

LAW AND FINANCE MEETING  
Wednesday, October 10, 2012  
1:00 P.M.  
Council Chambers

The Law and Finance Committee met on Wednesday, October 10, 2012, at 1:00 P.M., in the Council Chambers at City Hall. The following people were present:

Law and Finance Committee:

Mayor Cornelia Olive	Council Member Charles Taylor
Mayor Pro Tem Sam Gaskins	Council Member James Williams
Council Member Rebecca Wyhof	Council Member Walter McNeil, Jr.
Council Member L.I. (Poly) Cohen	Council Member Jimmy Haire
City Manager Hal Hegwer	City Clerk Bonnie D. White
City Attorney Susan Patterson	

Consider Presentation by Ken Laughinghouse on “Trees Are Beneficial to Sanford” – (Exhibit A)

Chairman of the Appearance Commission Ken Laughinghouse presented a slide presentation on “Trees Are Beneficial to Sanford.” He advised that Tree City USA is a program sponsored by the Arbor Day Foundation in cooperation with the U.S. Forest Service and the Association of State Foresters. Currently, there are approximately 78 towns and cities in North Carolina designated as Tree City USA such as Fayetteville, Southern Pines, Pinehurst, Durham, Lauringburg, Chapel Hill, and Carrboro. He said trees make us feel restful and tranquil but there also community benefits for trees. They serve architectural and engineering functions, provide privacy, soften the edges of buildings, and reduce glare and reflection. They moderate climate, improve air quality by reducing carbon dioxide, sulfur dioxide and ozone, and provide us with oxygen. He also gave the environmental and economic benefits.

Mr. Laughinghouse said that the benefits of being a Tree City USA are you tell visitors that come to Sanford that we care about our environment. It recognizes our associates who work with trees such as volunteers, the City Horticulture Department, and the Appearance Commission and gives the citizens pride in their city. He said the financial assistance of being a Tree City USA is there is money given to communities who are designated as Tree City USA for planting trees. The publicity required as Tree City USA and Arbor Day are excellent opportunities.

Mr. Laughinghouse went over the four requirements for meeting the four standards of Tree City USA. The first is the establishment of a Tree Board or department. The Appearance Commission may serve a dual role and serve as the Tree Board in addition to their Appearance Commission duties. The second is a Community Forestry Program with an annual budget of at least \$2 per capital and that is done by the Horticulture Department and the associates in the Horticulture Department. You have to have an Arbor Day Observance and Proclamation which has been done. Item 4 is that you have to have a tree ordinance which is the only item missing from the four standards required to be designated a Tree City USA.

City Manager Hegwer encouraged Council to review the ordinance. He advised that we are still working with this ordinance. Mr. Hegwer asked Council to look at the benefits of being designated as Tree City USA and there are some regulations that need to be looked at. It does affect the rights-of-way, public space and some portions of private property. It needs to be explored a little further and will be brought back at a later date.

Consider Presentation by McGill & Associates Regarding Results of Signalization Study at Wicker Street and Steele Street – (Exhibit B)

Downtown Development Manager II David Montgomery stated that Mike Norris with McGill & Associates and Jason Hamilton, with Ramey Kemp & Associates are present today to discuss the streetscape project on Steele Street with particular emphasis on the intersection of Steele Street and Wicker Street. Out of the design process, one of the recommendations by the consultant is the actual removal of the traffic light at that intersection and replace it with a four-way stop. McGill & Associates was hired to do the construction design and when that recommendation was made to staff working through the process, staff requested that they perform a traffic analysis study for that intersection which was done by Ramey Kemp & Associates in the spring time. In August, DSI invited some of the Downtown merchants at the intersection to come and see some of the design work done and received feedback from them. It is at the point now where a decision needs to be made on that intersection.

Traffic Engineer Jason Hamilton from Ramey Kemp & Associates in Raleigh spoke on the traffic study evaluation of the intersection to determine if the traffic light could be removed based on Standard Traffic Engineering Practices. He informed Council that they conducted an eleven-hour traffic count at the intersection from 7 A.M. to 6 P.M. on April 17 and 18, counting every turning movement from each approach. They projected in the future traffic conditions a 3 percent growth rate, which is a standard growth rate that is used in traffic studies. It is probably conservative but it gives you an idea of what traffic could be like in the future. Based on the traffic volumes and projected volumes, they conducted an analysis of the intersection as it stands today with the signal, as well as in the future. Currently, the intersection operates at a level of Service A, which level service is a measure of the lay of the intersection as a whole; it tells you how vehicles are able to move through and how the flow is at the intersection. Service A is the best an intersection can operate. The volumes are relatively low in the peak hours when compared to typical intersections.

Mr. Hamilton said that during the 11-hour traffic count for Steele Street, there were 1,472 vehicles and on Wicker Street there were 2,234 vehicles. Based on that info, Wicker Street was identified as the major street but the volumes were not terribly different. You have a fairly well balanced intersection in terms of volumes from each approach. Based on the existing volumes, they conducted a signal-warrant analysis which uses thresholds that are determined and the manual uniform traffic control devices is the standard for traffic engineering and analyzes and signal warrants. There are eight total warrants. The primary warrants that are usually studied are the volume warrants; there are others that are based on school traffic and various other subjective items.

Mr. Hamilton explained the traffic signal volume warrant threshold as listed on Exhibit B. He said that Warrant 1A shows 400 vehicles on the major street during the peak hour and

120 on the minor street and you would need eight hours throughout the day to meet that warrant. Warrant 3 is a peak hour volume warrant. In order to meet the one-hour peak hour, you would need 400 vehicles on the major street and, in this case, Wicker Street count was 307 which is 75 percent of what you would need. The capacity analysis indicated that the intersection is expected to function acceptably under a four-way stop control during the peak hour which is 3 P.M. – 4 P.M. The analysis showed that based on future traffic volumes with a four-way stop control, all approaches to the intersection would operate on Level A, which is the best level of service.

Mr. Hamilton said based on analysis, none of the signal volume warrants were met at the intersection. The capacity analysis shows that the intersection currently operates well with the signal and is expected to continue to operate well. A two-way control is considered by four-way control - it would operate well under both scenarios.

Council Member Williams asked if any consideration was given to the walking traffic. Mr. Hamilton responded that the pedestrians were counted as part of this study. During the eleven-hour count, they counted 155 pedestrians crossing the intersection combined; 30 during the peak hour and 23 during the noon hour. They were considered in the count in terms of how they would operate if it did go to a four-way stop control. A four-way stop will slow traffic down through the intersection. Mr. Williams said that he keeps referring to the DOT standards, but his issue is, if they do it in a downtown area, residential area, etc. Mr. Hamilton replied that the study was done based on general traffic engineering standards, whether it is a D.O.T. signal, etc.

Mayor Pro Tem Gaskins asked how much it cost to maintain that signal per year. Mr. Hamilton replied that he did not know in terms of power, maintenance of heads, etc. It would be an advantage if the signal is eliminated. Mr. Gaskins replied that depends on the cost to remove it. Mr. Hamilton said that we would be looking at the cost of a new signal installation as part of this streetscape project. If this intersection followed the other intersections and the improvements that are going to be made for the signals, the metal pole mast arm designs are typically in the \$100,000 - \$125,000 range for installation. Mr. Gaskins said that it would be more appropriate to remove it during the streetscape. Mr. Hamilton replied yes. Mr. Gaskins said we are looking at underground utilities, which is still a while off.

Mike Norris, with McGill & Associates, stated that they started looking at all the intersections, five in total. This particular intersection is unique because both streets are city owned and city maintained; whereas, the other one has D.O.T involvement with those intersections. Early on in the process, they looked at this intersection and realized that the traffic is fairly low. Part of the Downtown Master Plan and Pedestrian Plan encouraged pedestrian-friendly environment. One of the elements promoting that is four-way stops versus signal intersections to make it more pedestrian friendly so they felt they should look closer at this matter. All these intersections are proposing to have the existing signals removed; right now they are poles with string wires that hold the signals and they would be replaced with mast iron poles. They are very expensive. They wanted to have a study conducted to verify their initial thoughts.

Mr. Williams asked if the signal light at Carthage Street and Steele Street was not studied because of the D.O.T. involvement. Mr. Norris replied no; Carthage Street, as well as Horner Boulevard, carries a significant amount of more traffic. Mr. Williams asked how much. Mr. Norris replied he did not know and he did not feel that the D.O.T. would feel very receptive to having the level of service there with a four-way stop.

Mr. Haire clarified that the stops signs would be on Steele Street because Wicker Street is the major street. Mr. Norris replied yes. Mr. Williams said he was against the four-way stop.

Downtown Development Manager II David Montgomery explained that they invited the merchants at that intersection area to see the proposed plan that was prepared. They had about eight to ten people to drop in; some supportive - thinking that people would be able to back out easier because traffic will always be flowing. There were some that had issues with truck traffic in the afternoon, screeching tires, and concern about the residents at the Wilrik Hotel who use the parking lot at the intersection of Cole Street and Steele Street and walking across to the hotel. The DSI Board has approved the proposal as suggested - removing the traffic light and putting in a four-way stop. They think in the long run, this is the right direction to go from a safety perspective; pedestrians will be further in the street under this proposal than they currently are because of those curb extensions. You will be five to six feet further into the street but still on the sidewalk and you have only ten feet to go and you know that everybody has to stop at a four-way stop.

Mr. Montgomery spoke to Brantley Price, who is the town manager of West Jefferson, and he spurred McGill & Associates to make this recommendation. It has been implemented for almost a year now and Mr. Price is very pleased. He has received a lot of compliments on the change; it was also a D.O.T. street with a higher level of traffic. Mayor Olive asked what is the population of West Jefferson? Mr. Montgomery replied it is smaller than Sanford. It was suggested to bag the lights to see how well it works and it was done in West Jefferson before it was implemented.

Mr. Hegwer recommended council members to talk with some of the business owners and citizens and let staff know so we can give direction as to how to proceed with the design. It will not go into effect unless we move forward with the streetscape plan.

Consider Resolution to Temporarily Close Portions of Several Streets in Support of a Hot Rod and Custom Car Show – (Exhibit C)

Street Superintendent Magda Holloway explained that this is a request from Bo's Hot Rod to temporarily close Market Street between Cherry Street and Hickory Avenue; close Maple Street between Little Buffalo Creek and Second Street; and close Jenkins Street from Maple Avenue north for approximately seventy-five (75) feet on Saturday, October 20, 2012, between the hours of 8 A.M. and 4 P.M., for a hot rod and custom car show.

Consider Grant Project Ordinance Wagon Trail Road Waterline Extension – (Exhibit D)

Public Works Administrator Laura Spivey advised that this is a grant project ordinance to put the Wagon Trail Road waterline extension project in place. In June, we had some concerns

because the Wagon Trail Road residents were having problems with their wells. We sent in an application to receive help from the Rural Center and received \$81,000 in funds from them. The approximate cost of the project is \$90,000; the Rural Center will provide \$81,000 and the property owners will contribute \$9,000. There are about fifteen property owners.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2012-2013 – (Exhibit E)

City Engineer Paul Weeks stated that this is for the Chatham Street parking lot. The ordinance amends the operating budget and transfers \$50,100 from contingency funds and \$28,130 from fund balance for the parking lot.

Consider Capital Project Ordinance Amendment for the Chatham Street Parking Lot Project – (Exhibit F)

City Engineer Paul Weeks explained that this is a capital project ordinance amendment appropriating \$78,230 from the General Fund and \$51,995 from Progressive Contracting for the Chatham Street parking lot project.

City Attorney Patterson advised that there is some information she will need to bring before Council regarding the process for that bid. There are some procedures that needed to be followed that we may have to go back in order to properly deal with the bids. The issue is when you have bids that exceed your funds available. If you cannot negotiate down within the funds available, you may have to go back and open it to all three bidders again as opposed to negotiating with the low bidder. She may bring it back to Council Tuesday night. These two ordinances appropriate more money for the project. The fairness in the bidding process requires that all bidders have the opportunity to look at a project that has more items to be performed.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2012-2013 – (Exhibit G)

Refuse Superintendent Larry Craig advised that funds were appropriated in the current budget to purchase a new loader for the compost facility. Three bids were received with all three quoting with a trade allowance on our current Volvo loader at the compost facility. It was determined that we may receive more for our loader if we sold it on GovDeals than if we take a trade. Mr. Craig said that the original budget amount was \$149,000; therefore, he is requesting a budget amendment of \$18,000 to order a new Volvo loader that was the low bid. Volvo has agreed that if our loader did not sell for more than \$42,000 on GovDeals auction, they would write us a check for it once the new loader is here. Staff feels they can receive more money for it on GovDeals. The ordinance amends the operating budget transferring \$18,000 from fund balance into the Solid Waste Department.

Discussion Regarding Flags – (Exhibit H)

Public Works Director Victor Czar explained that during the budget process and again at a recent meeting, there was the mention of buying some flags to show town spirit. It was mentioned that flags could be purchased and put along main thoroughfares throughout the city. He said that staff looked at this issue, and main thoroughfares mean D.O.T. right-of-way, which is one process you have to go through. They looked at pole mounting flags on existing telephone poles and that means Progress Energy. We have contacted both of them informally. It can be

done but it is a rather lengthy process. It may have some costs associated with it when you are dealing with Progress Energy, depending on what is on the existing poles and a list of others things you have to do. We checked the prices on the flags and they are about \$60 each; that gives you a mounting bracket and a pole and a 5 x 3 embroidered flag. We looked at some spacing options and we felt 200-foot spacing seems reasonable and it matched up pretty well with some pole locations. An average block length is an average of 400 – 500 feet so that puts one at each corner and one in the middle, which gives you about 25 flags or so per mile. We are at a point where if Council wants to do the major thoroughfares, that is fine, but it is going to take some time and some effort to get to where we can and an appropriation to purchase the flags because it is not in the budget. If we chose some City streets, a lot of those things could be short cut. We have authority on our own streets to erect the flags, especially if we did not use Progress Energy's poles. If we were to drill or pour something into existing concrete, it would be relatively quickly to show your support while you are still working on some other things.

Mr. Czar said that staff needs some further guidance in this matter. Staff is not sure of exactly where Council may want to put these flags, to what extent, and how much money to spend.

Mr. Cohen said that the VFW puts out flags on major holidays and puts them in the holes in the ground they have already made for them. He asked how would this tie in with their efforts in putting flags out in front of businesses. Mr. Czar replied that depends on where we need to put our flags versus where their flags are located. Mr. Cohen said they put them up on Horner Boulevard. Mr. Czar said that if someone is already putting up flags, we would need to get with them to see how it overlaps. He believes there is a civic club that will put a flag up if you pay them a certain amount of money; they will put up a flag seven to eight times a year for you and take it down.

Mr. Gaskins said that Neal Kielly and he put up ten flags and there are quite a few businesses in town that pay them \$30 a year and they put them out about ten times a year - putting them out early in the morning and picking them up in the afternoon. He said the Kiwanis Club took it over from the Optimist Club, who had been doing it and they aged out of it. He did not think it would be a problem. It would help their ability to raise funds but if the City is going to do it, there will still be some who will not be on the path that is being taken. In his route of ten, only one is in the Downtown area.

Mr. McNeil said when he thought about this, he was thinking about having a hole drilled in the concrete and maybe a flag in those holes on Horner Boulevard where two people in a truck could put the flags up on the different holidays and go back and pick them up. It would be nice to have something for people who drive down Horner Boulevard see the flags on the corners. This would give some indication that we do appreciate the veterans.

Mr. Taylor said he brought this up three to four years ago after visiting Sneads Ferry for a weekend. He advised that first and foremost, buy the flags from an American company. There are a lot of Chinese companies that are making American flags and it is a disgrace in his opinion. Secondly, there is a company that will sell you mounting brackets and American made flags. He looked at the 3 x 5 and 4 x 6 flags and both prices were under \$50. He would be glad to share

the information with staff and they have products in Lowes and Wal-Mart. He felt it would be great to possibly look at enlisting the Scouts and other groups that could use this as a service project. Mr. Taylor said if you use the pole route, make sure that it is properly handled once it is taken down, not rolled up and put in a car and go to the next one. The flag is to be respected in this process. He likes the pole option and it keeps people from pulling them out of the ground real easy.

Mr. Czar replied that if we go down this path, staff would like some sort of guidance and policy of protocol on how they will be put up and taken down and treated. Mr. Hegwer added that we do not want to get into anything that is offensive to anyone. He said one option might be to put together a few people from the community. Whatever we do we want to do it right, and effectively year after year. Mr. Cohen suggested that may be a club would want to do this project.

#### Discussion Regarding Internet Sweepstakes – (Exhibit I)

City Manager Hegwer said that Council asked to get a count on the number of internet sweepstakes establishments and how many machines are located in each of them. We have 489 terminals with another 110 approved and 98 stand up poker machines; there are about 700. Staff was asked to bring this information back and set up a public hearing to gather feedback from owners, the public, or whoever may have interest in internet sweepstakes and any fee associated with it. Mr. Hegwer asked for direction from Council as to how to move forward.

Council Member Taylor said he had asked when this issue was brought up before that we include the number of employees and possibly the rent paid and he does not see that information on the sheet. He felt it is a very big consideration. He personally does not like the sweepstakes but also the representative side is they have the right to be here according to law. He is very concerned about the City taxing them because what else will be next; do we pick and choose that we tax certain entities. There is a lot of grief in other areas where they have seen a city enact a tax and the business move outside the City limits. Fayetteville is the most notable example of what happened when they passed a tax.

Mr. Hegwer said that we could try and get the information that Mr. Taylor has requested but he did not know how willing they would be to provide us with information on the rent, etc., but we can make an effort. We have tried not to be very intrusive on talking with these establishments.

Mr. Taylor asked about the intent of the public hearing. Mr. Hegwer stated that we talked about a public hearing about receiving input from the public. Ms. Wyhof said that her interest in having the public hearing was to hear from the residents. She received a lot of calls from residents that were affected in the neighboring areas where these businesses are located.

Mr. Haire said that the people who came the last time were the individuals who expressed concerned to him about how high the fees may be and there are other people who would like to come and express their opinion. There are pros and cons to it.

Mr. Gaskins said that the last time, it was the owners/operators that came and spoke and we have not heard from the general populous and that would be more important right now to hear from the entire public.

Mayor Olive asked if Council wanted to put the parameters on what the public would be asked to consider or if they want it to be relatively vague. Mr. Haire replied that a couple of the owners want to invite their spokespersons/state presidents of their organizations to come and speak.

Mr. Gaskins pointed out that Council is not allowed to put in a fee so steep to run them out of business. The general public needs to understand that not only are we not willing to do so but we are not legally allowed to do so.

It was the consensus of Council to hold a public hearing on Tuesday night, November 20, 2012, at 7 P.M., to receive public input from business owners and residents regarding the internet sweepstakes.

Other Business

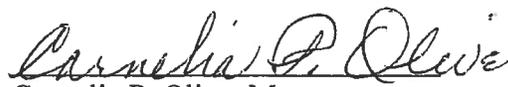
City Manager Hegwer stated that last week, Ms. Wyhof asked the question as to whether the mobile app would apply in the County. As Council is aware, the water and sewer system reaches out into the rural parts of the county. The mobile app will be live out in the county so if there is an issue with any of our utilities, it would work. Those complaints would be forwarded to the City and we have a mechanism to forward any complaint out in the County to them. It will take some work on our part. He will let the public know when this is put in place.

**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 Law & Finance Committee, the meeting was adjourned upon the motion of Council Member James Williams, seconded by Mayor Pro Tem Sam Gaskins, the motion passed unanimously.

Respectfully submitted,

  
Cornelia P. Olive, Mayor

ATTEST:

  
Bonnie D. White, City Clerk