure to its original use which was a duplex. A public hearing is required.

Upon a motion by Councilmember Alexander, seconded by Councilmember Napier and unanimously carried, the City Council set a public hearing on June 1 to consider the rezoning of 1519 E. Main St. from GHBD to R8/Two-Family Residential-Conditional Use Duplex.

The Mayor and City Council considered a request of the Wellons Foundation for a 7.44 acre lot subdivision and right of way dedication off of Heathwood Dr. This request would subdivide the property that is proposed for Morrow Chase, and would dedicate a street right of way adjacent to this property.

Councilmember Neel asked if this is an additional subdivision. Mr. Eston West, representative of the Wellons Foundation said no that this is segmenting 7.44 acres of the original tract of 20 acres that was rezoned.

Councilmember Neel stated that the driveway is offset on the plat. Mr. West stated that they are hoping to receive a donation of a strip of land from GHA that will be donated to the City. The City Manager stated that the subdivision of 7.44 acres will have a dedicated paved street and also water and sewer lines through a CDBG grant. Woodhaven Drive does not line up but if given the strip of land from GHA, the streets will line up. This will be a public street owned by the City.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Napier and unanimously carried, the City Council approved a 7.44 acre lot subdivision and right of way dedication off of Heathwood Drive.

The Mayor and City Council considered approval of the Wellons Foundation site plan for Morrow Chase, a proposed 48 unit apartment development for the elderly off of Heathwood Drive. This is the development that was originally proposed for Fox Run Drive, but was withdrawn due to site development costs. The City has applied for a CDBG grant to pay for the street, storm water, and water and sewer infrastructure to serve this site.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Underwood and unanimously carried, City Council approved the site plan for Morrow Chase, a proposed 48 unit apartment development off of Heathwood Drive.

The Mayor and City Council considered a request to rezone 1.39 acre tract on the west side of Henson Street, south of Henson Place apartments from HID/Heavy Industrial District to R8A/Multi-family Residential. This is for the affordable housing development that was discussed at the April 20 meeting of City Council. The rezoning request is for the portion of this property that is already inside the City limits. The developer has also indicated that they plan to pursue annexation of that portion of this property that is not inside the City limits. A public hearing will need to be set so City Council can consider this request.

Upon questioning, the City Manager stated that this is the 1.39 acres that is in the City limits that was annexed in 1979. The other 2.12 acres is outside the City limits and there is no petition at this time for the annexation of this part.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Napier and unanimously carried, City Council approved setting public hearing for June 1 to consider the rezoning of 1.39 acres on the west side of Henson Street, south of Henson Place apartments from HID/Heavy Industrial District to R8A/Multi-family Residential. Voting for the motion were Councilmembers Alexander, Holcomb, Napier, Townsend and Underwood. Voting against the motion was Councilmember Neel.

City Manager Raymond Allen presented a draft of the FY 2009/2010 Budget. The City Council has approved budget work sessions on Monday and Tuesday, May 11 and 12, at 5:00 p.m. to review the proposed budget. City Council will be requested to set a public hearing for May 19, 2009 to consider the proposed budget.

The City Manager stated that preparing the budget had been difficult and had to be scaled back due to the economic crisis. He thanked the Mayor and City Council's input into the budget process, the members of the City's management team, and the Assistant City Manager Michael Ferris.

The City Manager indicated that for the sixth consecutive year the budget does not include a property tax increase. The revenues most adversely impacted have been sales and use taxes, investment income and the Powell Bill Street System revenues. Mr. Allen passed around a copy of the proposed budget to the City Council members.

The City Manager stated he is proposing no property tax increase and it would remain at the current rate of \$.56 per \$100 valuation. He did note there is a water and sewer increase of 3.5% for usage over 300 cubic feet per month. There is a proposed 3.5% electric rate increase to offset a wholesale increase to the City effective as of October 1, 2009. Also, this budget proposes tipping fee increases in the Solid Waste Fund of \$3 per ton increase for municipal solid waste and a \$5 per ton increase for construction and demolition waste. These fee increases are to offset increased debt service cost for the recently completed landfill expansion, and to help offset a drop in revenue due to economic conditions.

The City Manager stated that a copy of the proposed budget will be available for public inspection at the Stanly County Public Library and the City Hall Annex.

Upon a motion by Councilmember Alexander, seconded by Councilmember Underwood and unanimously carried, the City Council approved setting public hearing for Tuesday, May 19 on the proposed FY 2009/2010 Budget.

Councilmember Neel stated that Council should not consider the second reading of the budget ordinance until the last meeting in June due to the state making changes and cuts in trying not to raise taxes. He said that the state is cutting out expense allowances for cities and that the state will get sales tax revenue monies from municipalities. Also, he stated that Governor Perdue is taking a ½% pay cut.

The Mayor and City Council considered the scour evaluation of a municipal bridge. The NCDOT requests that the City take action to evaluate scour on municipal bridge 830298, Smith Street.

Engineering Services Director Jon Mendenhall came before City Council to present the evaluation of municipal bridge 830298, Smith Street in addition to normal biennial bridge inspections. Mr. Mendenhall stated that per NCDOT it will cost approximately \$5,000 for the scour evaluation to occur in FY 2009-2010. Mr. Mendenhall stated that 80% of the cost of the scour evaluation will be paid for by federal highway funds (\$4,000) and the City will be responsible for the remaining 20% (\$1,000).

Mr. Mendenhall stated that Volkert Engineering has re-reviewed the 2008 report and determined that the coding for scour was completed according to the Guide for Inspector Scour Evaluation. He also stated that the bridge inspection cycle would need to be completed by 2010.

Councilmember Alexander asked Mr. Mendenhall what is a scour. Mr. Mendenhall stated that a bridge scour is the removal of sediment such as sand and rocks from around bridge abutments or piers. Scour is caused by swiftly moving water which can scoop out scour holes, compromising the integrity of the bridge. Mr. Mendenhall stated that it is safer for the public for these scour evaluations to occur.

Councilmember Neel stated that the bridge is constructed on a spread footing on rock so it should be pretty sturdy. He also asked Mr. Mendenhall if he had any plans for this structure and Mr. Mendenhall stated that he does not have plans but Public Works has recently disclosed the existence of plans.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Napier and unanimously carried, City Council approved the scour evaluation of municipal bridge 830298, Smith Street.

The Mayor and City Council considered an agreement for assignment of contract with Creech and Associates. This agreement would assign the contract for architectural services to Creech and Associates from Narmour Wright Creech, which has been separated into two separate companies. There have been several changes in the firm formerly known as Narmour Wright Creech. Mr. Narmour has retired, and Tom Wright is establishing a separate, smaller firm to concentrate on residential architecture. David Creech is now the managing principal of Creech and Associates, and has retained the firm location and most of its staff. This is basically a formality, since all of the personnel who are working on the City Hall project are with Creech and Associates.

Upon a motion by Councilmember Neel, seconded by Councilmember Underwood and unanimously carried, the City Council approved an agreement for assignment of contract with Creech and Associates on the City Hall project.

The Mayor and City Council reviewed proposals for hospitalization insurance rates for FY 2009-2010. A spreadsheet outlining the renewal rates from Blue Cross/Blue Shield for FY 2009-2010 was provided to City Council.

Human Resources Director Robert Whitley reported to City Council earlier in the budget process, the current industry trend for medical insurance has been annual increases of between 8%-12%. Mr. Whitley is recommending that the City remain with the current Blue Cross Plan for an 8.15% increase. This amount of increase has been incorporated into the proposed FY 2009-2010 budget.

Councilmember Neel stated that this would be a \$26.80 increase per person per month if choosing to stay with the existing health plan.

Upon questioning, Mr. Whitley explained the two alternatives on the chart, the co-pay of each, and the premium costs. Councilmember Holcomb asked Mr. Whitley if he recommended staying with the existing plan and he affirmed this.

Councilmember Neel stated that there would need to be more of an increase than is being shown to consider changing to a different plan. He said it would be best to stay with the existing plan.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Napier and unanimously carried, City Council approved proposals for hospitalization insurance rates for FY 2009-2010 by remaining with the current Blue Cross Plan for an 8.15% increase.

The Mayor and City Council reviewed the proposed wastewater treatment plant plan timetable of improvements. Stephen Chambers of Chambers Engineering prepared the timetable in consultation with Director of Public Utilities Ernie Borders and the City Manager.

The City Manager stated that this sets forth a timetable for many of the major improvements at the wastewater treatment plant that were identified when the City

commissioned an engineering study of the plant two years ago. NCDENR requested that the City submit an action plan and timetable for the most critical items, which was completed. The timetable and action plan sets forth capital improvements that the City plans to recommend in the FY 2009-2010 and 2010-2011 budgets.

Upon questioning by Councilmember Neel, the City Manager stated that projects for the 2008-09 fiscal year would total around \$600,000 and for next fiscal year starting July 1, 2009 around \$995,000.

Councilmember Alexander asked if the money was available, could all these wastewater projects be completed faster. The City Manager stated that if the City had \$4.6 million in the bank, these projects could all be completed in a 2 year time period. Mr. Allen said that the City had also applied for state grants and if these grants are not approved, the City can apply for low interest loans for these projects.

Engineering Services Director Jon Mendenhall gave a status report on the City Hall Project. He stated that on the inside the hardwood floors were being installed on the west side and they are finishing the millwork and cabinets upstairs. Also, the elevator is being installed. Mr. Mendenhall said that also on the outside the masonry is continuing to go up and Time Warner Cable has completed the underground cable service for City Hall and the library. He stated that the project continues to be on time and should be complete by the end of September.

Mayor Whitley asked Mr. Mendenhall about the old part of City Hall and the historic stairwell. Mr. Mendenhall stated that the design work had been completed to bring this stairwell in compliance with the building costs.

The Mayor and City Council considered approval of 2010 Census Partnership Agreement. At the presentation by the Census Bureau at the April 28 Stanly County Council of Governments meeting in Locust, it was requested that all jurisdictions consider the adoption of this agreement. Council received a copy of this agreement and other information provided by the Census Bureau describing the importance of a complete count at the meeting. The count is important because of its impact on both federal funding and on state collected and distributed revenues.

The City Manager stated that the Census information determines how federal funds are awarded, guides local decision makers in where to build roads, hospitals and schools, and determines how many seats each state will have in the US House of

Representatives, redistricting of state legislatures, county and city councils and voting districts. He also said that there is flexibility in ways the City can get involved and support the 2010 Census.

Upon a motion by Councilmember Alexander, seconded by Councilmember Neel and unanimously carried, the City Council approved the 2010 Census Partnership Agreement.

The Mayor and City Council reviewed a report from Police Chief Michael on the sale of surplus equipment previously declared surplus.

The Mayor and City Council reviewed draft letters of thanks to Senator Hagan and Congressman Kissell and NCDOT Division 10 Engineer Barry Moose. At the April 20 meeting of City Council the Council approved a recommendation that these letters be drafted for City Council's signatures. The City Manager stated that he had the letters and if Council approved, the letters could be passed around and signed tonight.

The Mayor and City Council reviewed information that Phase I of the Roger F. Snyder Greenway is complete. Construction on Phase I of the Snyder Greenway was completed this week, and a final inspection was held on Wednesday. The greenway was paved on April 23 after several months delay due to wet conditions and freezing and thawing along the route. Other items such as seeding and fencing and installation of bollards was completed this week. The final inspection was held on Wednesday, and there were only a few minor punch list items which are being handled.

The City Manager stated that a dedication ceremony could be set up and he will come back before Council at a later date about this.

The Mayor and City Council reviewed information of the City receiving an after profit distribution from the Albemarle ABC System for \$10,000 on April 27. This is the third quarterly after profit distribution that the City has received this fiscal year.

Councilmember Holcomb stated that Council should send a thank-you note to Chairman Cranford and the ABC Board.

Councilmember Holcomb wanted to remind everyone about Beach Blast which will be held this Saturday, May 9.

Councilmember Underwood stated that the Roger Hudson, owner of the former Hoots Fish and Tackle at 540 N 1st Street is in the process of working on this building as previously promised.

Councilmember Neel stated that he had received an email from Dawn Melton with the Uwharrie Capital Corp. and that she will be in Raleigh this upcoming Wednesday concerning House Bill 1252 and Senate Bill 1004 where there will be a public hearing on “a level playing field” for cable. Councilmember Neel said that the county had already approved a resolution opposing these two bills, and asked that City Council do the same. He said that he had a sample resolution from the North Carolina League of Municipalities. He also said that if anyone was interested, they could attend the meeting in Raleigh on Wednesday at 10 am.

Councilmember Holcomb asked if this is the same resolution that the County is doing and Councilmember Neel stated that it is.

Upon a motion by Councilmember Alexander, seconded by Councilmember Neel and unanimously carried, the following Resolution was duly adopted:

(Resolution 09-20 - To oppose House Bill 1252 and Senate Bill 1004 “Level Playing Field”, to prohibit local government involvement in communication services, particularly broadband services.)

Upon a motion by Councilmember Underwood, seconded by Councilmember Alexander and unanimously carried, the City Council adjourned to a closed session pursuant to NCGS 143-318(a) 3 and 5 to consult with the City Attorney and to discuss the status of real estate negotiations.

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 NCGS 143-318(a) 3 and 5 to consult with the City Attorney and to discuss the status of real estate negotiations and that there is nothing new to report at this time.

The City Manager reminded the City Council about Town Hall Day in Raleigh this Wednesday, May 6 and the choice of schedules Council needed to decide on attending that day. If choosing the earlier schedule, they would leave the City Annex at 7:30 am, choosing the later schedule, they would leave the City Annex at 9:30 am. Council decided to choose the later schedule leaving at 9:30 am.

Upon a motion by Councilmember Holcomb, seconded by Councilmember Napier and unanimously carried, the City Council adjourned to Monday, May 11 at 5:00 p.m. in the City Hall Annex for a Budget Work Session.