

ADJOURNED MEETING CITY COUNCIL
May 13, 2008

The City Council of the City of Albemarle met in an adjourned session on Tuesday, May 13, 2008, at 6:00 p.m. in the City Hall Annex Conference Room. Mayor Elbert L. “Whit” Whitley presided and the following Councilmembers were present, to wit: Troy E. Alexander, Martha Sue Hall, Judy Holcomb, Jeanette M. Napier, Jack F. Neel, T. Ed Underwood and T.E. White. Absent, none.

The City Council held a Fiscal Year 2008/2009 Budget Work Session.

Councilmember Neel indicated that he had a couple of concerns that he would like to discuss. The first concern was with the off taste in the City’s water that has been occurring for the past several weeks. He asked what was causing this. The City Manager indicated that this was due to algae blooms at the Tuckertown Reservoir. He indicated that the City’s water intake at this reservoir was at a shallow depth and that when there were algae blooms these were being pumped in by the intake. He stated that the Public Utilities Department had reduced the amount of water treated at the Tuckertown Plant to a minimum and that they had tried carbon filtration to address this issue. The Mayor suggested that the City issue a news release to educate the public as to what had been occurring. Councilmember Neel also noted that someone had placed white bows on City street signs in the vicinity of the hospital and that they should be required to remove these bows.

The City Manager indicated that Michael Ferris was unable to attend the meeting and asked that he be designated Acting Clerk for this meeting. Upon a motion of Councilmember Hall, seconded by Mayor Pro Tem Alexander and unanimously carried, Raymond Allen was designated Acting City Clerk for the purposes of this meeting.

The City Manager advised that pursuant to City Council's request, he had prepared a draft letter to the City's legislative delegation expressing concern over the proposed moratorium on municipal annexations. He indicated he had also prepared letters to Representatives Pryor Gibson and Melanie Goodwin since the City Council sometimes included them in any correspondence. He provided a draft of the letter to the Mayor and Council for their review. The City Council indicated their approval of the draft and signed the originals provided.

The City Manager continued a review of the budget from the May 6 Adjourned Meeting. He discussed the Streets and Highways Budget, noting that this included the replacement of sidewalk on both sides of West Main Street between First and Second Streets including replacement of the street light circuit with a line with Ground Fault Circuit Interruption. He noted that the Public Utilities Department hoped to eventually retrofit all of the downtown area with this type of wiring. Councilmember Holcomb expressed support for this, indicating this would allow all of the street trees to be lighted. The City Manager noted that the budget included level funding for street resurfacing, but that he had eliminated a request to replace a dump truck. He also noted that he had moved a request for a replacement vehicle for the asphalt crew to the Powell Bill budget, and increased the recommended appropriation of Powell Bill fund balance.

The City Manager noted that the Public Works budget included funds to resurface and provide some landscaping to improve the private parking lot at the corner of King Avenue and South First Street and to lease this lot to make it available for public parking. Councilmember Holcomb indicated she did not think the location of this lot was suited for downtown parking needs. Councilmember Neel suggested that these funds be left in the budget and that parking alternatives could be discussed when the City Council meets with the parking task force appointed by the ADDC.

The City Manager indicated that the budget included \$25,000 for a consultant to assist the City with the City initiated annexation proposed by City Council. Councilmember Hall indicated that these funds may not be needed if the proposed annexation moratorium is approved by the legislature.

The City Manager reviewed the Parks and Recreation budget and noted it included \$22,000 for the City share of a County wide parks and recreation plan; \$40,000 for the replacement of a 1974 farm tractor, \$10,000 to replace a ball field groomer, \$50,000 for renovations to the Rock Creek Park bathhouse, and \$10,000 for EEWCC capital outlay. He noted if the City receives a PARTF grant for the Waddell Center these funds would be appropriated from fund balance.

Councilmember Holcomb asked if the budget included funds to construct a restroom at the Rock Creek Park scorekeeper's booth as was discussed several months ago. The City Manager said he was not sure, but that he would discuss this with the Parks and Recreation Director.

Councilmember Hall indicated that she had to leave the meeting to attend a function for her son sponsored by local North Carolina State University alumni. She asked to be excused from the meeting. Upon a motion of Councilmember White, seconded by Councilmember Napier and unanimously carried, Councilmember Hall was excused from the meeting.

The City Manager provided highlights of the Powell Bill Fund budget. He advised that the proposed budget appropriates over 50% the estimated fund balance in that fund, or \$112,400 out of an estimated \$197,600. He noted the budget increases funds for street resurfacing by \$10,000. Councilmember Neel indicated he would like for the Council to have an opportunity to provide input into the streets that will be considered for resurfacing. The City Manager indicated he would put this item on the May 19 Council agenda. Mayor Pro Tem Alexander asked if the date that streets were last resurfaced could be provided to City Council when the resurfacing recommendations were made. The City Manager indicated that he would check with Public Works about this, but that in almost every case it would be more than 25 years and he did not know if this information could be found. Councilmember White indicated he had been contacted by Ms. Gertrude Lilly at the corner of Lundix Street and Colston Street about drainage on her property. The City Manager indicated that he was sure that someone from Public Works had contacted her, but that he would follow up with this. Councilmember White also stated that there are ditches on Armfield Avenue and Hillside Lane that have filled in with sediment.

The City Manager reviewed the proposed Water and Sewer Fund budget. He noted that the budget increases the minimum category of usage from 200 cubic feet to 300 cubic feet, and that there is no proposed increase in the minimum charge. He stated the budget proposes a 5% increase for usage above the minimum. Councilmember Neel asked how the City's outside rate compares with the rates charged by the County. The City Manager indicated he was not sure, but he would research this matter.

The City Manager discussed proposed Water and Sewer expenditures. He noted the budget includes 20% of the debt service for City Hall, and increased testing fees due to new EPA mandates. He noted that the budget includes funds to rehabilitate the flocculators at the US 52 plant and to install some level of backup generation.

He noted that all of the debt for the Tuckertown WTP, pump station and transmission line was defeased in the current fiscal year. The City Manager noted that paying off this debt provided funds for much needed capital improvements at the wastewater treatment plant, including removal of solids from the sludge digester, repairs to the grit chamber and sluice gates, and replacement of a cavity pump and two screw pumps. He noted that the Water Sewer Systems budget included funds to continue the replacement of deteriorated sewer lines, and to complete the construction of the Vickers Store sewer lift station. Mayor Pro Tem Alexander inquired how many miles of sewer line the City had, and how much we had repaired or replaced in the last few years. The City Manager indicated he would find out and report back on this matter.

The City Manager indicated the proposed budget included \$350,000 for one half of the utility relocation costs for the US 52 sewer line. Councilmember Neel indicated that he had given additional thought to why the City requested that the size of the NC 138 water line be increased back in 1980 and that he realized this was to provide additional water to Jeffries Southern Processors. He said that this larger line was not needed by the City any more, and that the County should pay the difference between the size of the line needed by the City and a larger line needed to serve the County. The City Council discussed the possibility of a local bill to exempt the City from utility relocation costs due to the burden this has placed upon the City. The City Manager noted that the time frame to submit local legislation was very narrow, and that this will have to be done very shortly. It was the consensus of City Council to have the City Attorney draft proposed legislation that could be submitted to the legislative delegation next week. Mayor Pro Tem Alexander suggested that the City emphasize the loss of jobs and industry that we have lost due to changes in the textile industry.

The City Manager reviewed the Electric Fund budget and noted it proposed to adjust electric rates by 1.4% on October 1, 2008 to offset a wholesale rate increase of 1.4% that the City will receive on July 1, 2008. He noted the Electric Fund budget includes funds to pay 40% of the City Hall project debt service, and increased funds for tree trimming and contract construction. He noted that the proposed payment in lieu of taxes was decreased by \$50,000 under the current year.

The City Manager reviewed the proposed Solid Waste Disposal Fund budget, which has an increase of \$2.00 per ton for MSW and \$5.00 per ton for construction and demolition disposal. He noted that these were needed due to increased operational costs at the landfill, particularly for diesel fuel which is estimated to increase by \$90,000 from the amount budgeted for the current year; and for debt service payments for the landfill expansion.

Upon a motion of Councilmember Holcomb, seconded by Councilmember Underwood and unanimously carried, the City Council voted to restore the original budget recommendation for employee compensation of a 2.5% increase in July and a one step (2.5%) increase in January.

Councilmember Holcomb stated that she would like to see one of the requested positions in the Police Department funded during the fiscal year if funds for other items were not used.

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