

REGULAR MEETING - MARCH 7, 2019

The Mayor and City Council met in regular session on Thursday, March 7, 2019 at 7:00 p.m. in the Council Chambers of Lincolnton City Hall located at 114 West Sycamore Street, Lincolnton, NC.

Mayor Hatley called the meeting to order and led the Pledge of Allegiance.

Council members in attendance were:

WHITE WATSON EADDY JETTON

Councilwoman White made the motion unanimously approved the **REGULAR AGENDA**.

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

- Approved the minutes of the regular meeting held February 7, 2019
- Approved the following Call to Public Hearing for the April 4th City Council meeting:
CUP-1-2019 – Application from Seven Eagles Building Group, LLC requesting the renewal of a conditional use permit to construct a 33-unit condominium complex on 5.25 acres in the CU-RMF district. The subject property is located on Lincoln Country Club property approximately 650 feet north of Country Club Road and approximately 450 feet east of Lithia Inn Road north of the driving range facility (Parcel ID 86678)

REGULAR AGENDA:

RECOGNITION OF LORIE MESSER, ACCOUNTING TECHNICIAN, FINANCE DEPARTMENT ON THIRTY YEARS OF SERVICE AND HER UPCOMING RETIREMENT ON APRIL 1, 2019:

(R-07-19)

Councilman Watson made the motion unanimously approved the following resolution honoring Lorie Messer on her upcoming retirement:

WHEREAS, the City of Lincolnton does desire to recognize and honor employees of the City for dedicated and distinguished contributions to our City and its citizens; and

WHEREAS, Lorie M. Messer began her employment with the City in December of 1988 and has served as an integral part of the Finance Department and as the City's Accounting Technician to date; and

REGULAR MEETING - MARCH 7, 2019

WHEREAS, Lorie M. Messer, for thirty plus years, on a daily basis has ensured that all vendor payments for City purchases were processed and distributed in a timely manner and assisted Utility Billing with preparing bank deposits. She participated in several major system upgrades and was instrumental in the creation of multiple excel spreadsheets utilized for various functions within the Finance Department and also for the maintenance of records of Hollybrook Cemetery; and

WHEREAS, Lorie M. Messer has been a part of the team, who has worked towards the City being a recipient of the Certificate of Achievement for Excellence in Financial reporting, which is the highest form of recognition in governmental accounting and financial reporting; and

NOW THEREFORE BE IT RESOLVED, that the governing body of the City of Lincolnton wishes to officially commend Lorie M. Messer for her valuable and outstanding service rendered to the City, and that appreciation and honor be shown to her on her upcoming retirement April 1, 2019. May congratulations and best wishes be extended as she begins the next chapter in her life.

Mayor Hatley called Lorie forward and formally presented the resolution. He said, "Every time I have been around Lorie, in the course of City business, she has been pleasant and always smiling. I know she will be missed. I know I will miss her."

RESOLUTION REPEALING HOUSE BILL 64 RETURNING MUNICIPAL ELECTIONS TO ODD NUMBER YEARS IN LINCOLNTON:

(R-08-19)

Mayor Pro-Tem Marty Eaddy read aloud the following resolution to repeal House Bill 64, requesting the General Assembly consider changing Lincolnton's municipal elections back to odd numbered years, to be consistent with other municipalities:

WHEREAS, House Bill 54 was introduced in the North Carolina General Assembly to move all municipal elections to even numbered years with other county and state elections; and

WHEREAS, House Bill 64 was introduced to provide an orderly transition for the Lincolnton City Council in response to House Bill 54; and

WHEREAS, House Bill 54 was not approved but House Bill 64 was approved resulting in the City of Lincolnton municipal elections being one of a few city elections to be held in the state of North Carolina on even years; and

WHEREAS, Municipal Elections in the City of Lincolnton historically have been held every two years in odd-numbered years, with National and State Elections held in even years, in order to separate national elections from local government elections; and

WHEREAS, the separation of National and State Elections from Municipal Elections allow citizens to focus on the issues and candidates that are of singular importance to their individual neighborhoods and communities.

REGULAR MEETING - MARCH 7, 2019

WHEREAS, the Lincoln County Board of Elections demonstrated a minimum capacity to manage combined elections through the difficulty had by voters and workers at specific polling places, determining which ballots were appropriate for which individuals; and

NOW THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of Lincolnton seek repeal to House Bill 64 returning Municipal Elections to odd number years due to the following reasons:

1. Elections in odd numbered years allows people to be informed regarding local issues and municipal candidates who can best serve their communities;
2. Citizens should retain local control of their municipalities and Municipal Elections without the interference of National and State influences;
3. Lincolnton's last municipal elections were driven by national issues and candidate's opportunities to discuss local issues were minimized at local forums, media coverage, and at polling places.
4. The Lincoln County Board of Elections has maintained staffing levels to accommodate elections under the previous model, holding elections every two years.

BE IT FURTHER RESOLVED, that the following transition plan which is logical, understandable and reflects the most recent election results in Lincolnton be implemented: Wards 2 and 4 elections would be held in 2021, Wards 1 and 3 elections would be held in 2023, along with the Mayoral election, all serving four year staggered terms.

This item generated much discussion. Councilman Jetton said, "Just a year ago we were trying to save money on the cost of elections, and we voted to move it to even numbered years. What has changed? Why do we want to change it?"

Councilman Watson said he feels municipal elections should be in odd numbered years, separate from national elections, so citizens can focus on local issues rather than national issues that are addressed in even numbered years.

After further discussion, Councilman Eaddy made the motion to approve the resolution as drafted and submit to our local representative to place on the General Assembly's agenda for possibly a bill that could be drafted to repeal current legislation, House Bill 64, moving Lincolnton's municipal elections back to even numbered years.

The motion passed by a three to one vote. Councilman Eaddy, White and Watson voted in favor, and Councilman Jetton voted no.

REGULAR MEETING - MARCH 7, 2019

RESOLUTION IN SUPPORT OF THE CURRENT ABC CONTROL SYSTEM FOR THE SALE OF LIQUOR:

(R-09-19)

Mayor Hatley requested that Council consider approving the following resolution in support of the current ABC Control System for the sale of liquor:

WHEREAS, the citizens of the Lincolnton voted to permit the sale of liquor through the establishment of an ABC Board, which is a part of the North Carolina's control system for the sale of spirituous liquors; and

WHEREAS, North Carolina is a "control" state and private retail liquor stores are prohibited; and

WHEREAS, the General Assembly's nonpartisan Program Evaluation Division (PED) was directed to examine whether other systems for alcohol beverage control, including privatized systems, are appropriate for North Carolina, specially to include the State of Washington, which recently changed its beverage control system from state government control of wholesale and retail control of spirituous liquor to a licensure model; and

WHEREAS, The PED Report, "Changing How North Carolina Controls Liquor Sales Has Operational, Regulatory, and Financial Ramifications", released on February 11, 2019, (1) did not recommend privatization, (2) found that among the southeastern states, NC collects the most revenue per gallon, has the lowest outlet density and has the second lowest per capita consumption; and (3) the PED expects retail liquor consumption to increase by 20% with privatization; and

WHEREAS, for fiscal year ending 20187, local ABC boards distributed \$430,635,861: County-City Distributions \$80 million; State General Fund \$323 million; Local Alcohol Education/Treatment \$13 million; Local Law Enforcement \$8.8 million; Rehabilitation Services \$5 million; Operation of ABC Commission/Warehouse \$17.7 million; and

WHEREAS, North Carolina is unique as it allows communities to vote to establish local ABC boards for the sale of liquor in their communities, with liquor profits distributed back to those communities, thereby reducing the need to increase local property taxes; and

WHEREAS, the citizens of the City of Lincolnton, in voting to permit the operation of ABC stores, did not vote to allow spirits to be sold in private retail liquor stores and did not vote to allow spirits to be sold retail outlets where beer and wine are sold; and

WHEREAS, No State funds are spent to distribute or sell liquor as the state and local operation of the ABC system is receipt supported; and

WHEREAS, Of the 50 states, North Carolina ranks 44th lowest in consumption per capita and 7th highest in revenue per capita and NC's ABC system accomplishes both revenue and public health, welfare and safety objectives; and

WHEREAS, when Washington State privatized its liquor system the number of retail outlets increased from 328 to over 1400, hours of sale/week increased from 73 to 140 hours, and Washington State received only \$30.75 million from auctioning off the rights to apply for retail spirits permits at 167 stores; and

REGULAR MEETING - MARCH 7, 2019

WHEREAS, privatization will result in a marked increase in the number of outlets, longer hours of sale, greater advertising and more promotion and significantly more consumption; and the 9,000 outlets in NC that sell beer/wine off-premises could be permitted to sell liquor in a privatized system; and

WHEREAS, local control over the sale of liquor is an important function and provides local revenue from ABC stores operations to the City of Lincolnton; and

NOW THEREFORE, BE IT RESOLVED, that the Mayor and City Council of the City of Lincolnton, along with the Lincolnton ABC Board desires to retain North Carolina's current control system for the sale of liquor and believes that privatization of liquor will lead to many adverse effects.

Councilman Eaddy made the motion unanimously approved to adopt the resolution as presented. Mayor Hatley asked that the City Clerk forward a copy to ABC Store Manager John Schrum and the Lincolnton ABC Board members.

RESOLUTION OF INTENT TO APPLY FOR A GRANT THROUGH NCLM THAT WOULD REQUIRE A CITY MATCHING FUNDS IN THE AMOUNT OF \$ 1875.00:

(R-10-18)

Ryan Heavner, Fire Chief, presented the following resolution that would be submitted with the grant application, if approved by City Council, for a potential grant from the North Carolina League of Municipalities:

WHEREAS, the Lincolnton Fire Department has researched various opportunities that may provide financial assistance towards the purchase of equipment and services; and

WHEREAS, the Mayor and City Council, by this resolution, approve submittal of a grant application that would require \$ 1875.00 matching funds if received, that could potentially reduce worker's compensation, property/casualty, or liability insurance claims through the North Carolina League of Municipalities Pool Safety Grant Program;

NOW, THEREFORE BE IT RESOLVED by the Mayor and City Council, that should the grant be approved and funding secured, the City would provide matching funds as stated above for said grant.

Chief Heavner noted that funds are available in this year's budget to cover the match, \$ 1875.00, should the City be awarded this grant.

Councilman Jetton made the motion unanimously approved the resolution as presented.

REGULAR MEETING - MARCH 7, 2019

CONSIDERATION OF APPLICATIONS FOR APPOINTMENT TO THE LINCOLNTON HOUSING AUTHORITY (TO FILL THE UNEXPIRED TERM OF MARY FRANCES WHITE) - ONE APPOINTMENT AVAILABLE - TWO APPLICANTS **(APPT-01-19)**

Mayor Hatley called for nominations from the two applications received for the vacancy on the Lincolnton Housing Authority, Debra Ransom and Dustin Richardson.

Councilwoman White made the motion unanimously approved to appoint Debra Ransom to begin serving on the Lincolnton Housing Authority effective immediately. Ms. Ransom will serve through December 2019, filling the unexpired term of Mary Frances White. She then will be eligible for reappointment to begin her first three year term in January 2020, should Council choose to reappoint her.

CONSIDERATION OF RECYCLING CONTRACT BETWEEN THE CITY AND REPUBLIC SERVICES (PER TON BASIS) – THREE (3) YEAR CONTRACT:

(C-05-19)

Richard Haynes, Assistant City Manager, reviewed thoroughly the proposal from Republic Services to service the City picking up recycling. He recommended, as a cost saving measure, that glass be eliminated from the proposed contract (recycling waste stream) at a savings of \$ 5,000 per year.

He reviewed the recyclable processing as follows:

- Republic Services will provide processing of single stream recyclables delivered in Lincolnton collection vehicles to the Republic Services – Conover Material Recycling Facility
- Recycling will be commingled (listed acceptable items)
- Processing fee to be \$ 125.00 per ton
- A 35% credit of the material value will be credited against the processing fee
- If Commodity Value exceeds \$ 125 per ton, a rebate of 50% of the value above \$ 125 will be credited to the City
- Quote for service is valid for 90 days
- Based upon a 36 or greater month exclusive materials processing agreement. Annual price adjustment based on CPI – Water, Sewer and Trash index, average trailing 12 month, Jan – Dec. Contingent upon mutually agreeable terms and conditions.

Councilman Eaddy asked if Lincoln County was accepting glass. Ritchie said they are crushing it at the landfill.

REGULAR MEETING - MARCH 7, 2019

Councilman Watson confirmed with Ritchie that citizens will have to request a container; they will not automatically receive a recycle container.

Councilman Eaddy requested that the list of items that are acceptable be published on the City's webpage and other social media outlets.

After further discussion, Ritchie also confirmed that if a resident continually has a contaminant from items in their container, they will receive three warnings. After the third the City will discontinue their service for noncompliance. Councilman Watson ask for clarification on how this process would work. Ritchie said the first violation the resident would receive a door hangar. Second violation – they will receive a letter and the third violation the City will go get their recycle container.

Ritchie concluded recommending that Council enter into the agreement, eliminating glass from the contract, with Republic Services for a three year period.

Councilman Eaddy made the motion unanimously approved entering into the contract with Republic as recommended.

CONSIDERATION OF APPROVAL OF CONTRACT FOR PHASE II RENOVATIONS TO BETTY ROSS PARK BETWEEN THE CITY AND CAROLINA METAL BUILDING – UP TO \$ 350,000 (BID OPENING HELD 02-28-2019)

(C-06-19)

Nathan Eurey, Recreation Director, reviewed the recent bid opening for the Betty G. Ross Park Expansion. He provided Council with a bid tabulation summary of companies who submitted bids for the project. He said the project budget is \$ 350,000. The lowest total bid was \$ 367,580.25. After review he recommended that City Council approve Carolina Metal Building, Incorporated as the low bidder up to \$ 350,000 for project costs and authorize negotiation of project items in order to stay within the \$ 350,000 budget. Nathan said he believes there are several areas of opportunity to reduce costs.

Nathan said monies are available for this project through a grant the City received from the State, for upgrades of a large ball field, which will allow the lifting and shifting of fields. A lot of sod work will be involved with this project.

Councilman Watson asked if the respective low bidder has been checked out. The City Manager said they were. Steve said "I do not want to compromise the project itself, but I do want to take a look at potential savings."

REGULAR MEETING - MARCH 7, 2019

Councilman Watson made the motion unanimously approved for the City to enter into a contract with Carolina Metal Building, Inc. not to exceed \$ 350,000 for the Betty G Ross Park expansion.

APPROVAL OF REVISIONS TO VARIOUS POLICIES AND PROCEDURES FOR PARKS & RECREATION DEPARTMENT:

Nathan Eurey, Recreation Director, reviewed several proposed revisions to policies and procedures for the following; William M Lentz Recreation Center, a Facility Use Application, which outlined the ID Card policy and ID Card form for the William M Lentz Recreation Center. The City Park Policies and Procedures; Betty G Ross Park Policies and Procedures. The Betty G Ross Park Canoe/Kayak Rules, the Observation/Fishing Pier Rules and policies and procedures, shelter rental fees and policies and procedures. Highland Drive Park policies and procedures, soccer/baseball/softball field and concession stand use. First Federal Park rules and procedures.

A hand out of each draft revision for each park was attached with proposed changes/revisions highlighted in red.

Councilman Watson asked Nathan if the Recreation Advisory Board was used to vet the proposed revisions. Nathan said he had intended to do that at the last Recreation Advisory Board meeting but he did not have good attendance at this meeting. He has emailed members copies of the proposed revisions and has not had feedback thus far.

After some discussion, Councilman Jetton made the motion unanimously approved the proposed revisions as presented and recommended by the Recreation Director.

NOTE: A copy of each revised policy is on file at the office of the Recreation Director and can be obtained for review upon request. Copies will be placed on the City's webpage to be easily accessed by the general public.

REGULAR MEETING - MARCH 7, 2019

MONTHLY FINANCIAL REPORT/OVERTIME REPORT:

Steve Zickefoose, City Manager, reviewed the following financial report:

March 2019 Council Meeting

Executive Summary

January 2019 Year-To-Date

General Fund		Budget 18-19	Actual 18-19	% of Budget	Budget 17-18	Actual 17-18	Difference
Fund 10	Revenues	11,800,766	6,448,028	50%	11,655,521	6,329,444	118,584
	Fund Balance	1,051,770	-	-	964,361	-	-
		12,852,536	6,448,028		12,619,882	6,329,444	118,584
	City Manager/Clerk	320,960	122,610		331,465	147,891	(25,281)
	Human Resources	239,060	113,790		232,730	117,221	(3,431)
	Finance	242,790	16,599		273,412	(45,350)	61,949
	General Expense	1,057,620	532,729		942,324	551,093	(18,364)
	General Debt Service	520,954	48,358		463,524	48,358	-
	Police	3,700,970	1,904,059		4,284,770	2,006,997	(102,938)
	Fire	2,240,650	1,466,801		2,099,345	1,276,891	189,910
	Public Works	79,616	(93,347)		172,956	(5,053)	(88,294)
	Street	1,251,668	356,901		1,246,268	341,853	15,047
	Equipment Services	133,270	51,523		135,120	57,447	(5,923)
	Solid Waste	756,798	297,546		708,328	331,113	(33,567)
	General Services	-	-		-	-	-
	Plannin/Zoning	679,060	152,155		348,794	156,697	(4,543)
	Bus & Comm. Dev	135,000	82,003		164,960	45,625	36,378
	Recreation	1,494,120	616,973		1,215,886	590,421	26,553
	Expenses	12,852,536	5,668,698	44%	12,619,882	5,621,202	47,496
	Difference		779,330			708,241	71,088

Water & Sewer Fund		Budget 18-19	Actual 18-19	% of Budget	Budget 17-18	Actual 17-18	Difference
Fund 61	Revenues	8,096,950	4,637,642	55%	7,449,995	4,736,156	(98,514)
	Fund Balance	281,590	-		526,653	-	-
		8,378,540	4,637,642		7,976,648	4,736,156	(98,514)
	Water Treatment	1,502,950	705,472		1,508,500	682,900	22,572
	Dist & Collection	1,748,000	1,043,810		1,440,153	787,432	256,378
	Wastewater	1,550,100	579,346		1,516,650	561,513	17,834
	W & S Intangibles	3,577,490	868,980		3,511,345	917,123	(48,143)
	Expenses	8,378,540	3,197,608	38%	7,976,648	2,948,968	248,640
	Difference		1,440,035			1,787,189	(347,154)

Electric Fund		Budget 18-19	Actual 18-19	% of Budget	Budget 17-18	Actual 17-18	Difference
Fund 63	Revenues	7,669,264	4,684,978	59%	7,791,714	4,361,211	323,767
	Fund Balance	300,000	-		1,224,483	-	-
		7,969,264	4,684,978		9,016,197	4,361,211	323,767
	Electric Dept.	7,969,264	4,166,829		9,016,197	4,475,349	(308,520)
	Expenses	7,969,264	4,166,829	52%	9,016,197	4,475,349	(308,520)
	Difference		518,149			(114,138)	632,286

Overtime 80+ hours		272,097			276,548		(4,451)
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REGULAR MEETING - MARCH 7, 2019

PUBLIC COMMENT:

James and Karres Lindsey, residents of 314 West Sycamore Street, spoke to Council about potential concerns with speeding on West Sycamore and High Street.

They ask Council to consider lowering the speed limit or installing speed tables or possible at stop sign at the intersection of West Sycamore and High Street. City Council members also expressed concerns of traffic speeding in that area. Mayor Hatley directed the Police Chief to research this matter and report back at a future Council meeting.

CLOSED SESSION:

Councilman Jetton made the motion unanimously approved to enter into in Closed Session in accordance with NCGS 143-318.11(a)(1)(5) to discuss Property Acquisition.

Councilwoman White made the motion unanimously approved to return to Regular Session.

Mayor Hatley reported that no action was taken in the closed session portion of the meeting.

City Council may consider potential property acquisition, in open session, during the upcoming Planning Retreat.

NEWS MEDIA:

Wayne Howard of the Lincoln Herald ask that Council consider lowering the computer monitors at the Council room dais, so that he can capture better pictures of Council members when items are discussed and votes taken on agenda items.

ADJOURNMENT:

Councilman Jetton made the motion unanimously approved to adjourn the meeting.

DONNA C. FLOWERS, MMC
CITY CLERK

ED HATLEY
MAYOR