

LAW AND FINANCE MEETING  
Wednesday, May 28, 2014  
1:00 P.M. in Council Chambers

The Law and Finance Committee met on Wednesday, May 28, 2014 at 1:00 P.M. in the Council Chambers at City Hall. The following people were present:

Law and Finance Committee:

Mayor T. Chet Mann	Mayor Pro Tem James Williams
Council Member Rebecca Wyhof	Council Member Sam Gaskins
Council Member Norman Chas. Post III	Council Member Byron Buckels
Council Member Jimmy Haire	City Manager Hal Hegwer
City Attorney Susan Patterson	Temporary Clerk Millie Johnson

Absent:

Council Member Charles Taylor  
City Clerk Bonnie Davis

Mayor Chet Mann called the meeting to order.

Swearing In of Council Member Byron Buckels

Mayor Mann asked Byron Buckels, his wife Sheila, and other family members to join Council on the podium, in order to administer the oath of office. Mr. Buckels was appointed to fill the vacancy left by the late Walter H. McNeil, Jr., Ward 4.

Following the swearing in, Mayor Mann recessed the meeting, briefly, to allow time for congratulations and for photographs to be taken of Council Member Buckels and his family. The meeting was reconvened at 1:10 P.M.

Council Member Buckels took his seat on the Council. Mayor Mann congratulated Council Member Buckels, and thanked all who came to witness the swearing in of Mr. Buckels. Mayor Mann said it was a great day for Sanford, and that he was excited, and looked forward to the service Council Member Buckels will provide for the City of Sanford and its citizens.

Presentation Regarding Brick Capital Community Development Corporation - (Exhibit A)

Community Development Manager Karen Kennedy and Secretary for Brick Capital Community Development Corporation, presented a powerpoint presentation, exhibiting the history and mission of the Brick Capital CDC Corporation. She explained that it was a city's responsibility to oversee affordable housing and ensure affordable housing for its citizens. She explained in the 1970's and 1980's, under the Sanford's Urban Renewal Program, the City purchased many dilapidated residential structures in blighted areas, then demolished them, leaving much vacant land. Mrs. Kennedy explained the difference between Entitlement Cities versus the Small Cities Program of the North Carolina Department of Commerce. She said Entitlement Cities receive allocations from HUD, based on statistical populations of a metropolitan area. She stated HUD also designates funds through a Small Cities Program and that in North Carolina; these funds are distributed through the North Carolina Department of Commerce. She said Sanford is considered a Small Cities Program, which means we have to compete for the funds for the Community Development Block Grant Funds. Mrs. Kennedy said

that in 1989, the City wrote an application for a Community Development Block Grant, with the idea to use the Urban Renewal vacant lots to construct housing; however, local governments could not construct new housing within the list of CDBG eligible activities. Therefore, the City had to form a neighborhood-based, non-profit organization. Staff recognizing this need, approached the City Aldermen with the issue, and the City Aldermen appointed seven charter members to serve on the Brick Capital CDC Board, on April 9, 1990. HUD gave direct funds to a third party entity, which was Low Income Housing Development Corporation, to assist the City with the program. She said the Low Income Housing Development Corporation worked with Brick Capital and the City staff to oversee the administration of this program and provide Board Member training. She said the proceeds from the sale of these three homes were transferred to Brick Capital as a revolving loan for future construction; the project was successful. Mrs. Kennedy listed some of Brick Capital's projects, which included Appletree Apartments, W. B. Wicker School, two supportive Housing Complexes and the HAVEN Shelter. She said these projects were neighborhood enhancement components and had a direct tie to economic development and daily increasing the commerce activity of Sanford and Lee County. She said Brick Capital was responsible for building sixty-one single-family units (fifty-nine within the City, nine in Broadway, one outside the city) for eligible families to date. Mrs. Kennedy recognized Kate Rumely, Brick Capital's Executive Director, and said she was very instrumental in the success of Brick Capital's projects.

Mrs. Kennedy said that Brick Capital CDC is facing challenges due to the North Carolina General Assembly voting to eliminate CDBG Housing Funds and other funds for Community Development projects, and funding for the NC Initiative, which has been Brick Capital's major funding source for the past fourteen years. She said future funding of housing and related Community Development activities by the State of North Carolina is currently non-existent, and without those funds, Brick Capital loses earned income. Ms. Kennedy said that the City's responsibility to provide affordable housing and develop projects will be challenged without a viable non-profit organization, such as Brick Capital CDC.

Karen Kennedy asked the Board Members and staff of Brick Capital to stand for recognition.

Council Member Gaskins commented that Brick Capital has done a wonderful job and commended Karen Kennedy for doing a phenomenal job in obtaining State and Federal Grants, and it was unfortunate that Brick Capital is losing state and federal funding.

Council Member Wyhof commended Karen Kennedy on her presentation and said it would help educate the community on the work that has been done. Council Member Wyhof asked Mrs. Kennedy if she had corresponded with any other cities to get ideas as to what they planned to do in order to have a more sustained funding model for their CDC organizations. She commented that this was going to be an issue for everyone.

Mrs. Kennedy replied that she attended a state conference, and had talked with some other Community Development representatives and local government representatives and that Brick Capital was not alone, that communities all over the state were experiencing the same loss of funds. Mrs. Kennedy said the information she received was that other CDC's were reaching out to their local governments, their industries, and communities for assistance in sustaining their

Community Development Corporations. Mrs. Kennedy said that there were some initiatives by some of the state funders to try to get the funding back. Mrs. Kennedy said she would research more cities to see if they had found any solutions for funding.

Council Member Haire commented that in the 1960's, he and Robert Reives delivered newspapers. He said they rode through these same streets that were mentioned in the presentation and structures on these streets, and back then, they were in a dilapidated state. He said it was phenomenal the work that has been done in these areas. He also commented that everyone needs to see the work that has been done to W. B. Wicker School; that it is unbelievable.

Mayor Mann commented that Council, staff and the community should come together to find ways to keep Brick Capital viable. He said stability and revitalization of neighborhoods was very important to a vibrant community and it will become a problem if we cannot come up with alternative solutions. He said he went to school at W. B. Wicker and had a great experience in this neighborhood. He said the preservation of Sanford's history was very important. He agreed with Council Member Wyhof that staff should correspond with other communities to see what their solutions are. He said it was important for the public to understand the impact it will have, if things continue to worsen with the Brick Capital Community Development Corporation. He said Council and staff needed to find ideas for solutions through their circles of influence or wherever it may be.

Mayor Pro Tem Williams commented that Brick Capital has done a great job, but he has not seen any specific financial requests. Mayor Mann said that Brick Capital has corresponded with an estimated financial assistance amount; however, staff is reviewing the proposals and the impact it will have before it is brought before Council for review. Karen Kennedy commented that a request may be upcoming and as a recurring expenditure, it would be an issue for City Council to determine.

Council Member Buckels commended Karen Kennedy for the wonderful presentation, and commented that he personally witnessed the work the CDC has done in this community. He said he hoped the City could find some way to continue the work that CDC is doing for our community. He said he was grateful for Brick Capital and for the work they had done. He said it was one thing to talk about work that is being done, but another thing to see what has been done and the consistency of the work in the community.

Consider Environmental Affairs Board's Recommendation Regarding Hydraulic Fracturing – (Exhibit B)

Environmental Affairs Board Chairman Brooks Gage presented a resolution that was drawn up and unanimously approved by the Environmental Affairs Board regarding hydraulic fracturing. Ms. Brooks asked Council to consider adopting the proposed resolution and then forward it to the Mining and Energy Commission prior to the public information meetings, which will start in August and will be located in Lee County, Rockingham County and Wake County.

Council Member Wyhof thanked Ms. Gage and the Environmental Affairs Board for their hard work in putting this document together. She commented that the Environmental

Affairs Board was created to look out for the interest of the citizens of Sanford to make sure environmental concerns come to light. Council Member Wyhof applauded their work and for bringing this before Council. Council Member Wyhof encouraged Council to consider this proposed resolution.

Council Member Gaskins commented that he felt the resolution should include the fact that the Shearon Harris Nuclear Plant is well within range of being affected by seismic activity. Brooks Gage said they would include this in the resolution.

Council Member Post thanked the Environmental Affairs Board for their hard work on this resolution. Council Member Post asked Bill Tatum, a member of the Environmental Affairs Board, to come to the podium to speak. Council Member Post commented about an article that he read in the Fayetteville Observer last week concerning fracking in North Carolina, specifically Lee County, and in Pennsylvania. He said the article made a comparison of fracking in Lee County to fracking in Bradford County, Pennsylvania. He said he knew Bill Tatum had visited Pennsylvania a couple of years ago and asked Mr. Tatum if Bradford was one of the counties he visited in Pennsylvania, and if so, to explain what he observed while he was there.

Mr. Tatum said he did visit the Marcellus region of Pennsylvania two summers ago. He said he visited the far northeast portion of Pennsylvania where Bradford County is located, then followed the Marcellus region to below Pittsburg at the West Virginia, Ohio borders. He said he stopped in many communities and talked to people on the street, asking their prospective of Hydraulic Fracturing. Mr. Tatum said that he too had read the Fayetteville Observer's articles on Fracking and that the article seemed to intimate that Bradford County, Pennsylvania and Lee County had significant similarities. He said there was nothing about Bradford County, Pennsylvania that was similar to Lee County with the exception of population. He said Bradford County was five times larger than Lee County. He said he contacted Don Kovasckitz for statistical information and Lee County has a density per acre population of 236 and Bradford County, Pennsylvania's density per acre population is 54 per acre. He said this was important in showing that Bradford County was a very rural county. Mr. Tatum said that he also read in these articles in the *Fayetteville Observer* that Bradford County was fortunate to receive \$12.7 million dollars in impact fees in the last two years and in the past four years, their tax base had risen by \$100 million. He said if Lee County could expect this type of windfall, he would be in support of fracking; however, through further research, it was his understanding that under current legislation, Lee County will not derive any income from impact fees. He said it was also his understanding that the current legislation caps ad valorem taxes to 8 percent. He said that he understands, if Lee County is to be the epicenter of fracturing, it will be "risk and reward", Lee County will be taking all the risk and receiving no reward.

Mr. Tatum gave recognition to Council Member Taylor, who made a presentation to the Environmental Affairs Board several months ago. Mr. Tatum said that Mr. Taylor had worked diligently on behalf of the City of Sanford, Broadway and Lee County as a member of the Mining and Energy Commission.

Mr. Tatum commented that the Environmental Affairs Board would not have any objections of including the fact that Shearon Harris Nuclear Plant is well within range of being affected by seismic activity in the proposed resolution. He added that if Council felt anything else should be added, to please let them know.

Council Member Post asked Mayor Mann if staff could investigate this issue and be prepared to give a report of the intent of the State Legislature regarding Fracking. He said it was his understanding that State Legislature was going to cap ad valorem taxes so that when property values go up, the taxes on those properties cannot be increased above a certain percentage, and there will be no impact fees. He said all of the money will go to the State of North Carolina and none goes to the County or the City. He said he would like staff to find out what they could do to possibly deter this.

Mayor Mann said he agreed with Council Member Post's request, and commented that he had been under the impression that Lee County and Sanford would be the large beneficiary of any economic windfall. He said he was for the jobs and investment, but not in favor of the State taking our investment and deploying it elsewhere. City Manager Hal Hegwer said he would have staff to look into this.

Council Member Haire commented that the "Blue Ribbon" oil companies are in Pennsylvania because the land areas that can be fracked are much larger than this area. He said he understands that we would get the "low ribbon" oil companies here, and if they mess something up, they may not have the "deep pockets" to clean up their mess. He asked Mr. Tatum if this was correct.

Mr. Tatum said that the Senate Bill Number 786 that just cleared and is now in the House of Representatives does have a provision requiring oil companies to be bonded. He said the question was whether or not the bonding was high enough to clean up a mess left behind. He said the Environmental Affairs Board discussed in length, how to form a resolution that would address the unanswered questions. He said they had to address the key points, but there were very many questions left open at this point. He said he did not believe the Legislature would give any credit to the Mining and Energy Commission. Mr. Tatum said that in Pennsylvania, Chesapeake Energy wanted to have 640 acres for a fracking site and they needed to have a 10-acre space in the middle of this 640 acres to set up a drill pad. He said they could put as many as five wells on this drill pad. He said the average water consumption per well is 5 million gallons during the fracturing, which would amount to one thousand truck trips, per well, to supply this amount of water to the fracking site. Mr. Tatum said his question was where would the water come from in this area for such wells as these in Pennsylvania?

Council Member Gaskins commented that the North Carolina League of Municipalities has been sending information concerning the new tax regulations that the state legislature is wanting to impose upon the municipalities. He said there were already a lot of restrictions put on municipalities and the fact that Lee County would not be able to receive benefits from fracking, will be extremely critical to Sanford's efforts with the Bond issues.

Mr. Tatum commented that he believed it was a challenge to Council because there were so many far-reaching implications with fracking, and if it were coming to Lee County, then Lee County should benefit.

Consider a Memorandum of Understanding to Work with the University of North Carolina (UNC) on the Building Integrated Communities Initiative – (Exhibit C)

Interim Community Development Director Marshall Downey said that he recently received notification from Dr. Hannah Gill at UNC, that Sanford was selected to participate in the Building Integrated Communities Initiative Project. Mr. Downey said that former Community Development Director Bob Bridwell initiated the application process, and that Mr. Bridwell intends to continue with the project, along with himself and Dr. Gill.

Mayor Mann said he was looking forward to the project and the initiatives of integrating our community. For clarification purposes, Mayor Mann informed Council that this project would not require funding.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2013-2014 – (Exhibit D) Explained Below

Consider Entering a Municipal Agreement with the North Carolina Department of Transportation (NCDOT) for the Beautification of the Roundabouts at US Highway 1 and Hawkins Avenue – (Exhibit E) Explained Below

Consider Entering Into a Utility Agreement with the North Carolina Department of Transportation (NCDOT) to Install a Waterline as Part of the Roundabout Construction on US Highway 1 and Hawkins Avenue – (Exhibit F)

City Engineer Paul Weeks explained the NCDOT is in the process of doing design work to install roundabouts at US Highway #1 and Hawkins Avenue. He said that NCDOT's current schedule is to put the project out to bid in July, select a contractor in August and start construction in September. He said there were a couple of projects the City would like to complete at the same time NCDOT does their work. He said the most efficient way to do this is to let NCDOT's contractor do the work, which would require entering into a contract with NCDOT.

Mr. Weeks said the ordinance amending the annual operating budget is to provide funding for the beautification project, which is \$142,670. Mr. Weeks said they had budgeted \$142,670 in the FY 2014-2015 budget for this project; however, in order to enter into an agreement with NCDOT they had to have the funds in place. Mr. Weeks said this amendment is to take these funds out of the General Fund balance. Mr. Weeks said they will not re-appropriate the funds in the FY 2014-2015 Budget.

Mr. Weeks said one of the City's projects is the beautification of the roundabouts, which the City would enter into a beautification agreement with NCDOT to complete, in an estimated amount of \$142,670. Mr. Weeks said the second project they wanted to contract with NCDOT is the Hawkins Avenue water line extension, which goes up to Deep River Road. He said with NCDOT's construction at US Highway #1 and Hawkins Avenue, it made sense for the City to go ahead and put in their portion of the water line to this area. He said this would require entering into an agreement with NCDOT in an estimated amount of \$799,320.64 for the waterline installation. Mr. Weeks said that when the beautification project and the water line projects are complete, the City will pay any remaining charges.

Council Member Post asked Mr. Weeks how far down Hawkins Avenue the water line would go. Mr. Weeks said it would be installed on the south side of Hawkins Avenue, from approximately the City's side of the gas station to Beach Tree Road.

City Manager Hal Hegwer asked Mr. Weeks to give Council the details of the total waterline project. Mr. Weeks said the waterline project will start at Central Fire Station on Weatherspoon Street and run up Hawkins Avenue, then go up Deep River Road and tie into an existing line there.

Mayor Mann said that the City put in substantial waterline so there is room for expansion.

Mayor Pro Tem Williams asked Mr. Weeks what the goal was for this waterline; had they received any petitions to tie onto the waterline or was it for additional growth of the Industrial Park.

Public Works Director Vic Czar said the waterline was intended to run from Central Fire Station on Hawkins Avenue up the Industrial Park off Deep River Road and will provide redundancy to the existing Industrial Park, the expanded Industrial Park, as well as future capacity, and some capacity to Chatham County in the event they may want more water. He said basically it was for redundancy for the northern part of the County. He said that water was as crucial as power to future industrial clients, and if Sanford is going to expand, then the waterline system needs to be reinforced.

Mayor Pro Tem Williams asked Mr. Czar if the waterline was going toward Cotten Road. Mr. Czar said that this waterline would just run up Hawkins Avenue and would not go toward Cotten Road; however, there is a water line that is currently under construction that will come from Cumnock Road down Cotten Road and connect to the existing eight-inch waterline at Iron Furnace.

City Manager Hegwer commented that we would never want to see any of the facilities in the Industrial Park go without sufficient water supply, because one day without production can cost a tremendous amount of money.

Mayor Pro Tem Williams commented that this waterline would be a backup water line. Mr. Czar said this was correct, that there would be a sixteen-inch waterline coming up Colon Road and this sixteen-inch line coming up Hawkins Avenue will form a loop so if one line fails, the other line can still supply water.

#### Consider North Carolina Department of Transportation Enhancement Grant - (Exhibit G)

Public Works Director Vic Czar informed Council that Division Eight of the North Carolina Department of Transportation has approximately \$600,000 of enhancement funds, which is grant funds that may be available for installation of new sidewalks. He said Division Eight included Chatham, Lee, Hope, Montgomery, Moore, Randolph, Richmond and Scotland Counties. He said staff felt it was prudent to try and receive these funds. He said there was a competitive process for obtaining these grant funds. He said for instance, municipalities that have an approved pedestrian plan would be considered competitive. He said Sanford already has an approved pedestrian plan. Mr. Czar said there was a timeframe on this money, which if

NCDOT does not use it by a certain time; they will lose the money, so the municipalities that are ready stand a better chance of getting the money. He said that it is a requirement that the sidewalks be located within NCDOT right-of-way or a municipality's right-of-way, which Sanford's sidewalk is intended to do. Mr. Czar also said the municipalities will be responsible for design, construction and maintenance after the installation of the sidewalk. Mr. Czar said they had met with NCDOT to show them the projects Sanford is considering, and NCDOT was very excited about some of them, for example the project from Bragg Street to Horner Boulevard, to Seventh Street; Nash Street from Bragg Street to about CCCC; and Kelly Drive from the Wicker Center down to the Community College. He said the intention was to split these up into three separate projects with NCDOT. He said NCDOT's maximum amount for any one project was \$100,000 so we will submit six projects for the maximum amount. Mr. Czar said these projects would connect sidewalks that were not otherwise connected; the high school is involved; and the community college is involved. He said another project they intended to show NCDOT was Fields Drive, by the hospital. He said there are already sidewalks at the Housing Authority Project and the intention was to do a greenway up Carthage Street. Mr. Czar said that Lee Avenue had a good portion of sidewalk; however, there was a good portion missing near the Employment Security Center to Horner Boulevard. He said this was another project they would like to submit to NCDOT, and if approved, there would be walkability from Main Street in Jonesboro all the way to Downtown Sanford. He said the sixth project they planned to submit was the Horner Boulevard project; where there was sidewalk missing from Rose Street north to Weatherspoon Street. Mr. Czar said the downside to this is it will probably postpone the sidewalk by the high school. He said they had advertised for bids for the sidewalk by the high school; however, they had postponed it. Mr. Czar said these projects were supposed to be submitted to NCDOT by June 15, 2014, and they will let us know by June 30, 2014, if the City will be funded. He said there would be a period for municipal agreements, and etc. then shortly after this, NCDOT would like construction to begin by the fall, and there would be a year to complete the project.

Mr. Czar added that in the grassy area at Spring Lane and US Highway #1, NCDOT was going to spray paint a picture of a golf green with a bunker and an arrow pointing toward Pinehurst for the US Open.

Council Member Gaskins asked how long this paint job would last. Mr. Czar said NCDOT would touch it up one time before the women's open is complete. He said they would paint the temporary sign once and touch it up once, and it would last until it is mowed.

City Manager Hal Hegwer commented that NCDOT was very proud of the extra efforts Sanford has put into enhancing our interchanges, saying that Sanford is a great example.

#### Update on U. S. Open – (Exhibit H)

Interim Community Development Director Marshall Downey informed Council of the strategies that have been developed for the promotion of Sanford during the US Open event. He said there was a budget of \$2,500. Mr. Downey said the Planning staff and Public Information Officer Kelly Miller have worked closely with the Chamber of Commerce to develop a three-fold strategy. He said the first strategy is to develop a website with the theme, "Sanford Is Open." He said the second strategy is to purchase approximately one thousand gift bags that will be placed at all the local hotels, so that guests staying at our local hotels while attending the US

Open will have a nice representation of Sanford. He said the materials in these bags would be donated by the business community and would have brochures promoting Sanford's attractions. He said the third strategy is being initiated by the Chamber of Commerce, which is a series of temporary signs that will be put up along US Highway #1 during the US Open event.

Council Member Haire asked Mr. Downey if he had heard from the motels as to how the bookings are going. Mr. Downey said he did not have this information. City Manager Hal Hegwer said from the information he has received, the motels are completely booked.

Council Member Gaskins asked Mr. Downey if the website would be set up with links to golf, restaurants, and shopping in Sanford. Mr. Downey said that it was his understanding that there would be a link to each of these elements; however, Mrs. Miller was the one setting up this website.

Mayor Mann asked Mr. Downey if this temporary signage would be acceptable to the Planning Department. Mr. Downey said that it would be acceptable.

Mayor Mann asked Mr. Downey if local businesses could use these same type temporary signs during the US Open. Mr. Downey said there were provisions in the UDO that will allow for this type temporary signage.

Council Member Buckels asked Mr. Downey what the size of these temporary signs would be. Mr. Downey said the signs would be relatively small, such as, a yard sale sign. Mayor Mann added that these signs would be placed on the right-of-way, so they will be relatively small signs, and also the budget of \$2,500 would not compensate large signs.

Mayor Mann commented that with Council's consent, he would like to consider Other Business next on the Agenda, and then take a five-minute recess before entering into the Budget Workshop. This was acceptable with Council.

#### Other Business

Council Member Gaskins welcomed Council Member Buckels.

Council Member Wyhof welcomed Council Member Buckels to the City Council.

Council Member Post welcomed Mr. Buckels and said he was looking forward to working with him. Mr. Post commented that the residents of Sanford and Lee County needs to pay attention to the issue of fracking, and to write to the representatives that if fracking is coming to Sanford and Lee County, then we need to benefit from it.

Council Member Buckels thanked Council for the process of filling the unexpired term left by the late Walter McNeil, Jr. He said he looked forward to working with Council to improve the quality of life for the citizens of Sanford.

City Manager Hal Hegwer welcomed Council Member Buckels and said he looked forward to working with him. Mr. Hegwer informed Council that he had received information from the Interlocal Committee, which includes members Mayor Mann, Council Member Gaskins and Council Member Wyhof. He said the Interlocal Committee would like to meet prior to the

June 16, 2014, meeting to specifically discuss the joint Economic Development-Community Development facility and the O. T. Sloan feasibility study.

Mayor Mann welcomed Council Member Buckels and commented that he would be a great addition to Council.

Mayor Mann said as Mayor, it is very important for Council Members to notify him or staff if they are going to be absent from Council meetings.

Mayor Mann recessed the meeting for 5 minutes. The meeting was reconvened at 2:45 P.M.

Mayor Mann informed Council that there would be a feasibility study at the Lee County Arts and Community Center, Wednesday, June 4, 2014, at 5:30 P.M. He said the feasibility study was being conducted by architects for a major expansion of the Lee County Arts and Community Center.

#### Budget Workshop – (Exhibit I)

City Manager Hal Hegwer said that Council Member Gaskins, along with some other Council Members, had submitted several questions to the Finance Department. Mr. Hegwer referenced a spreadsheet that the Finance Department had compiled in response to those questions. Mr. Hegwer said that this spreadsheet answered every question that Finance had received to this point.

Council Member Gaskins commented that he was impressed with the speed with which the Finance staff had responded to his questions.

Council Member Gaskins asked City Attorney Patterson to explain why the funds for a Primary Election in May are not included in the FY 2014-2015 Budget. City Attorney Patterson explained that the Statutes that govern the County elections and the City elections are two different statutes. She said the County statutes coincide with the Presidential and State representatives' elections and they have their primary in May and their General Election in November. She said the statutes for cities, with partisan elections, have the primary in September and if a second primary is required it is in October, with the general election in November. She said everything for the elections purposes start after the Fiscal Year July 1. She said the City's election occurs in the odd number years, so it would be included in the 2015-2016 budget cycle.

There was discussion about the request for new vehicles and other major Capital Outlay purchases, such as, a knuckleboom truck, leaf truck, fire pumper and a street sweeper. City Manager Hal Hegwer and Finance Director Beth Kelly explained the depreciation factor of the vehicles and the resale of these vehicles on GovDeals.com. Mr. Hegwer also explained that this was the best time to purchase major equipment based on the existing lower interest rates, and the maintenance expenses related to the existing equipment.

Finance Director Beth Kelly informed Council that staff had a conference call scheduled with the utility auditors to discuss utilities, and she hope to see some relief of utility charges through this audit.

Law and Finance Committee Meeting  
May 28, 2014

Meeting Recessed

Mayor Mann recessed the meeting at 3:55 P. M. until Friday, May 30, 2014, at 12:00 P.M., in the West End Conference Room at City Hall.

Respectfully Submitted,

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T. Chet Mann, Mayor

ATTEST:

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Bonnie Davis, City Clerk