

REGULAR MEETING - SEPTEMBER 12, 2013

The Mayor and City Council met in regular session on Thursday, September 12, 2013 at 7:00 p.m. in the Board of Commissioners Room, third floor, of the James W. Warren Citizens Center located at 115 W. Main Street Lincoln.

The meeting was moved from City Hall due to a leaking AC Unit in the Council Chambers. Those in attendance were:

RHYNE CLONINGER HEAVNER HOVIS

Mayor Gilleland called the meeting to order and led the Pledge of Allegiance. He thanked everyone for attending and for their interest in City government.

Councilman Hovis then made the motion unanimously approved to add the following items to the agenda for discussion;

- (1) Water Contract between the City and City of Cherryville
- (2) Proposed Contracts (3) three with Lincoln County
- (3) Agenda request/backup information
- (4) Garbage Fee

Mayor Gilleland said these items would be added and discussed just after the Public Hearings.

Council Rhyne made the motion unanimously approved the ***REGULAR AGENDA***.

Councilman Heavner made the motion unanimously approved the ***CONSENT AGENDA*** as follows:

- Approved meeting minutes: August 1st, 2013 – Regular Meeting
August 15th, 2013 – Special Meeting
- Approved the following PROCLAMATIONS:
Senior Center Month – September 2013
Constitution Week – September 17 – 23, 2013
Industry Appreciation Month – October 2013
National Disability Employment Awareness Month – October 2013
- Approved Calls to Public Hearing for October 3rd meeting:
CUP-6-2013 – Application from the Lincoln Economic Development Association requesting a conditional use permit for a coatings business in the GMC District. The use will occupy the existing building located at 569 South Grove Street (Parcel ID 54841)

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CONSENT AGENDA *(Continued)*

- ZTA-3-2013__- Proposed amendment to chapter 153, unified development ordinance, to revise the provisions related to the board of adjustment to make them consistent with recently enacted state legislation

REGULAR AGENDA

APPLICATION FROM LINCOLNTON BUSINESS CENTER REQUESTING A CONDITIONAL USE PERMIT TO USE A PORTION OF THE EXISTING WAREHOUSE/FLEX SPACE PROPERTY FOR A BREWERY IN THE GENERAL MANUFACTURING AND COMMERCIAL (GMC) DISTRICT. THE SUBJECT PROPERTY IS LOCATED ON THE SOUTH SIDE OF MOTZ AVENUE ACROSS FROM GRIER STREET. (313 MOTZ AVENUE – PARCEL ID# 00419)

Mayor Gilleland opened the Public Hearing. The City Clerk administered the oath to all those wishing to speak for or against the issue. Planning Director Laura Simmons reviewed the request from Corwin Carmichael of Lincoln Business Center for a conditional use permit to use a portion of existing warehouse/flex space property to open a brewery at the above stated location.

Laura said the applicant proposes re-use of approximately 8,031 square feet of existing warehouse/flex space located in the northwestern portion of the building closest to Motz Avenue. No additional buildings or driveways are planned. She reviewed the applicant's compliance with CUP requirements, along with compliance of Section 153.237 and 153.238. She stated that the staff review committee found that the use would have to conform to State building and fire codes and a change of occupancy permit would be required by the Lincoln County Building Inspections Department. No outdoor storage would be permitted between the buildings and Motz Avenue and any outdoor storage must be screened from view from abutting properties.

Laura concluded recommending on behalf of Planning Board and staff that the conditional use permit be approved, subject to the staff review committee conditions.

The applicant, Corwin Carmichael, was in attendance and spoke regarding his request. He reviewed the findings of fact, noting he would be in compliance

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should this CUP be approved. He told Council that he has no plans of selling beer from this location; it would be purely manufacturing, not retail. He thanked City Council for considering his request.

Mr. Robert Tomlinson, 501 S. Grove Street, spoke in opposition of the request. He said, "I want to go on record that I am not against alcohol prohibition. I don't understand why all of a sudden our City Council has gotten so alcohol consumption within the City limits." He said, "Tonight's application concerns me for a lot of reasons...first of all I want to know how this location was chosen." "Traffic concerns me; I have been trying for the past twenty years to get a stop light on Motz Avenue. I spoke to someone from Amy's House and they have concerns. What is the rush to pass this tonight? Why not wait until after the election and call another hearing." Mr. Tomlinson's three minute time limit ran out.

Ken Kindley, Chamber of Commerce, spoke in favor of the application. He said he was at the Planning Board meeting and was pleased to hear that they gave this request a positive recommendation. Mr. Kindley said he was hopeful this growth may help our water situation, as this brewery would use City water too.

Chris Goodson spoke in favor of the request. He said nationally Craft Beer Brewery grew 17% in Asheville. He said, "We need jobs and this is the doorway to providing some of those." This will be a great way to utilize old textile buildings available in our Town.

Steve Peeler, Director of PW&U, spoke noting that there is adequate water supply on the site and there is adequate sewer.

Mayor Gilleland said I know you have a wonderful spring out in West Lincoln and I know you plan on using that as well. He said the soft water that the City has is a plus for brewers. Mr. Carmichael said, "In talking with the Brew Master in Asheville, he said that soft water was the number one drawing card in America, and that's what the South Fork River has."

With no other discussion, Mayor Gilleland called for a motion to close the Public Hearing. Councilman Cloninger made the motion unanimously approved to close the Public Hearing.

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Councilman Heavner made the motion unanimously approved to consider the Conditional Use Permit.

Findings of Fact:

- (1) Councilman Heavner made the motion unanimously approved that the use would not materially endanger the public health or safety if located where proposed and developed according to plan.
- (2) Councilman Hovis made the motion unanimously approved that the use met all required conditions and specifications.
- (3) Councilman Cloninger made the motion unanimously approved that the use would not substantially injure the value of adjoining or abutting property or the use is a public necessity.
- (4) Councilman Rhyne made the motion unanimously approved that the location and character of the use, if developed according to plan as submitted and approved would be in harmony with the area in which it is to be located and would be in general conformity with the Lincolnton Land Use Plan and other plans for the physical development of the City as officially adopted by the City Council.
- (5) Councilman Heavner made the motion unanimously approved that the use would not overly impact the ability of the City to collect and/or treat any wastewater generated by the use or the ability of the City to treat and distribute any potable water needed by the use.
- (6) Councilman Rhyne made the motion unanimously approved that the use would not overly impact (impact beyond capacity) the system of streets serving the use or that improvements would be made to the streets in consort with the development of the use, the result of which would be adequate handling of the additional traffic generated.
- (7) Councilman Cloninger made the motion unanimously approved that not only would the use meet the minimum screening requirements of this chapter, but also that such additional screening would be installed, as necessitated by the visual characteristics of the particular use, that the use would be screened from view of adjoining residential districts, or that the nature of the topography makes the screening from distant view from such residential areas impossible and that other measures such as

heavy on-site landscaping would be taken to lessen any near or distant visual impacts.

Councilman Heavner made the motion unanimously approved to grant the conditional use permit as recommended contingent upon staff review committee comments.

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CONSIDERATION OF PROPOSED AMENDMENT TO THE CITY'S CODE OF ORDINANCES – TITLE IX: GENERAL REGULATIONS – HEALTH AND SANITATION CHAPTER 93.046 – ACCUMULATION OF REFUSE AND WEEDS PROHIBITED AND CHAPTER 93.047 – DECLARATION OF NUISANCE:

Mayor Gilleland opened the Public Hearing. Laura Simmons, Planning Director, reviewed the proposed changes to amend the City's Code of Ordinances as follows:

Title IX: General Regulations

Health & Sanitation

Chapter 93.046 – Accumulation of refuse and weeds prohibited

And

Chapter 93.047 – Declaration of Nuisance

Laura said she and staff are recommending changes to the nuisance ordinance in order to lower the 24 inch limit to 12 inches, with additional language to be deleted as follows:

CHANGE: 24 inches to 12 inches

ADD: (e) The maximum height restrictions set out in this section shall not apply to the following:

1. Natural areas including, but not limited to, wetland areas, public open spaces, wooded areas and lots, storm water detention areas, rain gardens or wild flower restoration areas.
2. Land located within fifty (50) feet of natural or altered creeks, rivers and stream corridors, including riparian buffer strips that convey water;
3. Land used for agriculture including, but not limited to pastures that are fenced and contain animals.
4. Temporary erosion control measures; as shown on an approved erosion control plan.
5. Ornamental grasses grown as ornamental plants; or
6. Utility right-of-way.

This ordinance shall become effective upon adoption.

Councilman Rhyne questioned how we currently enforce the ordinance regarding grass height. Laura said the zoning administrator handles overgrown grass complaints and notes violations as he sees them. The City Manager said the current ordinance allows him the discretion as City Manager to direct the City workforce to cut the grass, he has just never thought the City should be in the grass cutting business.

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Councilman Cloninger said he thought we should consider the amendment, noting it not only addresses grass height but other restrictions as mentioned above. The City Manager said there are other things to consider but as of now we have the resources to enforce the height change, if Council should choose to amend the ordinance.

After some discussion, Councilman Cloninger made the motion unanimously approved to amend the City's Code of Ordinances as recommended.

ITEMS ADDED AS REQUESTED BY COUNCILMAN HOVIS WERE DISCUSSED AS FOLLOWS:

(A) WATER CONTRACT WITH THE CITY OF CHERRYVILLE:

Councilman Hovis asked that the City Manager to give Council an update on what we are currently contracted for water with the City of Cherryville. The City Manager said "The original contract was entered into in May of 2004 for a twenty year period. Basic parameters of the contract are that the City would make available to the City of Cherryville water up to 1.2 million gallons per day and in addition, every three years, Lincolnton shall increase Cherryville's available daily allocation by 200,000 gallons, provided that Cherryville has purchased an average of 400,000 gallons per day from Lincolnton over the previous (3) year period. The agreement may be terminated with a two (2) year written notice to Cherryville, at any time prior to the twenty-year anniversary by either party. Jeff said the only thing we would be required to sell them is 1.2 million per day as the contract reads.

Jeff said he and the Mayor approached Cherryville sometime back about purchasing more water from Lincolnton and they were not interested. Mayor Gilleland said, "We left there thinking they were a new customer and they did their research and they decided they could still produce it themselves at much less expense. The cost was \$ 1.50 per 1000 gallons.

Councilman Hovis said we offered the County a contract for 2 million gallons, and offered Cherryville a contract for 1.2 million he was concerned that the City could be at capacity and may have to look to upgrading our plant. He said, "I've been told they are almost at capacity, and I think it would be in the City's best interest to contact them and renegotiate a contract at \$ 1.25 per 1000 gallons per day.

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Councilman Rhyne thanked Councilman Hovis for his efforts in trying to sell water. Mayor Gilleland said we may run into the same concerns that we did with Lincoln County; marginal pricing is .32 per 1000 gallons based on a recent City/County Study conducted by Raftelius. Fully allocated pricing is \$ 1.15, cost to the City. Mayor Gilleland said, "The situation we are in with water we need to be marginally pricing."

After further discussions, Councilman Hovis made the motion unanimously approved that Mayor Gilleland and the City Manager schedule a meeting with Cherryville to discuss renegotiations.

(B) CONTRACTS WITH LINCOLN COUNTY:

Councilman Hovis said all three contracts are stand alone contracts on their merit. He said he and Councilman Heavner are willing to try and sell water to the County on an equal basis. He asked Jeff to go over the contract. The City Manager said he just got the contract yesterday and was not prepared to go over it, he called on the City Attorney who was contacted by Councilmen Hovis and Heavner to draft a counter proposal to Lincoln County. The City Attorney reviewed the proposed changes.

Service Provisions Agreement – 911 and Animal Control:

The City Attorney reviewed the changes. Councilman Heavner said, "All of us live in the County and we pay County taxes also and I don't believe it is fair or right to pay anymore than what we are paying now for animal control." Mayor Gilleland agreed, but said according to the City Attorney the County could charge the City additional if they choose. Mayor Gilleland said he didn't like paying extra either.

Councilman Hovis said, "I want to show the County an incentive that we want to work with them, so I suggested that we go up \$ 5,000 more every five years for 911 and \$ 2,000 for the Animal Shelter, to show

incentive to work with them.” Councilman Cloninger agreed we are County tax payers too and we should not have to pay more.

After further discussion, item number 4 on the Service Provisions Contract; the piece about the Apple Festival, Councilman Rhyne cautioned the City Attorney about using the Apple Festival as a “give and take”, as the Apple Festival is not a County function it is a separate

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board, just as Hog Happenin is not a City event. He also mentioned the ball fields mentioned in the contract; the use is between the School System not Lincoln County and the mention of LEDA contributions, LEDA is not a County organization, they are a separate stand alone organization. He suggested mentioning to the County that we need help with clean-up with the Apple Festival rather than tying it to the contract.

The City Attorney was to redraft the contracts based on the changes mentioned tonight, and send a copy back to Council for review. Councilman Hovis then made the motion unanimously approved to redraft the contract with the noted changes, and forward a copy to Lincoln County.

Fire Contract:

The proposed fire contract would commit the City to provide efficient fire service to residents of the County primarily located within the Lincolnton Rural Fire District. The Lincolnton Rural Fire District would consist of three county fire districts which would be defined as the following zones: Zone A is comprised of portions of North 321 VFD District. Zone B is comprised of portions of the Howards Creek VFD District; and Zone C is comprised of portions of the Union VFD District. The contract would be effective as of the date of execution by the parties hereto and shall continue in force through July 31, 2033, if approved.

Upon review the City Attorney told Council there were no changes to this contract other than adding the route 90 customers; taking the route 90 customers out of the water contract adding it to the fire contract as a “give and take.”

Chief Burgin was in attendance and was in favor of adopting this contract.

After some discussions Councilman Hovis made the motion unanimously approved to adopt the contract with the above noted modifications.

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Water Contract.

The City Attorney reviewed the proposed water contract with Lincoln County as redrafted by Councilmen Heavner and Hovis. The first changed noted was the contract term. The contract shall be for a ten year period rather than a twenty year period. The minimum amount of water purchased stayed the same but the cost was increased from \$ 1.00 to \$ 1.25 per 1000 gallons. The level of sales of water, included in the original contract, was eliminated; those were for the Airport, Timken, and Industrial Park.

With the County agreeing to accept the sewer the City would in turn annex the Sheriff's Department complex, as requested earlier by Lincoln County as a "give and take." Councilman Hovis said Finance Director Georgetta Williams told him that would be a loss of revenue to the City in the amount of \$ 51,000 annually, should the City decide to annex that parcel of property.

The City Attorney asked Director of Public Works and Utilities to speak to this item. Steve said, "The County has two pump stations in Industrial Park, they pump sewer to our pump stations, we would be willing to take over the gravity system and force line that the County has right now. On the get go, it will be a drain on the City but in the long run if that basin develops, and you get more flow and more customers that come in there, then you could turn it into a profitable situation."

Councilman Rhyne said it would be a good idea to get back to the table with the County. The Raftelius study has determined what our cost is, .32 per 1000 gallons (marginal pricing), so he was in favor of further discussions with the County in hopes the City can sell water.

After further discussion, Councilman Hovis made the motion unanimously approved to adopt the contract, removing item # 8 regarding the Route 90 customers as it was added back to the Fire Contract. The City Attorney is to redraft based on the discussion tonight and send back to City Council for review.

Mayor Gilleland called for a five minutes recess at this point. We reconvened at 8:50 pm.

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Time Limit for Public Speaking on Agenda Items:

Councilman Hovis expressed concerns about citizens requesting to be on the agenda, requesting thirty minutes or more to speak with no documentation of the topic they will be speaking on. Councilman Hovis said “Anyone who wants to discuss topics over three minutes must present a written summary of the topic to the City Clerk prior to being placed on the agenda. This will give the Council time to research that topic. If you are going to take up 15 to 30 minutes it’s got to be City business.

Mayor Gilleland said his first concern would be who is going to decide what is worthy or not. He said, “When we signed on as public servants I took that as it is my job to see what citizens have to say. I’m of the opinion if a person has something to say, we need to listen.”

After some discussion, it was determined that anyone who requests to appear before Council, information should be provided to the City Clerk regarding the subject which they are speaking to, prior to the meeting. This will allow Council to be prepared prior to a Council meeting.

Garbage Fee:

Councilman Hovis read aloud a prepared letter as follows: “As you are all aware, I voted in favor of imposing a \$ 10 per month garbage fee, when we were considering our City budget. Under much public pressure, Council voted to cut the fee to \$ 5 by eliminating the purchase of recycling bins that I actually felt we needed.”

“At each of our recent meetings, several people have spoken strongly against the garbage fee. Some have leveled rather personal attacks at me. At least one has made continual reference to our City employees, saying he believes they are getting benefits that are excessive.”

“First. Let me say that I refuse to balance the budget on the backs of our City workers. It may be true that they get certain benefits that are better than some others are getting, I certainly hope so, because they are worth it! Their benefits may be a little better than some in other towns, but their base pay is in many cases less than what they would receive working in other towns and cities.”

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“We recently endured a terrible event when flood waters did major damage in our county and in parts of our City. Our workers helped out in meeting the needs outside the City and they responded to the situation within the City quickly, efficiently and heroically. There was damage at the City’s water works and parks, a few of our streets were flooded, but thanks to the efforts of our police, fire, street crews, recreation department, water department and others, I am certain that very few if any of you experienced any lasting problem as a result of what could have been a disaster.”

“I’m proud of our people, and I might note that even with their benefits, they probably have less affluent lifestyle than some of those who have criticized us for what we pay them for a job well done.”

“As for the garbage fee, the \$ 10 fee that was initially suggested was in line with what people in other area cities and towns have already been paying. Cherryville charges its citizens \$ 14 monthly plus \$ 3 extra fee for picking up yard waste. Hickory charges \$ 14 per month, Shelby charges \$ 6.70 per month but adds on a \$ 3 fee for recycling. Conover charges \$ 11 per month. Lincolnton is rare in not charging a garbage collection fee.”

“I have heard but cannot validate, that the day is coming when cities and towns will be required to charge a garbage collection fee because solid waste disposal will go the way of electricity and water and sewer services. Those already required to pay their own way, meaning we cannot use other funds-such as property taxes, to supplement them and lower rates.”

“All the recent rhetoric has not changed my mind. I believe we have our form of government because the people do not have the time to thoroughly study all the issues that your elected officials are required to act upon. I believe you elected me not to “rubber stamp” the so-called will of the people but to carefully study all the issues, long range effects of our actions, and to cast my vote based on what I believe to be in the best interest of our Town.”

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“It’s not that I am smarter than those who spoke against the garbage fee...but I do believe that I have a better understanding of the workings of City services than most. Many of those who have attended our recent meetings have never been to a Council meeting before, almost none have been in regular attendance for the many years I have been on Council...and I can assure you, I put a lot more time studying the various issues outside these meetings than I do sitting up here.”

“That being said there comes a time when elected officials have to bow to the desires of the voters even if he believes what the voters want is NOT the better answer to the problem. I have never, and I never will, cast my vote purely to make everybody happy and get re-elected. Given the almost personal attacks I have recently endured, I’m not sure I would even want to run for this job again.”

“There are ways we could afford to eliminate the garbage fee. One that I refuse to consider is cutting pay or benefits to our employees. They are worth every penny they make, they deserve every benefit, they took their jobs based on the benefits the job offered. I don’t think it is fair to go back to them now and tell them we’ve cut their pay.”

“Another way to offset some but not all of the loss of revenues by eliminating the fee would cause us doing away with the study of improvements for the intersection of East Main Street and Generals Boulevard. We’re only paying a portion of that cost – a state grant is footing the bigger part of the bill. Having heard, read and seen many accidents and many more traffic tie-ups at that location and knowing that it will get worse, not better, if no action is taken, I am opposed to eliminating that study.”

“At this time, our City has a reserve fund balance that is much larger than what is required by the state. You might call it a rainy day fund. We never know at what moment another event like the great flood of July 27th and 28th may cause unforeseen needs. Just like individuals, I think it is wise that a town have some money in the bank, just in case.”

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“But the citizens have spoken...those who have attended these meetings and many more whom I have talked, have been so upset by the small garbage fee that to some of them, nothing else matters. So against my better judgement, or at least more experienced judgement, tonight I am proposing that we do away with the garbage fee and make up the difference in revenues to run our City from our fund balance.”

Councilman Hovis then made the motion to cut the garbage fee out of the budget, and no longer charge the citizens a monthly charge.

This item generated much discussion. Councilman Cloninger expressed concerns about how the City would make up the \$ 270,000 the \$ 5 garbage fee would generate. He said, “If we have a big fat bank account maybe we can keep relying on it to survive. We’ve already hit that bank account for over \$ 500,000 in the last year and a half or so, and I am just concerned about how we are going to pay for it.”

Councilman Rhyne said he was glad to hear that what the citizens have said matters. He thanked Councilman Hovis for making the motion to eliminate the garbage fee. Councilman Rhyne said, “There is plenty of “low hanging fruit” in that budget. The intersection at Generals Blvd, that we don’t own, is a real good start.” He said, “We are real quick to talk about these contracts with Lincoln County and say we don’t like the fact that we are getting beat on twice, we are County citizens too. I would make the argument here that City residents could say them same thing. We already pay City taxes one time, so why are you double taxing me to pick up my trash.”

Mayor Gilleland called the question; Remove the garbage fee from the budget; Councilmen Rhyne Heavner and Hovis voted in favor of the motion, and Councilman Cloninger voted no.

Councilman Rhyne then made the motion to eliminate the recently enacted City ordinance allowing us to legally charge the fee.

Councilman Heavner said he could go along with delaying the intersection project to help with repairs to Betty Ross Park. Jeff informed Council that Laura Simmons, Planning Director, recently found a new ruling from the state would allow the City to use Powell Bill funds to pay the \$ 116,000 which is the City's local match.

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The City Manager said Council could consider moving forward with the intersection project and pay any costs of the project from the Powell Bill fund, as another option, this would be his recommendation.

Mayor Gilleland called the question; Eliminate the ordinance allowing the City to charge a garbage fee. Councilman Rhyne's motion passed unanimously.

Mayor Gilleland then presented Ms. Holly Howell a proclamation, proclaiming September 2013 National Disability Employment Awareness Month in the City of Lincolnton.

RESOLUTION OF INTENT TO SUPPORT THE LINCOLNTON FIRE DEPARTMENT IN SEEKING GRANT FUNDING THROUGH FM GLOBAL FIRE PREVENTION FOR FIRE INVESTIGATIVE EQUIPMENT – *No monetary match required = No Cost to the City* (R-14-13)

Fire Chief Mitch Burgin told Council he had submitted paperwork, and would like their permission to proceed, with applying for a grant through FM Global Fire Prevention for Fire Investigative equipment. The total grant amount was could be \$ 2155.00. He said if the grant were received there would be no monetary cost to the City.

In accordance with NCGS all grants must be approved before City Council prior to submitting an application, regardless of the amount. Chief Burgin brought this to Council to get their official action prior to submittal.

Councilman Hovis made the motion unanimously approved to submit the necessary paperwork for said grant.

**RESOLUTION OF INTENT TO SUPPORT THE LINCOLNTON
FIRE DEPARTMENT IN SEEKING GRANT FUNDING
THROUGH FIREHOUSE SUBS FOR A DIGITAL SIGN** –*Should
matching funds be required they would not exceed \$ 2500 which was included in FY
2013-14 budget*

Fire Chief Mitch Burgin told Council of a second grant he would like to submit an application for a grant for a digital sign, through Firehouse Subs. He said currently he has monies available in the grant line item within the fire

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department budget that would cover the cost should the City be awarded the grant. The total cost to the City would not exceed \$ 2500.

Councilman Cloninger made the motion unanimously approved to submit the necessary paperwork for the grant for a digital sign.

**CONSIDERATION OF 2013-14 STUDENT ADVISORY COUNCIL
MEMBERS:**

(APPT-03-13)

Jeff Emory, City Manager, presented the nominations for the 2013-14 Student Advisory Council. The four area high schools along with Lincoln Charter School submitted the following nominations:

EAST

Taylor Johnson
Sam Krehnbrink
Victoria Horne
Tyler Misphey
Lauren Annas

LINCOLNTON

Ethan Miller
Chase Heafner
Macy Emory
Will Saine
Kathryn Macomson

WEST

Jakala Williams
Bailee Eurey
Mason McConnell
Layn Tallent
Olivia Godfrey

NORTH

TJ Carswell
Amy Gilleland
Jared Moore
Dylan Harris
Bailey Russell

LINCOLN CHARTER

Christian Hilty
Danielle Fowler
*Ryan Cole

**Nominated by an Elected Official*

Councilman Rhyne made the motion unanimously approved to appoint the above named students to the Lincolnton Student Advisory Council.

CONSIDERATION OF REVISED GASTON-CLEVELAND-LINCOLN MPO (MEMORANDUM OF UNDERSTANDING) FOR TRANSPORTATION PLANNING SERVICES FOR FY 13/14 (REVISED)

(C-17-13)

Planning Director Laura Simmons recommended Council consider approving an amendment to the recently adopted MPO Memorandum of Understanding between the City and Metropolitan Planning Organization (MPO).

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Laura explained that the MPO staff, through the process of seeking adoption of the MOU by each member city or county, two cities objected to one of the MOU provisions. The provision allowed each jurisdiction to appoint anyone of their choosing as their MPO board member. The two cities that objected requested that the MPO Board be comprised solely of elected officials from each member jurisdiction.

She said just after Council adopted the proposed MOU at its August 1st meeting, the MPO Board approved the new language requiring elected officials be appointed to represent their respective jurisdiction. No other changes were made to the MOU. The revision was located in Section 1.8 of the second page of the MOU for reference.

Councilman Heavner made the motion unanimously approved to accept the amended MOU as recommended.

CONSIDERATION OF PROPOSED CONTRACT/LEASE BETWEEN THE CITY AND TOSHIBA BUSINESS SOLUTIONS (5 YEAR LEASE - \$ 8,000 PER YR SAVINGS)

(C-18-13)

Jeff Emory, City Manager, told Council that the City had been working with Lincoln County for several months now to explore the option of the City leasing their copiers from Toshiba City wide, piggy backing off of the County.

Through negotiations it was determined that the same pricing could be extended to the City as was to Lincoln County. Our studies reflect this could be a cost savings to the City of \$ 8,400. Annually, as the current leases expire. Jeff

thanked Lincoln County IT Department for working with the City on this project, and recommended that the City enter into the contract to lease all copiers through City facilities from Toshiba, effective October 1, 2013 for a five year period.

Councilman Heavner made the motion unanimously approved to enter into the lease as proposed by the City Manager.

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REQUEST TO APPEAR BEFORE COUNCIL TO DISCUSS DUPLICATION OF SERVICES:

Robert Tomlinson, 501 S. Grove Street, spoke to Council regarding duplication of services within the City. He thanked Mr. Hovis for his motion for removing the garbage fee.

Mr. Tomlinson told Council he was formerly an insurance agent. He referenced the City's insurance and the cost of premiums. He has heard some City employees have spouses that are employed in other governmental agencies or the private sector, that have dropped their coverage at their place of employment to be insured through the City, to alleviate paying premiums. He feels this is an unnecessary expense to the City.

He said, "The University of Virginia recently saved 1.8 million dollars by readjusting their employee benefits." He referenced people who work less than 32 hours per week are ineligible for dependent insurance coverage, saving them 70 million dollars annually. He suggested drafting a questionnaire to send to employees to see if they have coverage through their employer, and if so drop their coverage with the City, as a cost savings measure.

He suggested City Council appoint a committee of the Mayor, City Manager, Human Resources Director and maybe the Finance Director and conduct a cost benefit analysis of benefits provided to our employees, and publish their findings at our December meeting.

He thanked City Council for their time and said he looks forward to reading the City's findings from the analysis in the future. He said, "For the record I was not told I had to give a synopsis of what I was speaking before hand".

CONSIDERATION OF ENDORSEMENT FROM CITY COUNCIL FOR EVENTS IN DOWNTOWN LINCOLNTON;

Ritchie Haynes, Director of Parks & Recreation, told Council the City had a conference call with NCDOT last week regarding recent special event requirements from the state. The state now requires a 90 day notice of any event that is to be held on state maintained highway. Our original discussions lead the City to believe that the City would have to have the governing body endorse each applicant's request, prior to NCDOT approving the event.

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Ritchie said the City may need to request a 120 day notice to applicant's in order to comply with the new NCDOT requirement. He did find that City Council would not have to provide a letter of endorsement for each event request.

Mayor Gilleland expressed concerns about the upcoming Lincolnton High School Homecoming parade. Ritchie assured him that this new requirement would not affect any of our upcoming events, as he has contacted all prior applicants, and made them aware of the requirement. He said applicants are getting the necessary paperwork in to the appropriate people in a timely manner.

CITY MANAGER TO PROVIDE UPDATES ON THE FOLLOWING ITEMS;

Jeff Emory, City Manager, provided Council a brief update on the following:

(a) East Main Street Intersection project :

The City Manager reiterated what he told Council earlier in the meeting, that since the City can take the monies from Powell Bill Fund he would recommend to Council that the City proceed with this project. He said a recent study was conducted by TGS Engineers that we were told by the State would be required in order to be eligible for grant funding. TGS Engineers has had difficulty getting up with the State to discuss various items, and has not been able to complete the study to date. Jeff said he would not recommend providing any match out of the General Fund now but hopefully by the December meeting we would have definite costs for the project and hopefully Council could make a decision on the project, and proceed utilizing Powell Bill Funds to do this project.

(b) Proposed Special Events Ordinance :

The City Manager told Council he is currently working with a committee to develop an application and or ordinance to address Special Event requests, particularly from the filming industry. He feels having a process in place would be beneficial to the City. He plans to report his findings back to Council at their October meeting.

(c) **Update on Flood Damage:**

Jeff told Council how pleased he was with all City staff and how they performed throughout the storm, and afterwards with the cleanup. The City has estimated damages of \$ 700,000, with \$ 500,000 being submitted to the City's insurance carrier. He said everything he has heard from the insurance company has been positive up until today. Jeff will continue to remain optimistic about the claim, but may have to get the City Attorney involved. Major damage was to Betty Ross Park and the City's pump stations and Wastewater Treatment Plant. He said the water and sewer fund repairs could be \$ 500,000 that will need to be repaired. He said, "I have already authorized the work for one of the lift stations. I do believe we should go ahead and repair the pump station items, because that is an environmental concern or health issue. Quite frankly, I am a little bit uneasy about making a decision until we know the exact cost to make the repairs." He suggested Council consider authorizing approval of removal of the gym floor, at a cost of \$ 7,000 to \$ 10,000. Ritchie said he does have the funds in his capital line item to proceed. Jeff said, "We have a lot of people who use the gym, but the gym is not as critical as the pump stations." He concluded saying, "We are working with our insurance company and hope to receive a reimbursement of \$ 500,000. This would leave \$ 200,000 of out-of-pocket expenses for the City. This would be a combination of expenditures from the General Fund and the Water and Sewer Fund."

MONTHLY FINANCIAL REPORT/OVERTIME REPORT :

Jeff Emory, City Manager, reviewed a Executive Summary provided by the Finance Department which provides totals to date of the General Fund, Water & Sewer Fund and Electric Fund along with monthly overtime.

Jeff said, "The first glance of this report appears that we have gotten off to a bad start. In the General Fund where we are \$ 178,000 to the negative, Georgetta informed me that we made a \$ 192,000 workers comp payment that wasn't made until August of last year." Sometimes when you compare these

months you have to remember things happen at different times throughout the year.”

He said, the Water and Sewer Fund paid the water tank contract which was \$ 120,000 paid out, along with a worker’s comp claim of \$ 40,000 paid out. Jeff said he was concerned about the overtime amount and plans to put a great emphasis on reducing overtime again.

REGULAR MEETING - SEPTEMBER 12, 2013

Councilman Rhyne questioned the cost of the Apple Festival and Wine Fest so that the City could create a history, similar to what we did for Hog Happenin. Jeff said, “As City Manager I have a great concern about what the City is spending on events and festivals in downtown and I think it is something the City should take a hard look at.”

PUBLIC COMMENT:

The City Clerk provided the Mayor a note from former Police Chief Tom Burgin, who had to leave early but wanted to express concerns about the cost of 911 to City residents and Animal Control.

Mr. Robert Tomlinson spoke regarding the parking lot that the Lions Club mans during the Apple Festival. He addressed Council last month with his concerns of traffic going the wrong direction on a one-way street. He suggested securing more temporary signage or policing for the event. He said he was curious as to what had been done since his request at the last meeting. Mr. Tomlinson was going to talk with Chief Jordan at the conclusion of our meeting to discuss options.

Steve Peeler spoke regarding employee benefits. He said he has heard a lot of comments over the past several months about employees and benefits. He said, “I have got something that I need to say, if it offends I’m sorry but I need to get it off my chest.”

Mr. Peeler said “Employees, through survey after survey, have said they would rather forgo merit increases in order to retain the benefits package they have got. For more than a decade we have forgone those merit pay increases; You

do the math...if you were worthy of a 5% and you do it for five or ten years you can see what employees have been giving up. Not only do they give up pay raises now, but that affects their pay until the day that they die.” Steve suggested Council consider the sacrifices the employees have made and if you do make changes consider compensating them in some way for what they are going to lose.

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NEWS MEDIA:

There were no questions from the News Media.

ADJOURNMENT:

Councilman Rhyne made the motion unanimously approved to ADJOURN.

DONNA C. FLOWERS, CMC
CITY CLERK

JOHN O. GILLELAND, JR.
MAYOR