

REGULAR MEETING CITY COUNCIL

December 19, 2016

The City Council of the City of Albemarle met in a regular session on Monday, December 19, 2016 at 7:00 p.m. in the Council Chambers of City Hall. Mayor Ronnie Michael presided, and the following Councilmembers were present, to-wit: Mayor Pro Tem Martha Sue Hall, Bill Aldridge, Chris Bramlett, Benton H. Dry II, Martha E. Hughes, Dexter Townsend and Chris Whitley. Absent, none.

Mayor Michael called the meeting to order.

Upon a motion by Councilmember Townsend, seconded by Councilmember Aldridge, and unanimously carried, the minutes of the December 5 regular session and December 5 closed session minutes were approved as submitted.

Mr. John W. Kapelar, CPA, Potter & Company came before City Council to present the 2015-2016 Audit. Mr. Kapelar represents Potter & Company, Certified Public Accountants and is the partner in charge. This is the first year Potter & Company had prepared an audit for the City of Albemarle.

Mr. Kapelar came forward and handed out a draft copy of the audit as of June 30, 2016. He stated that he is waiting for the report from the Local Government Commission (LGC) for final approval. He stated that in their opinion, the financial statements present fairly, in all material respects.

Mr. Kapelar covered the statement of net position, exhibit A on page 17, the General Fund, exhibit F on page 23, Proprietary Funds, exhibit H on page 25, and stated that 97.2% of the property tax revenues were collected this year with last year's collection being 96.89%.

Mr. Kapelar answered any questions that Council had.

Upon a motion by Councilmember Bramlett, seconded by Councilmember Hall, and unanimously carried, the City Council approved acceptance of the audit as presented, ending June 30, 2016 by Potter & Company.

Albemarle Economic Development Director Mark Donham came before Council to announce a new company locating at 930 Old Charlotte Rd. This is where the former Allison and Huck Fixtures Company operated previously. They will provide high quality storage, transportation, delivery, and logistic services to meet the needs of the companies they represent. They have offices in seven southeastern locations and Albemarle will be their eighth. They prefer to be identified with their customer's names. In Albemarle, they will be providing services for American Woodmark Corporation (AWC), the manufacturer of quality kitchen and bath cabinets. AWC's products are sold in Lowes and Home Depot home improvement stores.

Mr. Donham stated that they will hire 20 people initially and are anticipating up to 40 employees. They will warehouse these cabinets to deliver to the Charlotte, Greensboro, Raleigh, and South Carolina areas. Other companies, which this new company handles at their other sites include MasterBrand Cabinets, Sears, Trane, Electrolun, and CRST Logistics.

The Mayor and City Council received a copy of the November Monthly Departmental Reports and asked if anyone had any questions.

The Mayor and City Council recognized personnel in the Fire Department that assisted with deployment to the N.C. Mountains.

Fire Chief Oke detailed the work of the City Firefighters that deployed to the NC Mountains to assist with the wildfires and recognized each one. He recognized the crew that responded with the engine assigned to Station Three and was comprised of Captain Jason Barbee, Firefighter III Daniel Isenhour, Firefighter II Drew Brewer and Firefighter I Daniel Hammond.

Fire Chief Oke stated that the City sent a replacement crew to Lake Lure on November 18 to relieve the first crew. The second crew was comprised of Firefighter III Chris Smith, Firefighter II Hall Layton, Firefighter I Timothy Jarman and Firefighter I Greg Robertson. These personnel allowed the first crew to come home during the early afternoon of November 18.

Fire Chief Oke and the City Council thanked all the firefighters for their participation.

The Mayor and City Council were presented with the draft of the 2018-2022 Capital Improvements Program. Assistant City Manager Christina Alphin came before Council and stated that the CIP is a budgeting tool prepared by department heads to anticipate the long term capital needs over 5 years in effort to reduce maintenance costs and increase reliability, safety, and efficiencies. She stated that the CIP designates a capital expense as any expenditure with a useful life of 5 years or greater and cost \$40,000 or more. Council is apt to make decisions on these departmental projects weighing the overall needs of the City. She asked that Council take this draft and review in preparation for departmental discussions as we go into the FY2017-18 budget cycle in the next few months. Staff will come back at a later date and ask for approval.

Ms. Alphin further stated that the entire CIP anticipates \$77.5 million in needs for all departments for the next 5 years, with the majority of that being General Fund.

Councilmember Hall requested receiving information concerning First Tryon's various timetables and options for implementation concerning the CIP during the January 5 meeting budget meeting. Assistant City Manager Christina Alphin will let Council know on this. There was discussion to clarify the initial loan amount which was based on preliminary engineering estimates that were conducted before the project was bid. The initial loan was roughly \$2M less than then original bids.

Upon a motion by Councilmember Hall, seconded by Councilmember Hughes, and unanimously carried, the City Council approved the following Resolution:

(Resolution 16-20. To accept a revised State Revolving Fund (SRF) loan offer for the US Hwy 52 Water Treatment Plant Rehabilitation.)

Original Loan	- \$ 8,953,500
1 st Change Order (9/24/2015)	- \$ 2,091,300
2 nd Change Order (11/17/2016)	- \$ 450,000
Total	\$ 11,494,800

The Mayor and City Council considered declaring as surplus various 4kV transformers, equipment, and miscellaneous materials that are no longer needed as a result of the 4kV conversion/upgrade and authorize the Public Utilities to offer the surplus through a public sale process.

The Valley Drive portion of the 4kV conversion is near completion and there is no longer any need for the existing 4kV transformers, equipment, and materials salvaged during the 4kV conversion work. The requested declaration as surplus includes approximately 313 transformers and approximately 21 pallets / wire baskets of miscellaneous equipment and materials salvaged from the conversion work.

Upon a motion by Councilmember Hall, seconded by Councilmember Bramlett, and unanimously carried, the City Council approved declaring as surplus approximately 320 transformers and approximately 21 pallets / wire baskets of miscellaneous equipment and materials that were salvaged from the 4kV conversion work and authorize Public Utilities to offer the surplus through a public sale process.

The Mayor and City Council considered approval of a pole attachment agreement with AT&T. AT&T is currently on 19 City poles and the City is proposing an agreement to govern issues surrounding pole attachments. AT&T will pay the City annually for each attachment dating back to 2014 when the attachments were made. The agreement utilizes the CPI and AT&T will also pay retroactively for 2015 and 2016 with each year's CPI adjustment applied.

The City Manager noted that Mike Colo with Poyner-Spruill worked on this agreement for the City and he also serves as a contract attorney for Electricities. He has recommended a term of 5-years so that if there are changes in the laws governing such attachments we are no locked into a long-term agreement.

Upon a motion by Councilmember Bramlett, seconded by Councilmember Dry, and unanimously carried, the City Council approved a pole attachment agreement with AT&T over a 5 year term, paying the City annually for each attachment dating back to 2014 when the attachments were made. The agreement utilizes the CPI and AT&T will also pay retroactively for 2015 and 2016 with each year's CPI adjustment applied.

The Mayor and City Council were informed that the tour of Hammond Electric Motors will be at 4:00 p.m. on Monday, January 5. Hammond Electric Motors, located at 811 Concord Road, is the City's most recent small manufacturer recognized by City Council.

The formal recognition was done at a City Council meeting a few months ago and Mark Donham has now set up a day and time to tour their facility. Council will meet at the tour site at 4 pm.

The Mayor and City Council were reminded that City offices will be closed on December 23, 26 and 27 for Christmas and January 2 for New Years.

Bishop Richardson with Saints Delight Church came before City Council and said that it is great to be here tonight. He wanted to thank the Mayor and City Council for their strong support of him and his family and he thanked everyone for their prayers during his illness. He also stated that Albemarle is his home town and where his heart is.

Bishop Richardson stated that he is not happy with issues going on in Raleigh and is worried. He also stated that he was glad to hear tonight of the new industry going in on Old Charlotte Road. Also, he is going to be here for the next year or two and hopes this Council will continue to serve. He asked that Council not let what is happening in the world, happen in Albemarle.

Bishop Richardson finalized by saying he is here for the City.

The Mayor thanked Economic Development Director and the ADDC for a great Tour of Homes with a great turn out.

The Mayor thanked the Main Street office and the Parks and Recreation Department for a great Albemarle Christmas Parade with a great turn out.

The Mayor wished the City employees, everyone in attendance, and the viewing audience a Merry Christmas.

The Mayor stated that it was great to have Bishop Richardson with us this evening, up and doing so well after being ill.

The City Manager wished the City employees, everyone in attendance, and the viewing audience a Merry Christmas.

Councilmember Townsend stated that this year's Christmas Parade was the best in many years.

Councilmember Townsend thanked the Public Works Department and everyone involved for a great job cooking, preparing, and serving the employee Christmas lunch last Wednesday at the EE Waddell Community Center.

Councilmember Townsend asked if Piedmont Natural Gas was on schedule with replacing their existing lines throughout the City. The City Manager stated that he will ask a Piedmont Natural Gas representative come before Council with a report at a future meeting.

Councilmember Townsend wished a Merry Christmas to all.

Councilmember Hughes stated that she really enjoyed serving at the employee Christmas lunch last Wednesday. She said the food just gets better each year. Councilmember Hughes wished a Merry Christmas to all.

Councilmember Aldridge wished a Merry Christmas to all and wished everyone a safe holiday.

Councilmember Hall echoed a Merry Christmas to all.

Councilmember Hall reminded and invited everyone to the Community Christmas dinner on Christmas Day from 11-2pm at First Presbyterian Church on First Street.

Councilmember Dry thanked Fire Chief Oke and his department for assisting with the wildfires in the NC Mountains in November.

Councilmember Dry also stated that the Albemarle Christmas Parade was outstanding this year.

Councilmember Dry wished a Merry Christmas to all.

Councilmember Whitley stated that the Albemarle Downtown Christmas, the Tour of Homes, Albemarle Christmas Parade, and the luncheon for the City of Albemarle employees was great this year.

Councilmember Whitley wished a Merry Christmas to all.

Councilmember Bramlett wished a Merry Christmas to all.

Upon a motion by Councilmember Bramlett, seconded by Councilmember Hughes, and unanimously carried, the Mayor and City Council adjourned to a Closed Session Pursuant to NCGS 160A-318.11 (a) (4) and (5) - Economic Development and Real Estate.

Upon a motion by Councilmember Dry, seconded by Councilmember Hall, and unanimously carried, the Mayor and City Council reconvened to open session. Mayor Michael announced that a closed session was held Pursuant to NCGS 160A-318.11(a) (4) and (5) - Economic Development and Real Estate and there is nothing to report at this time.

Mayor Michael stated that several City Councilmembers have spoken with the President of Stanly Community College, Dr. Enamait about the possibility of a culinary school being placed in downtown Albemarle. The possibility has been talked about over the past two years. Council invited Dr. Enamait to the meeting this evening and we have spoken in private session about the possibility of a culinary school and there has been positive feedback and we have received encouragement but there has been no decision yet and we are just discussing the possibility. We have not received any level of support from anyone or a location has not been chosen at this point. The Mayor and the City want to be totally up front about this possibility and not keep these in closed discussions.

President of Stanly Community College, Dr. Enamait came forward and spoke in regards to a culinary program in the downtown. He stated SCC is considering starting a culinary program which can take many forms such as an associate degree in applied science and students being able to transfer to a 4-year university for a bachelor undergraduate degree. Also, allow continuing education type courses in cake decorating, brew making, and farm to table courses. He would like to embrace the farm to table concepts and bring to restaurants. SCC could support a part-time restaurant venture and partner with a business part-time in a restaurant location. One-third to one-half of the 58 community colleges in NC have some type of culinary program.

Upon questioning, Dr. Enamait stated that SCC would probably be hire one full-time department head for culinary and employ part-time instructors from that point.

Dr. Enamait answered any questions that Council had.

Mayor Michael stated that this is still in early concept stage. This has been discussed over the last two years between the City, County, SCC, and Pfeiffer. Just to iterate, we have made no decision, but Dr. Enamait will speak with the SCC Board of Trustees, Stanly County Commissioners and continue working with the City Council on the possibility of a culinary school in the future for downtown Albemarle.

Upon a motion by Councilmember Hall, seconded by Councilmember Townsend, and unanimously carried, the meeting was adjourned.