REGULAR MEETING - AUGUST 4, 2016

The Mayor and City Council met in regular session on Thursday, August 8, 2016 at 7:00 p.m. in the Council Chambers of City Hall, located at 114 West Sycamore Street, Lincolnton, NC. Mayor Hatley called the meeting to order and led the Pledge of Allegiance.

The following Council members were in attendance:

RHYNE BLACK EADDY JETTON

Councilman Eaddy made the motion unanimously approved to adopt the *REGULAR AGENDA* as presented.

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

- Approved Minutes of the July 7th 2016 – Regular Meeting
- Approved the following Call to Public Hearing for the September 1st meeting:

  ZTA-5-2016: Request by Planning Staff for Amendment to the Unified Development Ordinance to revise the zoning regulations related to the Special Highway Overlay District (SHO)
- Approved corrections to recently approved amendments to the City's Administrative Policies – Policy

REGULAR AGENDA :

PUBLIC HEARING TO DISCUSS AND CONSIDER A POTENTIAL INCENTIVE GRANT FOR A NEW/EXISTING INDUSTRY. PRESENTATIONS FOR THE PROPOSED GRANT WILL BE DONE BY THE LINCOLN ECONOMIC DEVELOPMENT ASSOCIATION :

Councilman Jetton made the motion unanimously approved to open the Public Hearing. Councilman Rhyne asked Kara Brown, Existing Business Manager for Lincoln Economic Development Association, to provide an overview of the Incentive Grant to allow the public to know what is being voted on.

Kara told Council that the proposed request from Spantex, who produces expanded metal products has experienced growth and the grant is to offset some of the cost of the expansion. If approved on or about September 1st, Spantex will begin installation of equipment and machinery. Within two years of the effective date of the agreement, of the 2.2 million dollars, 1.5 would qualify for incentives and the agreement would state that when full investment is reached, three new jobs paying average wages of $ 500 per week would become available. The City would provide cash grants of $5,505.60 or a total of $ 28,028.00 for five years.

Upon conclusion of the public hearing, Councilman Black made the motion unanimously approved to close the Public Hearing.

CONSIDERATION OF RESOLUTION TO ADOPT ECONOMIC INCENTIVE GRANT AGREEMENT BETWEEN THE CITY AND POTENTIAL NEW INDUSTRY :

(R-15-16)

Kara Brown, Existing Business Manager for Lincoln Economic Development, presented Council the following resolution for their consideration:

RESOLUTION TO ADOPT ECONOMIC INCENTIVE GRANT AGREEMENT WITH SPANTEX, INC.

WHEREAS, the Lincolnton City Council verily believes that it is in the best interests of citizens of the City of Lincolnton to encourage and support economic development within the City of Lincolnton through the recruitment of new industries to the City and the expansion of existing industries in the City; and

WHEREAS, Spantex, Inc. has developed plans for expansion of their manufacturing facility in the City of Lincolnton; and

WHERAS, the City Council wishes to encourage such development by means of offering incentives to aid in such efforts:

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Lincolnton City Council hereby approved the City fo Lincolnton Incentive Grant Agreement (attached hereto as

Exhibit A and incorporated herein by reference) among City of Lincolnton and Spantex, Inc.

2. The Mayor of the City of Lincolnton and the City Clerk are hereby authorized to sign all necessary documents on behalf of the City of Lincolnton in order to effectuate this transaction.

3. This resolution shall become effective upon adoption.
   This the 4th day of August 2016.

Councilman Eaddy made the motion unanimously approved to adopt the resolution as presented.

RESOLUTION AMENDING THE CITY'S LIST OF BUDGETED POSITIONS:

(R-16-16)

Steve Zickefoose, City Manager, requested that Council by resolution approve the following amendments to the City list of budgeted positions:

1. Reclassify Finance Officer Position to Assistant City Manager position. Responsibilities for support services including Public Utilities, Public Works, Parks & Recreation and other duties as assigned.
2. Reclassify Business & Community Development Director position to the Coordinator level. This position will work with the Planning Director on a daily basis, which streamlines the process for potential and expanding businesses.
3. Addition of part-time Building Inspections Consultant position. Will provide feasibility and consulting services to prospective or expanding businesses in the City commercial district at no cost to the investor. Position also assists with code enforcement.
4. Restore Administrative Support position for Planning, Zoning and Development. Will perform a variety of secretarial and clerical support duties for Planning Director, Zoning Administrator and Business & Community Development Coordinator as well as fielding calls and assisting citizens who walk-in during business hours. There are times now they are not able to have a staff person in the office.

These changes will be presented as updates to the approved position listing by the HR Director.

These changes are budget neutral, and a summary is provided below.

1. Assistant Manager to be paid from funds budgeted for the Finance Officer position. A budget transfer will be made from Finance to the City Manager department.

2. Reclassification of BCD Director to a Coordinator will generate savings of $18,000.
3. Building Inspections Consultant. To be paid from existing contracted services line item in the Planning budget.
4. Administrative Support position to be paid from the following savings in the BCD budget:
   - $18,000 from position reclassification
   - $ 4,000 rent
   - $10,000 consulting
   - $ 2,500 telephone
   - $ 5,500 printing, equipment, dues, office

Councilman Rhyne made the motion unanimously approved to amend the City's list of budgeted positions as recommended by the City Manager and Human Resources Director

Councilman Eaddy said he appreciates the City Manager's efforts to put a building inspector in place as he sees this as a plus for the City and those who may be considering locating a business in downtown. He said, "The first step we have been able to make without businesses having to hire an architect before going to the Building Inspections department with the County." He asked when this position would be in place, Steve said the City would soon start the recruitment process and applications would be taken for two weeks, so he feels it will be soon.

PRESENTATION FROM DDA REQUESTING PERMISSION TO BEGIN PLANNING THE 2017 DDA SPECIAL EVENTS :

Wayne Hoyle, of the DDA Board spoke to Council requesting permission to proceed with planning the 2017 Alive After Five, Wine Fest and Hog Happenin events. Mr. Hoyle presented a memo outlining his request for all events.

Councilman Rhyne said, "It is one thing to approve moving forward but what is the commitment you are looking for form the City?" Wayne felt it would not be more than $ 12,000 in monetary commitment. Councilman Eaddy hoped that business owners would be surveyed and determine the impact street closures have on our businesses. He said, "I'm a big supporter of festivals in downtown, the only thing I have heard is the merchants have problems with

how early the streets are closed on event days. He would like to minimize any inconvenience for store owners if possible.

Wayne used the Wine Fest as an example, saying Main Street was closed for a half a day and side streets were used, in order not to disturb businesses long term. Councilman Eaddy also encouraged Mr. Hoyle to check into having an Antique/Boutique event since we have a good number of these stores in our downtown. He said he would check with DDA as they are the group that could bring that up among board members.

Councilman Rhyne made the motion unanimously approved the request pending contracts are drafted for each event, with maps attached depicting the exact location for alcohol sales for each event. Proper permitting form the ALE as well as permission to close the street from NCDOT should be acquired prior to bringing these contracts back to City Council as recommended by the City Attorney.

CONSIDERATION OF CONTRACT BETWEEN THE CITY AND NCDOT FOR CONSTRUCTION OF A SIDEWALK CONNECTOR ON EAST MAIN STREET OVER THE HWY 321 BRIDGE - TIP# C-56061 - (*CITY WOULD BE AWARDED $ 158,000 THROUGH FHWA)*

(C-17-16)

Laura Elam, Planning Director, reviewed the proposed contract between the City and NCDOT for the sidewalk along East Main Street at Highway 321. The grant agreement from NCDOT combines both the above mentioned sidewalk project adding it to the East Main Street Generals Blvd Intersection upgrade project.

She said NCDOT staff recently recommended to City staff that we combine the construction bid on the above project with the construction bid on the East Main Street/Generals Blvd intersection improvement project due to the cost savings we would likely see with one larger bid rather than two smaller bids.

Laura said if Council combines the construction bids for these two projects, we would need to advertise for and engage a private engineering firm to prepare the design plan and a detailed cost estimate for the sidewalk project and submit both for NCDOT approval. Once the design plan and cost estimate are approved, then the intersection project and the sidewalk project could be

combined for construction bid purposes. DOT staff estimates that a qualified engineer should be able to complete the sidewalk project design plan in about 3 months.

The funding for the project would be as follows if received; CMAQ grant; up to $ 158,000, Carolina Thread Trail funding: up to $ 42,000 to cover the local match for the CMAQ grant and State Contingency Funds: up to $ 250,000 for use after the CMAQ funds have been spent. She said the total amount we could receive for this project could be $ 450,000.

Councilman Jetton made the motion unanimously approved to enter into the contract as recommended by the Planning Director.

CONSIDERATION OF CONTRACT BETWEEN THE CITY AND ELECTRICITIES OF NORTH CAROLINA FOR BRANDING PROJECT IN THE AMOUNT OF $ 15,700 :

(C-18-16)

Steve Zickefoose, City Manager, told Council one of the objectives identified for Downtown Development is the creation of a “brand” for Lincolnton. He said Electricities offers a program that provides up to $ 7,000 to assist with branding if we coordinate the project through them. The City budget includes $ 15,000 for this project. Steve said he met with Brenda Daniels of Electricities and their contact, Nancy Johnson of Market Force, to get an overview of the program. Market Force has been very successful with similar projects for Cities in North Carolina through Electricities.

Steve reviewed a proposal from Market Strategy. He recommended three components as follows: Discussion Group Research ($1700) Log and Tagline Development ($10,500) and Economic Development Brochure ($ 3,500). He said these options would provide the City with a unique brand and also an economic development brochure for communicating with our target markets.

He said in additions, LTDA has previously expressed an interest in marketing brochures and wayfinding signs. He has forwarded the proposal to them to see if they would like to participate/fund wither/both of these.

The total cost to the City would be $ 15,000 with hopefully $ 7,000 serving as a grant from Electricities for this project, reducing the City’s cost to $ 8,000.

Councilman Black made the motion unanimously approved to enter into the agreement as presented and recommended by the City Manager.

Councilman Eaddy requested that vacant structures/properties be listed on the City’s website to assist those who may be looking to locate in our downtown area.

Councilman Jetton asked that any branding/logo be brought back to Council for their final approval.

<u>CONSIDERATION OF MEMORANDUM OF UNDERSTANDING/AGREEMENT BETWEEN THE CITY AND</u>

TWELVE (12) COUNTY AGENCIES TO ‘HOST”, IMPLEMENT AND ADMINISTER A REGIONAL COMMUNICATIONS GRANT FROM DEPARTMENT OF HOMELAND SECURITY / FEMA GRANT FOR A VIPER SYSTEM - COMMUNICATIONS EQUIPMENT

(C-19-16)

Ryan Heavner, Fire Chief, recommended Council consider entering into a memorandum of understanding for a collaborative grant opportunity with Lincoln County for emergency services communications equipment. He said the County is in desperate need of new communications equipment and have been planning to upgrade in the upcoming years. FEMA (Federal Emergency Management Association) has announced that a grant is available and they have moved the deadline to submit the grant up and funding for the Assistance to Firefighters grant program would cease after Spring of 2017. Chief Heavner said the strategic plan outlined the upgrading of this equipment but the expense will now come sooner than expected.

If approved the City would withdraw their previous request to apply for grant funds to purchase air packs as the cost effectiveness of purchasing communications equipment through the grant process is more effective than applying for air packs. If approved the City’s obligation would be 10% of the total grant. Estimates for the highest grant match amount were $ 146,816.50. The City of Lincolnton would serve as the “host” of the grant with monies flowing through the City to twelve area departments/agencies if we are successful in securing the grant.

Councilman Eaddy made the motion unanimously approved to enter into the MOU and allow the City to serve as the “host” for the grant if received.

PROPOSED BUDGET AMENDMENT TO THE GENERAL FUND TRANSFERRING MONIES FROM VARIOUS DEPARTMENTS/LINE ITEMS :

(BA-03-16)

Steve Zickefoose, City Manager, recommended Council approve a budget amendment increasing the General Fund by $ 831,928.00. Proposed amendments were as follows: Increase the City Manager/City Clerk's Office - $ 93,378; Street Maintenance - $ 414,873.00; Parks & Recreation $ 320,000 and decrease the Finance Department by $ 93,378.00 for a total increase of
$ 831,928.00.

Councilman Rhyne made the motion unanimously approved to adopt the budget amendment as recommended by the City Manager.

UPDATE ON FIRST FEDERAL PARK PROJECT :

Ritchie Haynes, Recreation and Gary Wirth, Wirth Associates reviewed the bid results of the recent bid opening for First Federal Park. As noted at last month's meeting bids came in higher than expected for this project and meetings to discuss value engineering between the City and the contractor have taken place.

Mr. Haynes told Council that he feels the total project costs, through value engineering # 2 cost, would be $ 394,957.00. This reflects a savings of
$ 85,802 from the original cost when first bid out. An outlined estimate of two options for value engineering was reviewed and after much discussion, Councilman Rhyne made the motion unanimously approved to move forward with the VE # 2 concept as recommended.

Ritchie noted that while this option removes the playground equipment, that can be added back in another budget year. He said that there is an estimated four to six month timeframe for construction once we enter into the contract.

Councilman Eaddy commented that he did not feel that the rebidding this project, with the current market would not be beneficial at this point, although

he felt the project when first discussed was projected to be substantially lower than this cost. He also noted that in his experience value engineering is done before the project is bid, not after.

Mayor Hatley expressed concerns as to why we are we having to scale down, and why bids came in so over budget. Mr. Gary Wirth said, “It is the status of what construction costs are, everyone is very busy after the lull of 2013. We are just not seeing the pricing we could have got three or four years ago.”

Ritchie said that the public meetings/discussions rated open space as a higher need than playground equipment. Green space, where a amphitheatre could be placed as well as a splash pad ranked higher on the list from public input.

Councilman Jetton questioned the area on the Poplar Street side, asking if there are steps required or if a ramp would be installed. Mr. Wirth said there will be an incline and Poplar Street is proposed to become a one way Street. The park is proposed to be fenced in. Others discussions included the speed on both Sycamore Street and Pine Street as well as other streets that the rail trail cross. Councilman Eaddy suggested that the City look into speed tables and possibly rumble strips at intersection where the trail crosses.

The Mayor went on record saying, “I hope that if we use you again, Mr. Wirth that your estimates are closer than they were for this project. For a project this small to be this much over, I put the fault at your foot.” Mr. Wirth said, “I will accept that and will do a better job on the next one. Sometimes the smaller jobs don’t get the economies as larger ones do.” Mr. Wirth thanked Howard Construction for their work, as they are a local company and worked hard to get the price down.

UPDATE ON PAY & CLASSIFICATION STUDY - SCHEDULE DATE FOR COUNCIL TO CONDUCT A WORK SESSION REGARDING PAY & CLASSIFICATION STUDY

Tanya Osborne, HR Director, told Council she would like to have the Piedmont Triad Regional Council consultants to present to Council the proposed Pay and Classification Study they recently competed at a special called meeting rather than during a regular meeting of City Council.

After some discussion, Council Jetton made the motion unanimously approved to hold a special meeting for the consultants to present the proposed Pay &

Classification plan on Thursday, September 15th at 5:00 p.m. in the Council Chambers of City Hall.

MONTHLY FINANCIAL REPORT/OVERTIME REPORT :

Steve Zickefoose, City Manager, presented and reviewed the following report to City Council:

REGULAR MEETING - AUGUST 4, 2016

PUBLIC COMMENT :
No one spoke under the public comment portion of the meeting.

NEWS MEDIA :
There were no questions from the News Media.

ADJOURNMENT :
Councilman Rhyne made the motion unanimously approved to adjourn the meeting.

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DONNA C. FLOWERS, MMC	**ED HATLEY**
CITY CLERK	**MAYOR**