

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, January 7, 2014, at 7 P.M., in the Council Chambers. The following people were present:

Mayor Chet Mann	Council Member Rebecca Wyhof
Council Member Jimmy Haire	Council Member Norman Charles Post, III
Mayor Pro Tem James Williams	Council Member Charles Taylor
Council Member Sam Gaskins	City Clerk Bonnie D. White
City Attorney Susan Patterson	City Manager Hal Hegwer

Absent: Council Member Walter McNeill

Mayor Mann called the meeting to order. A moment of silence was observed. The Pledge of Allegiance was recited.

**PUBLIC COMMENT**

Mr. Keith Clark, 212 Acorn Drive, addressed Council concerning a proposal for Council to assist in accountability regarding economic development matters. He said that State Law allows meetings to be held in closed session to discuss such matters, and therefore, the general public does not know if the Governing Body does not approve the incentive. He said that according to law, when the developer makes a final decision, the information is made public. He said that in cases where Council turned down grant incentives, the general public was not aware of such decisions. He commented that it would be helpful to have someone report such issues, so that citizens would be informed. Mr. Clark commented that the Lee County Commissioners had made a great effort in providing loan funds as an incentive for a good company to locate in this area. He commended Council on their grant incentive policy for accruing new businesses to Sanford, and commented that he felt that the policy had a positive impact on the commissioners' decision in competing for a fine company to locate in this area.

**APPROVAL OF AGENDA**

City Manager Hal Hegwer asked that the Agenda be reorganized by moving Item 10.F on the Regular Agenda to Item 10.A. Mr. Hegwer also requested to add a Resolution Authorizing an Application for EPA Brownfield Assessment Funds as Item G under the Regular Agenda.

Council Member Wyhof made the motion to approve the amended agenda; seconded by Council Member Post, the motion carried unanimously.

**CONSENT AGENDA**

Approval of City Council Meeting Minutes Dated December 3, 2013 - (Filed in Minute Book 80)

Council Member Gaskins made the motion to approve the consent agenda. Seconded by Council Member Wyhof, the motion carried unanimously.

**CASES FOR PUBLIC HEARING**

**Public Hearing – Economic Development Incentives – Fitzpak, Inc. – Request by Lee County Economic Development Corporation**

Mayor Mann opened the public hearing.

Interim Economic Development Director Crystal Morphis spoke on behalf of the EDC. She offered support of the incentives for Fitzpak. Ms. Morphis said that the EDC was in full support of the incentives and that they had voted to bring this project before Lee County and the City of Sanford for consideration.

Ms. Morphis said that Fitzpak was especially appealing to this area because it is a plastics company and would support many other manufacturing companies in this region. She said that Fitzpak was a gazelle company and that they had grown in every location where they are, and that they expected to grow in Lee County and stay in this area. She said that the fifty (50) jobs offered by this company will represent approximately two percent of current unemployed in Lee County. She said that the company only planned to relocate one or two people out of the fifty hires, so the majority will be local hires. She said that the company will add a \$4 million tax base to the City, and which was above and beyond the tax revenue being received for the Redman Building at the present time. She pointed out that the Redman Building was being put into a manufacturing use, which would create jobs. She said that Fitzpak had an operation in existence in Alamance County, and that they had received a glowing recommendation from Alamance County Economic Development.

Ms. Morphis stated that Fitzpak planned to use the incentives money for renovations to the Redman Building. She noted that this building had suffered tornado damage several years ago and had never been repaired. She said that they planned to make other improvements as well, to the dock access and to the transportation access to the facility.

Andy Fitzsimmons, President of Fitzpak, said that his company was 25-years old. He said that Fitzpak started in New Jersey and stayed in the same building for twenty-two years. Mr. Fitzsimmons said that Fitzpak is a thermoforming plastic company, which is formed and welded closed for custom applications. He said that when he was asked to form a new division for food packaging he had to write a business plan, which called for three different areas: Hazelton, Pennsylvania; Northeast Atlanta; or somewhere in the extended triad area. He said that based on his good experience here, he wrote the plan so that this area would be a lead contender. He said that they looked at property in Mount Airy, Fuquay Varina, and Lee County, and that they felt this was the best opportunity for them. He said that his company knew how to open a business, with growth and continued profitably. He said that they were looking for a long-term relationship with short-term assistance. He said that given the incentives for his company to grow and the opportunity to work together, he felt it would be a naturally advantageous relationship. Mr. Fitzsimmons showed the Council samples of the products that Fitzpak would be producing.

Mayor Pro Tem Williams asked Mr. Fitzsimmons if he planned to hire locally. Mr. Fitzsimmons said that he did plan to hire locally. He said that he only had one employee who would be coming in as director and that this person would be charged with the duty of filling the 49 vacant positions with the immediate area.

Council Member Wyhof asked Mr. Fitzsimmons how soon those jobs would be filled. Mr. Fitzsimmons said that they had an agreement to fill these 49 positions within a two-year period. He said that he hoped to be more aggressive than two years, but 49 jobs in a 24-month period was very doable.

Donnie Oldham, 2412 Brookwood Trail spoke in support, and said that he appreciated Council's consideration of the project. He said that this was a good company and that there was plenty of room on the Redman property for the company to expand.

Keith Clark, 212 Acorn Drive, spoke in favor of the company and said that he had researched the company and that they were well respected. He said that he felt this company would be an excellent ambassador for Lee County and he was in favor of the tax incentives provided by the City of Sanford and Lee County.

Jim Womack, 1615 Boone Trail Road, spoke, as a citizen, Lee County Commissioner, and a member of Economic Development Corporation, in full support of Fitzpak. He said that Lee County has a financial incentive policy, and that they set a very high bar with their incentives policy to follow the guidelines that were suggested by the School of Government. He said that Lee County's policy did not match what this company was willing to invest in the county. He said that Lee County had several hundred thousand dollars of available capital, which was intended to be used for purposes of economic development. He said that Lee County Commissioners offered this to Fitzpak as a gesture that this company would be able to make repairs to a facility that would be conducive of employment of a number of people. He said that Lee County Commissioners unanimously approved a zero percent interest loan over a five-year period, and that he hoped this would be an effective way of helping this company get underway. Mr. Womack said that he heartily supported the City's efforts of support of this project.

Bob Joyce, 2003 Vantage Point, spoke in favor of local investment to bring Fitzpak to the community. He said that the Chamber of Commerce voted unanimously to support these types of incentives to bring local investment to the area as a necessary and vital tool to build our tax base and add jobs. Mr. Joyce asked members of his Executive Committee, who were present at the meeting, to stand in support of Fitzpak. He said that they felt Fitzpak would be a great fit for our community because they are very similar to a lot of local businesses in the area, who are family-owned and operated. He said that Fitzpak's name is synonymous in the packaging industry with high quality and efficient pricing. He said that he felt that Fitzpak would be a great fit here because they developed partnerships in every community that they are in. He said that on behalf of the 500 members of the Chamber of Commerce they commend this project, and asked that Council approve it as quickly as possible.

Mayor Mann asked Bob Joyce to introduce his executive committee of the Chamber of Commerce to the Council. Mr. Joyce introduced Vice-chair Celia Hurley, Joe Clancy, and Tom Snell.

City Attorney Susan Patterson reminded Council that there would be two votes; one on the Resolution Authorizing the Expenditure of Funds, and one for adoption of Economic Development Incentive Grant Agreement with Fitzpak. She noted that each Council member had a new

agreement at their place which had some minor changes from the original agreement that was included in the agenda packet. She said that she had consulted with Crystal Morphis, and that Fitzpak wanted to make some changes to the timetable for payment of the grant payments. They wanted grant payments to begin January 15, 2017, in order to give them time to ramp up to the number of jobs. She said that this agreement requires the investment of \$4 million dollars in new equipment and machinery in a building to be at Harvey Faulk Road. She said that this document also requires that the fifty jobs pay an average of at least \$13.10 per hour. She said that they would make an investment that would result in \$79,056 in tax revenue to the City of Sanford and Fitzpak would be eligible for a grant of up to \$39,528. She said that the City would consider appropriating funds, beginning January 15, 2017, to 2021. Attorney Patterson said that she brought these issues to light because in the past EDC would be responsible for verifying the grant commitments; however, the commitments made with this project will be the responsibility of City staff.

Council Member Haire said that this was a modest amount of money afforded in order to provide fifty (50) paychecks. He also commented on the sample of the product produced by Fitzpak, that it was a lightweight product. He asked Mr. Fitzsimmons how he had competed with overseas companies. He said that there were issues in the beginning; however, the fact that it was lightweight and difficult to ship worked in their favor.

Council Member Haire asked Mr. Fitzsimmons why they chose this area as opposed to Fuquay-Varina and Mount Airy. Mr. Fitzsimmons said that it was the size and quality of the building. He said that ultimately they were looking to expand, and the size of this location and the access to Interstate 40 and Interstate 95 corridor were great contributors to their choosing this location.

Council Member Gaskins commented that he noticed that the employment of 50 people had been included in this agreement. He commented that if the company was willing to wait until 2017, he saw no need to include the number of people being employed. He said that it was great to have a new company aboard, but that he saw no need to add all of these specifications in the agreement.

City Manager Hal Hegwer commented that with many prior EDC agreements, they were still in the process of evaluation based on criteria set forth in the past. He said that the existing agreements required that jobs be reported, but not necessarily retained. He said that there were five to seven existing agreements that the City currently has and that only one has fallen below the initial required number of employees.

Attorney Patterson commented that this agreement calls for Fitzpak to make the investment of the 50 jobs and at a certain wage. She said that should they fall behind on the number of jobs or wages throughout the agreement, they would not receive an incentive payment for that year.

Council Member Wyhof asked how onerous the paperwork would be. Crystal Morphis said that this was not onerous. She said that companies were required in North Carolina to submit a NCUI 101 Report, which is an employer's quarterly employment and wage report. She said that this was information that the company would already generate and that she would ask for a copy

of this report. She said that she foresaw that EDC would be the City's agent for collecting this information for them and it would be the responsibility of City staff to review this information.

City Attorney Susan Patterson said that she understood that the company's legal department needed to review the document; however, she asked for permission to approve the document tonight subject to any minor, legal aspects that would have to be modified prior to execution. She said that these would be insignificant modifications and that any significant changes would have to be brought back before Council. She asked for confirmation from Fitzpak if their legal review had been completed.

Andy Fitzsimmons said that Fitzpak's legal department would need twenty-four hours to review the document for minor changes. He said that he understood and agreed that any significant change to the document would have to be brought back before Council.

Council Member Taylor asked City Attorney Patterson what she considered significant changes. Attorney Patterson said that a typographical error would be insignificant, but that any changes that would modify the content of the agreement would be significant, such as number of jobs, wages, payments, timing of the payments, etc.

There were no further comments, and Mayor Mann closed the public hearing.

- Consider Adoption of Resolution Authorizing the Expenditure of Funds for an Economic Development Project and Approving an Agreement – (Exhibit A)  
Mayor Pro Tem Williams moved, seconded by Council Member Wyhof, to adopt the Resolution Authorizing the Expenditure of Funds for an Economic Development Project and Approving an Agreement. The motion carried by a five to one vote, with Council Member Taylor casting the dissenting vote.
- Consider Adoption of Economic Development Incentive Grant Agreement for Fitzpak, Inc. – (Exhibit B)  
Mayor Pro Tem Williams moved to adopt the incentive Grant Agreement for Fitzpak, Inc., subject to minor changes to the terms of the agreement. Council Member Haire seconded the motion. The motion carried five to one, with Council Member Taylor casting the dissenting vote.

### **DECISIONS ON PUBLIC HEARINGS**

#### **Consideration of Possible Text Amendments to Articles 2 and 3 of the Unified Development Ordinance (UDO) Regarding Changes in State Law Regarding Board of Adjustment Procedures – (Exhibit C)**

Assistant Community Development Director Marshall Downey reviewed the information presented at the public hearing concerning this text amendment. Mr. Downey said that these regulation changes, as it relates to Board of Adjustment were brought about by State Law. Mr. Downey informed Council that this item was reviewed by the Planning Board and that they unanimously recommended that Council consider making the changes and update the Unified Development Ordinance.

- Consider Adoption of Ordinance Amending the City of Sanford Unified Development Ordinance – (Exhibit D)  
Council Member Gaskins moved to adopt the Ordinance Amending the City of Sanford Unified Development Ordinance. Seconded by Council Member Haire, the motion carried unanimously.

Consideration of Possible Text Amendments to Article 5 of the Unified Development Ordinance (UDO) Regarding Changes in State Law to Regulations and Procedures for Wireless Telecommunications (cell) Towers – (Exhibit E)

Assistant Community Development Director Marshall Downey reviewed the information presented at the public hearing concerning this text amendment. Mr. Downey said that these changes to the Unified Development Ordinance were based on State Law. He said that these changes related to cell towers. Mr. Downey informed Council that this item was reviewed by the Planning Board and that they unanimously recommended that Council consider making the changes to the Unified Development Ordinance.

- Consider Adoption of Ordinance Amending the City of Sanford Unified Development Ordinance – (Exhibit F)  
Council Member Gaskins moved to approve the Ordinance Amending the City of Sanford Unified Development Ordinance. Seconded by Council Member Post, the motion carried unanimously.

**REGULAR AGENDA**

EDC/Partnership for Prosperity Update on Activities

Crystal Morphis reviewed an update for local economic information for EDC/Partnership for Prosperity. She said that the unemployment rate had dropped to 9.7 percent since October 2013, which is a decrease from 12.6 and 11.8 percent in 2012. She said that there were overall positive signs that the labor market was improving. She said that manufacturing unemployment continued to decline, and that the business establishments had remained steady without a lot of closures. She also said that the average weekly wage had not declined in 2013.

Crystal Morphis informed Council that in regards to EDC recruitment activities, they had 45 inquiries or leads in 2013 from the Department of Commerce, Research Triangle Regional Partnership and from the Real Estate Market. She said that EDC currently has eight active projects; three of which are existing industry expansion projects and five are new recruitment projects. She said that EDC did not respond to approximately 12 inquiries, mostly because of the lack of an appropriate building. She noted that the Redman building had driven a lot of this prospect activity, and that it would create a challenge going into 2014 with this building being removed from the market, as it is expected to.

Crystal Morphis said that a new area of market this year for EDC was business retention and expansion, and that an EDC associate was making visits two days per month to companies in Lee County to discuss topics such as, work force development issues and concerns, such as maintenance technologies training, and limited utility issues. She said that companies always mentioned quality transportation as an asset to them, and a reason for their growth and success in Lee County. Ms. Morphis said that EDC had implemented a new data management tool for

business retention and management, which has executive policies, and which was offered to EDC through Research Triangle Regional Partnership. She said that this management tool was used to track information on existing business.

Ms. Morphis said that in the area of product development, EDC certified a 500-acre site, the Triassic Business Park off Colon Road in 2013 and this is the only certified site in Lee County. She said that EDC had only received two or three inquiries regarding this site in 2013, and that most inquiries were for existing buildings. She said that the buildings generating the most inquiries in Lee County were the Redman Building, Caterpillar Logistics Building, the GKN Building, and the This End Up Building.

Ms. Morphis said that EDC had revamped its revolving program, and made a loan to an existing business, which was adding new equipment and expanding. She said that EDC was also holding quarterly stakeholder meetings, and encouraged Council's participation in these meetings. Ms. Morphis said that as EDC moved closer to a merger with the Chamber of Commerce, they were trying to find ways to collaborate more efficiently as a unified staff; therefore, the EDC is moving their offices into the Chamber of Commerce building. She said that EDC already shared administrative support with the Chamber of Commerce, and this move would be another step forward in this effort. She said that EDC has been working with both the City of Sanford and Lee County to verify incentive information.

Crystal Morphis gave an update on the Sanford/Lee County Partnership for Prosperity. She said that the Steering Committee, which was named late last year of public and private sector leaders in the community, oversaw the development of a draft program of work, and engaged a fund-raiser consultant to conduct a fund-raising feasibility study. She said that this feasibility study was completed in December 2013, and that the consultant would give a report to the Steering Committee on Thursday, January 9, 2014. Ms. Morphis said that EDC had initiated the background research for the executive search for the new CEO, who will head the new merged organization in December 2013, and anticipated moving forward with this search in January 2014. Ms. Morphis said that EDC looked forward to being more pro-active when partnering with the Chamber of Commerce.

Council Member Haire asked what 9.7 unemployment would translate to in regard to numbers. Crystal Morphis said that this was about 504 people unemployed in Lee County. Council Member Haire inquired about the twelve inquiries that were never pursued because of space needs. Crystal Morphis gave an example of an inquiry for a facility with approximately 300,000 square feet. She said that at first, the GKN building was considered; however, this inquirer needed a building that had formerly been used for food processing and was at a food level quality. She said that the GKN building was used for a different type of processing and was not suitable for the inquirer's need. She said that this example was typical of the inquiries that EDC received and that they did not have a suitable building for the need.

Council Member Haire asked Crystal Morphis if the building on Dalrymple Street, which is known as the Cornell Dubilier building, generated much interest. Ms. Morphis said that this building did not generate much interest due to the low ceiling height.

Council Member Gaskins asked Crystal Morphis if Pfizer Corporation was still considered subletting buildings on their site that were no longer in use. Ms. Morphis said that Pfizer was still considering the possibility of subletting some buildings that they no longer used, and that they had been working with their staff to get data and information on space that would be available. She said that they were waiting to receive structural information of the available buildings in order for EDC to list space with the Department of Commerce and other databases used to list available sites.

Council Member Gaskins asked Crystal Morphis if the new EDC organization would be able to maintain the same kind of privacy with regards to new potential incentive recruits. Ms. Morphis said that it was not her recommendation to do this; however, it would be the decision of the new organization to adopt any policy it chooses to handle new incentives. She said that incentive contracts were almost exclusively done between local governments and companies. She said that her position was that because it was taxpayer money, these transactions should be within the public view at all times. She said that when a check or a contract is distributed through a third party, then it was not subject to public record laws, and taxpayer dollars would be taken out of public view and were not completely transparent. She also said that these funds did not belong to the third party, that it was the local government's funds and they have a responsibility to monitor the use of this money and to ensure that these funds were used for the intended purpose.

Council Member Gaskins asked Crystal Morphis how privacy would be maintained with potential participants. Ms. Morphis said that there were no privacy issues because the recruitment process would still take place in Council Closed Session Meetings and through negotiations, and those records that transpired between the company and the City would have special legal status to remain confidential until the project was either declared inactive or made an announcement of a decision.

City Manager Hal Hegwer asked Crystal Morphis if she had a recommendation for action, considering the status of building availability. Ms. Morphis said that communities were improving sites to shovel-ready status, purchasing and unfitting buildings, and offering them at below market rates to companies. She said that companies were beginning to build spec buildings again. Ms. Morphis said that communities were also offering built-to-suit lease backs through non-profits and authorities. She gave an example of the State of Virginia, where a building lease was offered below market rate, and at the end of the lease was sold to the company for one dollar. She said also that in South Carolina the electric utility Santee Cooper is offering zero interest loan money for shell buildings.

Mayor Pro Tem Williams asked Crystal Morphis to expound on the comment she made concerning the EDC associate making visits two days per month to companies in Lee County to discuss topics of work force development issues and concerns, such as maintenance technologies training, and limited utility issues. Mayor Pro Tem Williams asked her to explain her comment concerning companies who referenced quality transportation as an asset to them, and a reason for their growth and success in Lee County.

Crystal Morphis said that EDC had some isolated incidents of companies that have reported flickers in their power in a very specific geographic location. She said that Duke Energy had been

working diligently with these companies to find out what the issues are and to resolve them. She said that they had also been working with City Public Works staff on water and sewer usage. She said that the City's policy is that companies pay the same amount for water coming into an establishment as for sewer going out. She said that some companies use water in their process, so there may be a lot of water consumption, but very little sewer disposal, because they have means to capture the water and reuse it in the facility. She said that these companies have been working with City officials to determine if there is a way to meter water consumption and sewer disposal.

Crystal Morphis said that almost all of the companies that the EDC associates spoke with mentioned quality transportation. She said that one of the key reasons the companies located here was access to US Highway #1 and Highway #421, access to the triangle. She said that the only transportation issue was that several companies at the Industrial Park have requested a traffic signal at the Highway #15-501 interchange. She said that EDC has worked with NCDOT to conduct a traffic study and that they were continuing to work with NCDOT to determine if this intersection can be signalized.

Mayor Mann commented that he had visited the certified site and it was an impressive piece of land. Mayor Mann asked what is the size of the acreage of this property. Crystal Morphis said that this was a 500-acre parcel of land.

Mayor Mann asked Ms. Morphis if the certified-site property was competitive in size to other sites in the state. Ms. Morphis replied that this site was competitive; however, there were sites around the state that were much larger. She said that she was surprised by the lack of prospect activity of this site. She said that because there had been so many industrial buildings at rock-bottom prices, companies have been buying those; therefore, there has been very little raw site development.

Consider and Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2013-2014 – (Valve and Hydrant Replacement) – (Exhibit G)

Finance Director Beth Kelly informed Council that this ordinance simply reappropriates funds that were budgeted for valve and hydrant replacement in the Water Capital Improvements Department in the prior fiscal year. She said this project was not completed June 30, 2013, so they are reappropriating retained earnings in the amount of \$57,415.

Council Member Wyhof moved to adopt the Ordinance. Seconded by Council Member Gaskins, the motion carried unanimously.

Consider and Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2013-2014 – (Cotton Road Water Line Extension) – (Exhibit H)

City Engineer Paul Weeks addressed Council and informed them the amendment to the Cotton Road Water Line Extension included the next two items on the agenda (Award of Construction Contract to MT Murphy Construction, and Approval of the Agreement with Atlantic and Western Railway to install operate and maintain a water line under their right-of-way at Cotton Road and Iron Furnace Road) and that he would address all three items at the same time, because for this project to proceed, all three items must be approved. Mr. Weeks said that following his report, he would then discuss each item separately.

Mr. Weeks said that the Cotton Road Water Line Extension project was composed of two segments. He said that the first segment was to replace an existing section that had been problematic and which had required significant maintenance. He said that the second segment of the project was to extend a new water line and attach it to another section of the Cotton Road water line, so that there would be a complete loop in that area. He said that this loop would provide a significant system improvement to the Northwest section of Lee County, and also provide some redundancy back to the Industrial Park, because with this project, water could flow from Valley Road to Hawkins Avenue. Mr. Weeks said that the project went out for bids and that they opened seven bids on October 7, 2013. He said that three of the bids were from local bidders; however, the apparent low bidder was MT Murphy Construction out of Raleigh, North Carolina. He said that the amount of the lowest bid was greater than the budgeted amount. He said that staff entered into negotiations with the contractor and was able to bring the price down; however, the price is still in excess of the available funds for this project. Mr. Weeks asked Council to consider the budget amendment of \$36,765, which is the outstanding funding required to complete the project, and which would be taken out of Contingency and go into Water Capital Improvements. Mr. Weeks asked Council to consider awarding the project to the MT Murphy Construction in the amount of \$376,169.20. Mr. Weeks also asked Council to consider the agreement with Atlantic & Western Railway so that the City can place the water line underneath their railroad right-of-way, which is required in order to go up Cotton Road.

Council Member Gaskins commented that he noticed that some water lines were being abandoned, and he asked Paul Weeks if these were dead ends that they were clearing up with the proposed loop. Mr. Weeks said that the water line that was being replaced was coming down Cotton Road from the North, then leaves the road and heads down an electric right-of-way. He said that they were going to abandon this section and put in new water line right down Cotton Road. He said that this section that was proposed to be abandoned was a mixture of a three-inch, two-inch, and one-inch water line, which is small diameter water line and had been there a while and has caused a number of issues in the past.

Mayor Mann commented that he assumed this project help with the completion of the 421 By-pass project, and future growth in that direction. Mr. Weeks replied this was correct and that it would also help with the Goldston/Gulf Sanitary District. He said that they supplied this area with water at the present time from a 10-inch connection in that area, and should they have a problem with a 12-inch water line on Valley Road, they would be able to supply the Goldston/Gulf area with water through this 8-inch loop.

City Manager Hegwer commented that when there is a problem, redundancy is good. He said that it was critical to industry to have infrastructure in place in order to have available water supply.

Following discussion, Council Member Gaskins moved to approve the Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2013-2014 for the Cotton Road Water Line Extension. Council Member Post seconded the motion and it carried unanimously.

Consider Award of the Construction Contract to MT Murphy Construction for Cotten Road Water Line Extension Project – (Exhibit I)

Council Member Wyhof asked Paul Weeks if there was something in particular about the project that was more complicated when the bidding process was initiated that caused the price to increase. Mr. Weeks said that the issue that increased the anticipated cost was they had to go under a creek, and that creek crossing were expensive and staff under-estimated the cost. He said this was one of the issues they negotiated with the contractor to bring the price down.

Council Member Gaskins moved to award the Construction Contract to MT Murphy Construction for the Cotten Road Water Line Extension Project. Seconded by Council Member Taylor, the motion carried unanimously.

Consider Approval of the Agreement with Atlantic & Western Railway to Install, Operate and Maintain a Water Line Under Their Right-of-Way at Cotten Road and Iron Furnace Road – (Exhibit J)

Council Member Gaskins moved to approve the Agreement with Atlantic & Western Railway to install, operate and maintain a water line under their right-of-way at Cotten Road and Iron Furnace Road. Seconded by Council Member Wyhof, the motion carried unanimously.

Consider Resolution Changing the Name of Patriot Way to Snyder Street – (Exhibit K)

City Manager Hal Hegwer informed Council that there were no individual residents or businesses that have a Patriot Way address. He said that all of the businesses that are located there have addresses off of adjoining streets, so there should not be any impact with any mail.

Council Member Post elaborated further that he had received a phone call prior to Christmas from a lady who was a relative of an elderly family that had lived on Snyder Street where Patriot Way is located. He said that apparently this street carried the name of Snyder Street for many years, and when a particular business moved in this area that had the name Patriot in it, it was changed. He said that this business had left town, and that the family felt this to be a sentimental street name and they would like to see Patriot Way changed back to Snyder Street. Council Member Post reiterated the fact that there would be no address change impact.

Council Member Gaskins asked if there were any other possible complications with this street name change, or was this only related to this one small section. Community Development Director Bridwell said that there would be no other complications with this request to change the name of this street from Patriot Way back to Snyder Street.

Council Member Post made the motion to approve the Resolution Changing the Name of Patriot Way to Snyder Street. Council Member Wyhof seconded the motion and it carried unanimously.

Resolution Authorizing an Application for EPA Brownfield Assessment Funds – (Exhibit L)

Community Development Director Bob Bridwell addressed Council and said that staff had been advised that the deadline for application for EPA Brownfield Assessment Grant had been moved to January 21, 2014. Mr. Bridwell gave an overview to the Brownfield Assessment Grant Program, which is a program which looks at properties that have had potential problems, so that

an assessment can be done to clear up any issues in existence and return the property back to market value. He noted that the Whiten-Roberts property and the tobacco warehouses on Third Street were sites that they had dealt with. He said that this application for EPA Brownfield Assessment Funds would be a community-wide assessment; however most of the properties would end up being near the downtown area. He said that this grant would be a non-petroleum assessment and the grant amount would be \$200,000. He said there would be no match of funds, that it would be one hundred percent EPA funded.

Mayor Mann asked Bob Bridwell to explain his statement that the grant would be a non-petroleum assessment grant. Mr. Bridwell said that a petroleum assessment grant could include gas stations where there would be gas pumps.

Council Member Gaskins moved to approve the Resolution Authorizing an Application for EPA Brownfield Assessment Funds. The motion was seconded by Mayor Pro Tem Williams and it carried unanimously.

### **OTHER BUSINESS**

Council Member Post commented on an article that he read in the newspaper concerning recycling issues. He applauded Tim Shaw and staff for the smooth transition and implementation of the recycling services.

Council Member Wyhof echoed Council Member Post's comments, and said that she was excited to read positive stories about the City's revitalization projects about Sanford.

Council Member Haire commented that Carol Yarborough with Yarborough's Ice Cream had requested that he put in a motion for a cross-walk across from his business. He said that after consulting with staff, they felt the easiest thing to do was put no parking on the opposite side of the street from Yarborough's Ice Cream. He said that there were plenty of places to park in the Municipal Parking Lot behind Chatham Street, and it could be dangerous trying to maneuver between the parked vehicles and the moving vehicles. Council Member Haire asked if the no-parking signs had to be black and white, or could they correspond with the colors of the existing awnings. City Manager Hal Hegwer said that staff was working with Yarborough's to determine if no-parking was the right thing to do at this location.

Council Member Haire commented that the statement by Crystal Morphis that the unemployment rate was 9.3 percent was incorrect that the actual figure was a little over 2,500 with 24,000 households. He said that there was a time when one in every eight houses had someone looking for employment, but now it was approximately one in .96 homes.

Mayor Pro Tem Williams commented that Jonesboro had a beautiful parking lot that the merchants were very proud of.

City Manager Hal Hegwer announced that in response to requests, an early retreat workshop is scheduled for Wednesday, January 15, 2014, at 10:00 AM, in the West End Conference Room of City Hall. Mr. Hegwer said that the Law and Finance would follow this

City Council Meeting  
January 7, 2014

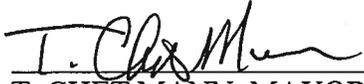
meeting at 1:00 PM. Mr. Hegwer asked Council to consider this meeting and inform City Clerk Bonnie White as to whether or not they would be able to attend.

Mayor Mann commended the Sanford Police Department for their dedicated service to the City of Sanford. Mayor Mann also commended EDC/EDO partnership for their hard work and commented that this organization will be very viable to the future of Lee County and the City of Sanford.

**ADJOURNMENT**

Mayor Pro Tem Williams made the motion to adjourn. Seconded by Council Member Gaskins, the motion carried unanimously.

Respectfully Submitted,

  
\_\_\_\_\_  
T. CHET MANN, MAYOR

ATTEST:

  
\_\_\_\_\_  
BONNIE D. WHITE, CITY CLERK