

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, December 20, 2011 at 7:00 P.M. The following people were present:

Mayor Cornelia P. Olive	Council Member James Williams.
Mayor Pro Tem Sam Gaskins	Council Member Walter H. McNeil, Jr.
Council Member L. I. "Poly" Cohen	Council Member Rebecca Wyhof
City Manager Hal Hegwer	Council Member Jimmy Haire
City Attorney Susan Patterson	Deputy City Clerk Janice Cox

Absent:

Council Member Charles Taylor
City Clerk Bonnie D. White

Mayor Olive called the meeting to order. Council Member Walter McNeil delivered the invocation.

PUBLIC COMMENT

No one signed up for public comment.

APPROVAL OF AGENDA

Council Member James Williams made the motion to approve the agenda; seconded by Council Member Walter McNeil, the motion passed unanimously.

CONSENT AGENDA

Approval of 2012 Taxicab Operator's License Renewal (Exhibit A)

Council approved renewal of operator's licenses for 2012 for Service Cabs, American Yellow Cab, and Pronto Taxi. They are all owned and operated by Lois Fleming of Fleming Transportation Inc. and are located at 307 South Gulf Street.

Approval of Amended Contract Between the City of Sanford and the Lee County Economic Development Corporation (Exhibit B)

Council approved the amended contract between the City of Sanford and the Lee County Economic Development Corporation which states, in part, that the Lee County Board of Commissioners will have the LCEDC Director and staff report directly to the Lee County Manager, Sanford City Manager, and Broadway Town Manager (as long as each group continues to fund the LCEDC).

Approval of Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2011-1012 (Funding of EDC) (Exhibit C)

Council approved this ordinance which moves \$42,342 from Contingency to Contribution – EDC for funding for the remainder of this fiscal year (2011).

Approval of Memorandum of Understanding Between the City of Sanford and Lee County, North Carolina Concerning Access to the Back-Up Public Safety Answering Point (Exhibit D)

Council approved the memorandum of understanding between the City of Sanford and Lee County, North Carolina, concerning access to the Back-Up Safety Answering Point. See Exhibit D for details.

All of the above items were discussed at the Law and Finance Committee Meeting on December 14, 2011.

Upon motion of Council Member Poly Cohen and seconded by Council Member Walter McNeil, the Consent Agenda items were unanimously approved.

Special Agenda

Mr. Jody Albright, the industrial development coordinator with Central Electric Membership Corporation, presented the City of Sanford a check in the amount of \$32,027.86. He explained that the City's largest account with them is the water plant. Mr. Albright explained that their capital is used to build facilities and to expand their distribution lines, etc. Sometime later, the capital credits are returned to its membership. This check represents the City's capital credits for Years 1987-1988. City Manager Hegwer thanked Mr. Albright for working closely around the clock with personnel at the water treatment plant during the recent tornado event. Mayor Olive stated that she appreciated Central Electric's contribution to a local non-profit. Council Member Williams asked how the merger of Duke Power and Progress Energy would affect Central Electric. Mr. Albright stated it is possible that they will be affected, but they purchase the majority of their power from Progress Energy, as they are a distribution co-op.

Case for Public Hearing

There were no cases for public hearing.

Decisions on Public Hearings

There were no decisions on public hearing.

Regular Agenda

Consider Authorizing Resolution for Governing Body of the Applicant—NC Building Restoration and Reuse Grants Program (The Bread Shop Located at 111 Maple Avenue) (Exhibit E)

EDC Director Bob Heuts explained that a little business out of Pittsboro, The Bread Shop, is interested in a building in Sanford located at 111 Maple Avenue. They are looking at ultimately buying the building and renovating it for a commercial bakery, with a possibility of some retail. They have markets in Chapel Hill and Cary selling bread to restaurants. With the Sanford location, they hope to get the Fayetteville market. He will bring the current eight jobs, and the larger building will give them opportunity for growth. Sanford's Fresh Choice is one of their customers. This is a Rural Center grant for building renovation and reuse. Depending on the number of jobs they create, the company can get up to 50 percent of the renovations. It starts out as a loan, but as the jobs are created, the loans are forgiven. It is actually a contract between the Rural Center and the company.

Council Member Williams asked if there was any cost to the City. Mr. Heuts responded there was not. Mayor Olive asked if there is a possibility those funds will run out in the foreseeable future. Mr. Heuts stated it is an annual appropriation by the General Assembly to the NC Rural Center, but with all the budget cuts, this year some funding to the Rural Center was actually increased.

City Manager Hegwer stated that, over the years, the City had capitalized on millions of dollars of funding from the Rural Center, including Coty, and the Wal-Mart expansion. Mr. Williams asked if there was a time frame for hiring the employees. Mr. Heuts stated that they had eighteen months from the time the loan documents are signed. Council Member Wyhof asked if the loan is forgiven as the job numbers scale up, so that if they don't get the full number of employees, they would get a partial forgiveness. Mr. Heuts responded that they would and there would be no penalty; they would just pay off whatever they owe back to the City. Mr. Hegwer stated that we hope to get the benefits of some local jobs; the investment of the state funds; the appreciated property value; and the job creation here. Mr. Heuts clarified that the building they are going into is very nice already and that this would take a shell and create a manufacturing facility out of it. The enhancement goes on the tax books and would help both the City and the County.

Mayor Pro Tem Gaskins made a motion to approve the Authorizing Resolution by Governing Body of the Applicant –NC Building Restoration and Reuse Grant Program; seconded by Council Member Poly Cohen, the resolution passed unanimously.

Consider Resolution Authorizing Pursuit of Water Resources Development Funds to Provide for a Sustainable Municipal Parking Facility for the Chatham Street Redevelopment Project (Exhibit F)

Community Development Director Bob Bridwell stated that this is a funding opportunity with respect to the pursuit of water resources development funds from the state of North Carolina. They decided to go for the maximum amount of \$200,000. At Mayor Pro Tem Gaskins's request, Mr. Bridwell read the "Whereas" portion of the resolution. See Exhibit E.

Council Member James Williams made a motion to approve the Resolution Authorizing Pursuit of Water Resources Development funds to Provide for a Sustainable Municipal Parking Facility for the Chatham Street Redevelopment Project; seconded by Mayor Pro Tem Sam Gaskins, the motion passed unanimously.

Consider Ordinance to Temporarily Repeal a Portion of Section 36-115(a)(1) of the City of Sanford Code of Ordinances (Exhibit G)

Downtown Development Manager II David Montgomery stated this is a request to extend the two-hour repeal on North Steele Street until March 31, 2012. DSI is reviewing parking not only for North Steele Street, but all of Downtown. They have completed the windshield survey for the entire Downtown, looking at Downtown from 8:00 A.M. to 6:00 P.M. over a ninety-minute period. The graphs are the results of that analysis. They did an analysis in 2007 (before the repeal was in place) and repeated it (with the repeal in place), so any changes during that

period of time (particularly for North Steele Street) could be noted. The chart does not indicate a significant difference in the numbers over the course of time.

A survey has also been sent to Downtown merchants and property owners. One of the questions related to parking choices. About seventy surveys have been returned. Mr. Montgomery would like to get to a hundred. This extension allows time to analyze the data and get feedback from public.

Council Member Walter McNeil made a motion to approve the Ordinance to Temporarily Repeal a Portion of Section 36-115(a)(1) of the City of Sanford Code of Ordinances; Mayor Pro Tem Sam Gaskins seconded the motion, stating that he appreciated the graphs which indicate that Wicker and Steele Streets are not close to the maximum parking, so it looks good for continuing what they have been doing. The motion passed unanimously.

Consider Late List Penalty Relief Request from Carter Bank and Trust (Exhibit H)

City Attorney Susan Patterson stated that this item had not been included on the Law and Finance agenda as they did not have all the paperwork at the time; however, because the taxes need to be paid by the end of the year, it was requested to take the matter up at this meeting. Carter Bank and Trust is requesting relief from the assessed late listing penalty charge of \$56.88 of which the City of Sanford's portion is \$23.81. They are required to list by the last day of January, and they claim their tax listing was mailed January 25. However, they were unable to provide a U. S. Postal Service post mark for that. They had a notation of the person who mailed it, handwritten as shown on Page 15 of agenda packet. Because it was not received by the deadline, the county assessed the late list penalty to the tax bill. They have the right to request relief, and asked the Lee County Commissioners to consider that. The tax administrator recommended denial of that relief per memo on Page 16 of packet. He states that the state law requires U. S. Postal corroboration of mailing. Otherwise, it is considered filed when it is received in the tax office. The tax office notified Carter Bank in May that it had not been received, and they sent it back in. The tax administrator states that Carter Bank began listing equipment with Lee County in 2009, and they have never been late previously. It is up to Council to decide whether to grant relief of the City's portion of \$23.81.

Mayor Pro Tem Gaskins stated that even if it had been mailed on January 25, according to Mr. Brinson, they still needed to send them a letter on May 10. Attorney Patterson stated that was only because it showed up as not having been received. They thought they had listed it in January. Attorney Patterson stated that she talked to the man who made the handwritten notation to explain the City did not control the entire amount of \$56.88, but the City's portion of \$23.81. He stated that because he had given the mail to the post office, he did not have a copy of the post mark.

Council Member Poly Cohen made a motion to deny the Late List Penalty Relief Request from Carter Bank and Trust; seconded by Council Member James Williams, the motion passed unanimously.

Other Business

Council Member Williams wished everyone a Merry Christmas.

Mayor Olive encouraged folks to go downtown and see the new decorations after dark.

City Manager Hegwer issued a reminder to Council and the public about a special meeting for discussion on the wastewater study. It will be held at 10:00 A.M. tomorrow (January 21, 2012) in the West Conference Room.

Mr. Hegwer asked Council their opinion about cancelling the next Council meeting and Law & Finance meeting. He stated there were no items that would warrant having a meeting, but if they feel it is necessary to have a meeting, they would. Around this time, it is typical to look at cancelling the first meeting in January around New Years. The next Council meeting, then, would be on January 17 with the next Law & Finance meeting scheduled for January 11.

Mayor Olive stated they could always call a meeting if something were to arise. She asked for a show of hands to wait for the meetings to be on January 11 and January 17 as Mr. Hegwer noted above. There was Council consensus. She encouraged everyone to be safe over the holidays.

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

ADJOURNMENT

Having no further business to come before the Council, Council Member Walter McNeil made the motion to adjourn; seconded by Mayor Pro Tem Sam Gaskins, the motion passed unanimously.

Respectfully submitted,

CORNELIA P. OLIVE, MAYOR

ATTEST:

JANICE COX, DEPUTY CITY CLERK