

**SANFORD CITY COUNCIL
WORK SESSION**
Tuesday, March 13, 2018
SANFORD, NORTH CAROLINA

The City Council met at the Temple Theatre, 120 Carthage Street, Sanford, on Tuesday, March 13, 2018, at 6 p.m.. The following people were present:

Mayor T. Chet Mann
Council Member Byron Buckels
Council Member Charles Taylor
Council Member James Williams
City Attorney Susan Patterson
Deputy City Clerk Vicki Cannady

Mayor Pro Tem Rebecca Wyhof Salmon
Council Member Jimmy Haire
Council Member Norman Charles Post, III
City Manager Hal Hegwer
City Clerk Bonnie Davis

Absent:
Council Member Sam Gaskins

Mayor Mann called the meeting to order and thanked the Temple Theatre staff for allowing Council to hold the meeting at their facility.

Tour of Parking Lot Behind Temple Theatre (Exhibit A)

Council Members toured the area behind the theatre (shown on Exhibit A) and discussed which parcels could best provide expanded downtown parking. They considered advantages and disadvantages of the parcels such as drainage, utility lines and access. Mayor Mann pointed out that parking in this area could be provided free of charge while more convenient, storefront parking could be offered as premium paid parking. Consensus was reached for Public Works Director Victor Czar to investigate prices for Lots 2, 3 and 5, and explore the potential conversion to underground utilities.

Tour of the Temple Theatre and Presentation (Exhibit B)

Peggy Taphorn, Producing Artistic Director, provided a history on the Temple Theatre, an overview of operations, and offered a guided tour of the facility. She informed Council that if they had access to heated and cooled warehouse space for constructing sets and to store costumes, props and sets, they could use the upstairs space for classes and workshops, which are very popular.

Chris deLambert, Director of Business Development, explained their business model and shared information on funding and attendance, noting that they rely heavily on ticket sales. Ms. Taphorn informed Council that the Temple was a case study several years ago for the North Carolina Arts Council "New Realities" project and they referred to the Temple as "the Bumblebee": it "shouldn't fly" in a community with our demographics but it does. They noted that Sanford is the smallest community in the state with a regional professional theatre and one of the few producing theatres. They reviewed information shown on Exhibit B and discussed capital improvements needed for the theatre.

Council Member Taylor questioned how proceeds from the Temple's sale of the adjacent property would be used and Mr. deLambert explained that since it was included as collateral for the Temple loan, it would be applied to the loan. Mr. Taylor also questioned whether staff had applied for grants through eCivis and Mr. deLambert confirmed that eCivis has been used but they have received very little grant funding because (a) the process is extremely time-consuming (especially with their small staff), and (b) their shows, which are primarily geared toward the Temple's typical patron base, are considered too conservative by many funding organizations (they want theatres to take more artistic risks). Mr. Taylor also questioned how funds received from the City over the past several years have been used and Ms. Taphorn explained that they have gone into their operational fund (mailing costs, marketing, basic building upgrades) and are not project specific. Mr. Taylor suggested that the newly formed Tourism Development Authority (TDA) be considered as a funding source since TDA funds, which can be used for marketing, could help the Temple with its marketing to increase audience numbers. Financial Services Director Beth Kelly noted that the TDA could be considered for funding eventually but it has collected the occupancy tax for only for a few months and the board is still organizing its own marketing.

Mayor Mann closed by stating that his goal in holding this meeting at the Temple was to expose everyone to the cultural enrichment provided by the theatre. While some communities have a beach, a mountain or a battlefield, we have the Temple: it is our unique item and it ties in with the public arts initiative currently underway in Sanford. He posed a question to Council members: what financial incentive would we offer someone who could bring in 17,000 people (primarily from Wake and Moore Counties where per capital income is higher than Lee County) and touch 10,000 students with the potential to make them better citizens and what would we pay to bring it back if it folded? He encouraged Council to align the upcoming fiscal year's budget with what the Temple brings to Sanford and provide more funding so they can grow their staff and increase production capability. He agreed with Mr. Taylor's suggestion that the TDA could provide funds for marketing but suggested that it was perhaps two years away from having adequate funding to make an impact for the theatre. He thanked Temple staff and the Ingram family who donated the theatre building to the City.

Mayor Mann called a dinner recess at 8:10 p.m. The meeting reconvened at 8:20 p.m.

Update on Email Software

Information Technology Director John Clayton advised Council that after receiving requests for an email system with more features, the system has been upgraded. Two systems are currently running and staff is ready to convert devices (ipads, phones, laptops) to the new system, which will synch calendars and folders, provide access between devices, and archive information (making compliance with public records requests easier). He confirmed that phones with several email accounts could still keep them separate; that personal info would remain personal; and there would be options for several other features. Mayor Mann encouraged Council members to convert to the new system which will make communications more efficient.

Discussion Regarding Sewer Petition Assessment Policy (Exhibit C)

City Engineer Paul Weeks gave Council a status report on the 31 inquiries received through March 5, 2017, for sewer extensions under the incentive program approved by Council

last spring (with the City paying 75 percent of the main line cost and homeowners paying the remaining 25 percent, plus costs to reroute sewer laterals and decommission septic tank lines). Initially, \$500,000 was set aside for these projects but due to high demand, that amount was increased to \$1.4 million. Council developed two criteria for prioritizing projects: (a) petitions for which the construction cost estimate exceeded the engineers' estimate by more than ten percent; and (b) by annexation dates, with those in the city the longest receiving priority over those annexed later. The five qualifying projects shown in the top box of the list (Exhibit C) are currently funded and fall within the City's \$1.4 million budget (three of the eight didn't meet approval requirements or were outside city limits). Staff released petitions only up to that funding level since we couldn't risk that more petitions would be approved and return than for which funds were budgeted. Because the intent was to consider these initial 31 inquiries before others, two inquiries received after the list was developed are not included (Greensboro Avenue/Perez: they did not want to wait to determine if they qualified and paid the entire cost to proceed; and Hughes Avenue/Tillman: request was made in June, after the list was developed).

Mayor Pro Tem Salmon questioned at what point staff would know what, if any, funds are still available. Mr. Weeks responded that the public hearing for the Frazier Drive extension will be held on March 20 and if approved, will be the last project funded through the initial \$1.4 million. The current phase of subsidized extensions is nearing an end and direction is needed on whether to begin planning another phase. He added that staff continually receives requests for extension.

Public Works Director Victor Czar requested guidance from Council as to whether additional funds should be budgeted in the upcoming fiscal year to continue the project. If so, to what level and by what criteria will requests be prioritized? City Manager Hegwer suggested that prioritizing more densely populated areas would increase the impact of extensions. Another suggestion was made to fund a lower percentage of the cost in order to extend funds and serve more neighborhoods. If the City funded 50 percent rather than 25 percent, \$1.5 million in funding could be doubled to \$3 million. Council Member Taylor noted that funding has been provided by the Utility Fund, not the General Fund, from treating coal ash leachate. Financial Services Director Beth Kelly informed Council that approximately \$3 million has been collected in treatment fees since 2016 and \$1.5 million of that has been allocated to this sewer extension project. She also reminded Council that the City will be issuing approximately \$8.5 million in debt during the upcoming year for the Moncure Megasite project, and the Hawkins Avenue and Amos Bridges Road waterline extension projects. Mr. Hegwer indicated that leachate treatment fees are anticipated through June, 2019. Mr. Taylor suggested that the remaining \$1.5 million (of the \$3 million collected to date) be allocated for extension projects. Mayor Pro Tem Salmon suggested that the City lower its portion of the funding so that more projects can be completed. Mayor Mann requested that Mrs. Kelly and Mr. Czar prepare program models illustrating how many projects could be funded with \$1.5 million, based on homeowner contribution levels of 50 percent and 25 percent.

Other Business

Council Member Taylor noted the recent passing of Lisa McBryde, who served on several City boards. He also referenced a headline from the September 3, 2006, issue of *The*

Sanford Herald about abolishing the two-hour time limit for parking and suggested that this issue has come full circle. Council Haire joked that he has a 1935 article with the same story.

Mayor Mann informed Council that he would be attending the Main Street North Carolina award ceremony tomorrow night in Clayton to accept an award for the City's streetscape project. He also advised Council that representatives are in discussions with representatives from a city in Mexico about a Sister City project through the Jonesboro Rotary Club. He thanked Council and staff for their work at the recent Budget Retreat meeting, which was very productive. He thanked Temple staff for allowing the meeting to be held at their facility.

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

AJOURNMENT

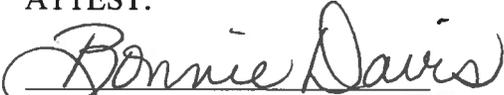
Council Member Taylor made the motion to adjourn the workshop. Seconded by Council Member Post, the motion carried unanimously.

Respectfully Submitted,



T. CHET MANN, MAYOR

ATTEST:



BONNIE DAVIS, CITY CLERK