

**MINUTES OF MEETING OF THE
CITY COUNCIL OF THE CITY OF SANFORD
SANFORD, NORTH CAROLINA**

The City Council met at the Sanford Municipal Center, 225 E. Weatherspoon Street, on Tuesday, February 18, 2020, at 6 p.m., in Council Chambers. The following people were present:

Mayor T. Chet Mann
Council Member Sam Gaskins
Council Member Rebecca Wyhof Salmon
Council Member James Williams
City Attorney Susan Patterson
Deputy City Clerk Vicki Cannady

Mayor Pro Tem Byron Buckels
Council Member Charles Taylor
Council Member Norman Charles Post, III
City Manager Hal Hegwer
City Clerk Bonnie Davis

Absent:
Council Member Jimmy Haire

CALL TO ORDER

Mayor Mann called the meeting to order. Mayor Pro Tem Buckels led the invocation and the Pledge of Allegiance was recited.

PUBLIC COMMENT

County Commissioner Kirk Smith (of 3108 Avents Ferry Road, Sanford) informed Council that he has heard from citizens in his district who are concerned about water quality issues and requested follow-up information to alleviate concerns. Mayor Mann noted that responses are available and would be shared with the public to ease concerns.

APPROVAL OF AGENDA

Mayor Mann requested that the following items be added to the agenda: Under “New Business”, new Item 11-H, “Consider Proposal for Professional Planning Services for Lee Avenue Corridor Improvements”; and new Item 11-I, “Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 19-20 (Professional Planning Services for Lee Avenue Corridor Improvements). He also requested an item be added under “Other Business”, Item 12-B, “Consider Documents Regarding CCEP – Project Jupiter: Sewer Installation Confirmation and Partial Release from Developer’s Agreement.” Council Member Gaskins made the motion to approve the agenda as amended. Seconded by Mayor Pro Tem Buckels, the motion carried unanimously.

CONSENT AGENDA

Approval of Deer Urban Archery Season 20201 (Exhibit A)

Council Member Gaskins made a motion to approve the Consent Agenda; seconded by Mayor Pro Tem Buckels, the motion carried unanimously.

SPECIAL AGENDA

There were no items on the special agenda.

CASES FOR PUBLIC HEARING

Public Hearing on Pine Lake Drive Sewer Extension

City Engineer Paul Weeks explained that this project involves eleven parcels in an area annexed into the City in 1986. Cost estimates were originally estimated to be about \$103,759, but bids came in significantly higher and the estimated cost per lot to each property owner increased from \$2,358.16 to \$2,794.27. Letters were sent to all owners on February 4 notifying them of this public hearing and six of the eleven (54.5 percent) who own 53.5 percent of the property want to proceed, while two did not. He also confirmed that an advertisement of this public hearing was also placed in *The Sanford Herald* on February 5.

Mayor Mann opened the public hearing. Council Member Williams questioned whether property owners were aware of the hearing and Mr. Weeks confirmed that letters went out and notice was published in *The Sanford Herald*. After learning that one property owner was present, Mr. Williams stated that he would like to hear from her. She declined but confirmed that she is a resident of Pine Lake and supports the project. With no speakers, Mayor Mann closed the public hearing.

Mr. Weeks explained that bids were opened on December 10 and of the three bids received, North State Water and Sewer, Inc., was the apparent low bidder with a bid of \$187,166. They have bid on our projects before but not worked with us directly. References on work they have done in Garner, Elon and Henderson were positive and all of their documents are in order, so staff recommends awarding the contract to North State Water and Sewer, Inc. The budget amendment transfers \$187,166 into the project, along with \$23,000 for engineering services, construction administration and construction inspection into operating expenses.

- **Award of Contract for Pine Lake Drive Sewer Extension (Exhibit B)**
Council Member Gaskins made a motion to award the Contract for the Pine Lake Drive Sewer Extension to North State Water and Sewer, Inc., in the amount of \$187,166. Seconded by Mayor Pro Tem Buckels, the motion carried unanimously.
- **Annual Operating Budget Amendment FY 2019-2020 – Sewer Assessment Capital Project (Exhibit C)**
Council Member Salmon made a motion to approve the Annual Operating Budget Amendment FY 2019-2020 – Sewer Assessment Capital Project. Seconded by Council Member Taylor, the motion carried unanimously.
- **Capital Project Ordinance – Sewer Assessment Project Amendment (Exhibit D)**
Council Member Gaskins made a motion to approve the Capital Project Ordinance – Sewer Assessment Project Amendment. Seconded by Council Member Williams, the motion carried unanimously.

DECISIONS ON PUBLIC HEARINGS

There were no decisions on public hearings.

REGULAR AGENDA

There were no items on the regular agenda.

NEW BUSINESS

Cleaning Service Contract between City of Sanford and Premium Express Cleaning Services, Inc., for Services at 115 Buggy Company Building (Chatham Street) – (Exhibit E)

Community Development Director Marshall Downey explained that this is an update to the existing contract with Premium Express Cleaning Services, the same company that has been used since staff was moved into the Buggy Company Building in 2016. There are no changes to the cost or areas covered by the agreement. He explained that the Lee County Environmental Health Department, which is located on the ground floor of that facility, is going through an accreditation process and contract information is being reviewed by the state and since the prior contract did not specifically list them, they, along with Lee County Strategic Services, have been added. This contract essentially covers all City/County office spaces, common spaces, restrooms, and the Sanford Area Growth Alliance at the Buggy Company Building. He also noted that the prior contract did not include an automatic renewal so an automatic renewal clause has been added with either party allowed to terminate with notice, unless there are changes in pricing or square footage covered. Council Member Taylor questioned at what threshold Council approval would be needed for price changes and Mr. Downey responded that any price change would require Council approval. Regarding bids for cleaning services, Mr. Downey explained that staff would not typically solicit bids for this service but would report to the City and County managers if there were complaints with the work and that would trigger the bid process to find a better level of service.

Mayor Pro Tem Buckels made a motion to approve the Cleaning Service Contract between the City of Sanford and Premium Express Cleaning Services, Inc., for Services at 115 Buggy Company Building. Seconded by Council Member Gaskins, the motion carried unanimously.

Agreement for Professional Services between the City of Sanford and Hazen and Sawyer for Big Buffalo Water Reclamation Facility (Exhibit F)

City Engineer Paul Weeks reminded Council that the Wastewater Treatment Plant Influent Pump Station flooded in the fall of 2018 during Hurricane Florence. The contract to repair the flooded property was approved and opened for bids on February 17, 2020, and bid opening is planned for March 10. The second step is mitigation, to determine what can be done to prevent a flood of that level from causing the same problems, which was posed by FEMA (“Federal Emergency Management Agency”). The contract attached as Exhibit G is for professional services in the amount of \$149,600 to design and oversee construction of a retaining wall that would go on top of the berm. This work will also include construction inspection and staff hopes these projects will run concurrently since the rehabilitation project will likely take longer than berm work. The budget amendment will transfer funds into the project.

Council Member Gaskins questioned whether staff has researched grant funds. Mr. Weeks explained that since staff has worked to remain eligible for 75 percent reimbursement funding from FEMA and 25 percent from the state, so no other funds would be needed. Those grants are used to help with stop-gap measures for projects where funds are not available upfront (and would then be reimbursed). Mr. Weeks confirmed that no rain events since Hurricane Florence have caused damage but this mitigation component is critical to reduce similar threats in the future. He suggested that if any work is going to be done, we should consider how much it would cost to do more that may offer additional protection since we are beginning to see heavier rains for longer

periods of time. Mayor Mann agreed that the rainfall we have experienced recently appears to be more common and noted that we have received more rain this month than typical for February. He agreed we should be proactive and encouraged the public to prepare their homes and businesses as well.

Council Member Gaskins made a motion to approve the Agreement for Professional Services between the City of Sanford and Hazen and Sawyer for Big Buffalo Water Reclamation Facility. Seconded by Council Member Salmon, the motion carried unanimously.

Annual Operating Budget Amendment FY 2019-2020 – Engineering Design for Flood Mitigation at the Water Reclamation Plant (Exhibit G)

Council Member Gaskins made a motion to approve the Annual Operating Budget Amendment FY 2019-2020 – Engineering Design for Flood Mitigation at the Water Reclamation Facility. Seconded by Mayor Pro Tem Buckels, the motion carried unanimously.

Capital Project Ordinance Amendment – Big Buffalo Water Reclamation Facility Flood Rehabilitation Project No. S1901 (Exhibit H)

Council Member Gaskins made a motion to approve the Capital Project Ordinance Amendment – Big Buffalo Water Reclamation Facility Flood Rehabilitation Project No. S1901. Seconded by Council Member Salmon, the motion carried unanimously.

Agreement for Professional Services with Freese and Nichols, Inc., for Project Forge Construction Phase Assistance (Exhibit I)

City Engineer Paul Weeks explained that this is for the Project Forge gravity sewer extension that was approved recently contingent on funding: that funding is expected to be released on March 12 when contracts can be signed and we can proceed. This agreement covers construction administration and construction inspection during the construction period for \$315,350. Budget funds are available, so no budget amendment is needed.

Council Member Gaskins made a motion to approve the Agreement for Professional Services with Freese and Nichols, Inc., for Project Forge Construction Phase Assistance. Seconded by Mayor Pro Tem Buckels, the motion carried unanimously.

Resolution Directing the Clerk to Investigate a Petition for Non-Contiguous Annexation Under G.S. 160A-58.1 (Owned by Village of Cumnock, LLC) – (Exhibit J)

Community Development Director Marshall Downey explained that this resolution is first step in the process for non-contiguous annexation. This property was part of the properties rezoned by Lee County in 2011 through 2013 and some of it was designated as High-Density since the owner knew public sewer service would be needed. They have discussed sewer service with staff and are now beginning the annexation process. He also noted that when properties are annexed from county into city, they must be rezoned and staff is working with the owner on this. A neighborhood meeting is scheduled for February 20. Council Member Charles Taylor requested additional information on the project since it would involve infrastructure development, which Mr. Downey agreed to provide.

Mr. Taylor made a motion to table the Resolution Directing the Clerk to Investigate a Petition for Non-Contiguous Annexation Under G.S. 160A-58.1. The motion was seconded by Council Member Post and carried unanimously.

Annual Operating Budget Amendment FY 2019-2020 – Clean-Up Amendment (Exhibit K)

Financial Services Director Beth Kelly explained that staff normally seeks Council approval at the end of the fiscal year but some costs must be addressed prior to that time. Regarding the \$230,000 in additional funding for sludge removal, Public Works Director Vic Czar explained that funds had been budgeted but the process is typically done through land application which was not possible due to the high amount of recent rainfall and additional funds are required for a different process to de-water and landfill the sludge.

Council Member Gaskins made a motion to approve the Annual Operating Budget Amendment FY 2019-2020 – Clean-Up Amendment. Seconded by Council Member Williams, the motion carried unanimously.

Proposal for Professional Planning Services for Lee Avenue Corridor Improvements (Exhibit L)

Community Development Director Marshall Downey explained that the Kendale Shopping Center property (“Kendale”) has been sold to at least two property owners and there is a possibility there may be three property owners with three different projects. He reviewed the attached Exhibit M and stated that plans for Block 1, currently owned by Par Five Development from West End, Moore County, call for it to remain retail property. Permits have been issued for interior and minor repairs (painting parking lot, etc.); it is not known how much further they will go with repairs but dialogue is continuing in the hope that façade improvements will be made. Regarding Block 2 (also owned by Par 5), staff has been working closely with a multi-family developer who is very interested in this property and they are very close to making a deal to purchase this property. That group has already spoken with staff about presenting information to Council about rehabilitating that entire parcel with multi-family housing but the fact that Dollar General has a longer-term lease is a challenge. There has been a great deal of negotiation to get a better design there and they are ready to move quickly. The third tract is currently being rehabilitated for the MINA Charter School and the goal is for it to open this fall.

Mr. Downey explained that in the interest of seeing this area rehabilitated, staff has continued to have conversations with all owners and project representatives and those conversations included asking whether they would be willing to consider a higher level of investment (façade improvements, additional green space) if the City were willing to improve the street corridor along Lee Avenue and perhaps some side streets. All were receptive but they were not willing to make firm commitments before knowing exactly what commitments the City will make. The City Manager directed staff to investigate and gather information to present to Council quickly since time is of the essence. He reached out to Mike Norris with McGill Associates, a company with experience in Sanford and the capacity to do this work. They presented a proposal with options for various tiers of investment, including costs, and he hopes to have information in less than a month.

Mayor Mann reminded everyone that staff has worked actively for about three years to improve the appearance of Kendale and the new owners are very receptive to some type of

common theme that would tie the entire corridor together but if we don't take action soon, they may move forward with plans that may not align with the community's vision. Since we have a chance to do this right while we have a willing partner, we have suggested that if the owners make more improvements, we will attempt to make additional improvements as well. He suggested that momentum is spilling into Jonesboro and that Kendale will be an anchor for the community, setting the tone for Jonesboro's development. Mr. Downey reminded Council that the market study of Kendale done several years ago suggested that the upper portion be retail, middle multi-family, and the lower portion some other use, perhaps civic, and that paid off due to Council's vision, interest and diligence. There is a real opportunity now to close the deal and see Kendale revitalized. Mayor Mann commented that we might not have drawn Par 5 without the downtown revitalization and streetscape project and noted that the McGill firm did the original streetscape plan and knows our vision.

Council Member Taylor noted that the new owner, Par 5, is a local company from Moore County whereas Riverbirch, the shopping center in West Sanford that has fallen into disrepair, is owned by a company from New York with no local presence. Mayor Mann stressed that the City does not own Riverbirch and the company has done only those repairs required by the Inspections Department. Council Member Gaskins noted that at today's ceremony announcing that Audentes Therapeutics would be locating to Sanford, the Vice-President of Technical Operations commented not only about the economic incentives but specifically about the City's commitments to streetscaping and improved amenities. Mayor Mann added that he also he referenced our Main Street program and new housing that will be available soon, which was important to their Human Resources department.

Council Member Salmon made a motion to approve the Proposal for Professional Planning Services for Lee Avenue Corridor Improvements. Seconded by Council Member Gaskins, the motion carried unanimously.

Ordinance Amendment the Annual Operating Budget of the City of Sanford FY 19-20 (Exhibit M)

Council Member Salmon made a motion to approve the Ordinance Amending the Annual Operating Budget of the City of Sanford FY 19-20 (Professional Planning Services for the Lee Avenue Corridor Improvements). Seconded by Council Member Gaskins, the motion carried unanimously.

OTHER BUSINESS

City Engineer Paul Weeks announced that staff received notice this week that the City had been awarded a \$2 million Community Development Block Grant for repair of the East Sanford sewer system. The only funds required of the City would be for planning and grant administration.

Closed Session

Mayor Pro Tem Buckels made a motion to go into closed session in accordance with N.C.G.S. 143-318.11(a)(3) to consult with an attorney employed by the public body to preserve the attorney/client privilege; and (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body. Seconded by Council Member Gaskins, the motion carried unanimously.

Documents Regarding Central Carolina Enterprise Park – Project Jupiter

- Sewer Installation Confirmation (Exhibit N)
Council Member Gaskins made a motion to approve the Sewer Installation Confirmation. Seconded by Mayor Pro Tem Buckels, the motion carried unanimously.
- Partial Release from Developer's Agreement (Exhibit O)
Council Member Gaskins made a motion to approve the Partial Release from Developer's Agreement and to grant the City Attorney flexibility to make changes and correct a typographical error in the Agreement. The motion was seconded by Mayor Pro Tem Buckels and carried unanimously.

Council Member Taylor announced that the Opioid Commission met last week with healthy discussion and good attendance. They agreed to move toward the S3 (Shelter, Service, Stability) website model and received updates on reporting and how that information is collated to reflect what all parties are doing. They are going through a SWOT analysis (strength, weakness, opportunities, threats) to provide a playbook and identify priorities. The board will now be meeting monthly rather than every two months. He also noted that catalogs from the Burke Company includes photos of Kiwanis Family Park playground equipment they provided at the park.

Regarding today's announcement that Audentes would be locating to the Central Carolina Enterprise Park shell building, Council Member Gaskins noted that when the company's Vice-President explained why we were chosen, he confirmed that revitalization efforts were in fact draws for the company and were exactly what was needed for wins seen over the past 18 months (three expansions by Pfizer, the Caterpillar expansion, drawing Dowa, Bharat Forge and Audentes).

Council Member Salmon agreed that the announcement was a great event and it was a great day for Sanford and Lee County, emphasizing what our community can do when everyone is working together. She also noted that this kind of momentum does not happen by accident.

City Manager Hegwer acknowledged efforts by Council over the years to create a place that draws a company like Audentes. While all companies are important to our tax base, they are also important to our workforce. This company is at the forefront of gene therapy and will impact and benefit many people. He pointed out that this company could have located anywhere in the world and deciding on Sanford is exceptional; he commented that he was glad to have been a part of it.

Mayor Mann thanked staff from the City and County for their work and noted that we now have the top two gene therapy manufacturing companies in the world located in Sanford. Representatives with both companies agreed this is good for their businesses and have already asked when the next spec building will be constructed. He stated that the Vice-President of the company told him that without the spec building, the company would not have considered Sanford. The incentives kept us in the game, but the decision to locate in Sanford rather than other locations was because of the team involvement. Having as many as 25 people at one meeting illustrated this support. Working together has helped to create \$800 million in tax base in the past six months.

The Mayor stated that planning continues on the multi-sports complex with another meeting scheduled for March 6 that is open to the public. He encouraged anyone interested in supporting the bond referendum for the complex attend and to contact Council members. He thanked the Lee County Commissioners for placing this referendum on the ballot. He noted that a segment recently aired on public television, "North Carolina Impact", featuring Sanford and Lee County's Building Integrated Communities and how the program has worked in a positive way. He noted that about 20 percent of Sanford's population is Latino and suggested the issue is not immigration but how we integrate and make our community better. In connection with the Sister City project, Julio Yonez, an official from Atizapan, Mexico, who visited earlier, is in Sanford. He is working with the school system and fire department and visited Red Wolf, one of our manufacturing companies. Council's retreat meeting will be held Thursday and conclude at noon Friday. He closed by noting that the positive developments over the past six months took five years of planning and thanked Council, everyone who was involved and the public.

ADJOURNMENT

Council Member Gaskins made the motion to adjourn the meeting; seconded by Council Member Salmon, the motion carried unanimously.

ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THESE MINUTES.

Respectfully Submitted,



T. CHET MANN, MAYOR

ATTEST:


BONNIE DAVIS, CITY CLERK