

LAW AND FINANCE MEETING
Wednesday, July 30, 2014
1:00 P.M. in Council Chambers

The Law and Finance Committee met on Wednesday, July 30, 2014, in the Council Chambers at City Hall immediately following the work session held at 5:00 P.M. The meeting began at 6:45 P.M. The following people were present:

Law and Finance Committee:

Mayor T. Chet Mann
Council Member Rebecca Wyhof
Council Member Byron Buckels
Council Member Charles Taylor
City Attorney Susan Patterson

Mayor Pro Tem James Williams
Council Member Sam Gaskins
Council Member Jimmy Haire
City Manager Hal Hegwer
City Clerk Bonnie Davis

Absent:

Council Member Norman Charles Post III

Mayor Chet Mann called the meeting to order.

Closed Session

City Attorney Susan Patterson read a motion to go into closed session in accordance with N.C.G.S. 143-318.11(a) (3) and (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body and to consult with an attorney to protect the attorney-client privilege. So moved by Council Member Sam Gaskins and seconded by Council Member Byron Buckels, the motion carried unanimously.

Consider Update Regarding Solid Waste Collection and Disposal

Operations Manager Tim Shaw explained that Waste Industries has served the City for about one year. He said it is going well and we are getting good service from them. Prior to going to Waste Industries, the City had a 39 percent participation in recycling and today, we have had a 93 percent participation for the last twelve months. Based on the state's average as far as volume, the state average is 300 lbs. per household and we average 367 lbs. per household. Waste Industries' transfer station opened in May. All of our recycling is comingled in 96 gallon containers. There have been about 190 inquiries since Waste Industries took over with a variety of questions.

Regarding tonnage of garbage, in 2013, we were at 7,138 tons; in 2014, that dropped to 6,724 tons of garbage. Regarding tonnage of recycling, in 2013, there were 1,185 tons and in 2013-2014, it was 1,618 tons. Our participation is really good.

Council Member Taylor suggested having the representatives from Waste Industries to come to a meeting and talk about some programs that the City can do to help get our numbers up and to educate the public.

Consider Resolution Authorizing the Advertisement of an Electronic Auction to Sell Certain Personal Property of the City of Sanford - (Exhibit A)

Fleet Superintendent Randy Paschal stated that this resolution authorizes the sale of certain surplus personal property of the City. We are selling on govdeals.com and the auction will go live on August 18, 2014 at 8 A.M. This is our second sale this year.

Consider Entering Into a Revised Lease Agreement with U. S. Cellular for the Spruce Street Water Tank – (Exhibit B)

City Engineer Paul Weeks advised that the City currently has a lease agreement with U. S. Cellular so that they can keep an antenna on our Spruce Street water tank. Recently, they have requested to put more equipment on top of the tank so we entered negotiations with them. This is an amendment to the current lease agreement. We negotiated to an increase of our lease fee by \$500 per month. The lease is for 15 years; three five-year periods and either party can break the lease at the end of the five year periods if you send the appropriate paperwork. We have had no issues with U. S. Cellular.

Consider Awarding Street Resurfacing and Rehabilitation 2014 Contract to S. T. Wooten – (Exhibit C)

City Engineer Paul Weeks explained that bids were received for the 2014 street resurfacing and rehabilitation. S. T. Wooten was the low bidder with a bid of \$376,210. References were checked and all of them came back good. They are a local contractor. Staff recommended awarding the bid to S. T. Wooten.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2014-2015 – (Exhibit D)

City Attorney Susan Patterson stated that the City has received a gift of real estate and closed on it yesterday. The property was 7.38 acres located behind Riverbirch Shopping Center. It was given to us by Riverbirch IVR, LLC and Riverbirch SRE, LLC. The principal mentioned in the company is Ivan Rohrer. We effectuated the transfer so we covered the costs of closing, surveying, and the taxes involved in the transaction. Council appropriated the money last year to pay for those expenses but it was not spent before July 1, so the money has to be reappropriated for the acquisition of real estate. This ordinance reappropriates \$21,600.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2014-2015 – (Exhibit E)

Community Development Manager Karen Kennedy explained that we received \$75,000 in grant funds from the NC Housing Finance Agency for the 2014 Urgent Repair Program. The City and the County have both committed \$5,000 each as a local match for the program. This ordinance appropriates the \$5,000 as the local match.

Consider Grant Project Ordinance – NC Housing Finance Agency – (Exhibit F)

Community Development Manager Karen Kennedy explained that this ordinance sets the project (2014 Urgent Repair Grant) on the City's financial books for the \$75,000 received from the NC Housing Finance Agency and the local match from the City and the County.

Consider Commitment to Provide Local Funding Match for the NCDOT Strategic Transportation Investment (STI) of West Lee Middle School Sidepath (Project B140582) – (Exhibit G)

Community Development Director Marshall Downey advised that we participate in the Triangle Area Rural Planning Organization (TARPO), which is a voice for local governments, which includes Sanford, Broadway and Lee County as a liaison with NCDOT and how they would spend money on projects. In the last several months, they have gone through a new scoring system that they have put in place. We put together a list locally through TARPO, sent it to DOT, went through the scoring process, and one of the projects that came back was the West Lee Middle School sidepath. In talking with Matthew Day, our representative with TARPO, the project has a chance to be funded based on its scoring. One of the things the DOT will need from the City is a letter indicating that the City will be willing to pay the 20 percent; it is an 80/20 project. The reason it is required for this, as opposed to a highway project, is because it is a bike/pedestrian project. Based on some preliminary funding estimates, the project will cost approximately \$460,000 to do the whole project; the 20 percent match/commitment they are asking for is approximately \$92,000. He stressed that the project is not funded; it is just eligible to be funded.

Consider Resolution Authorizing Sanford ABC Board's Adoption of the Travel Policy of the City of Sanford as the Travel Policy of the Sanford ABC Board – (Exhibit H)

City Manager Hegwer stated that the NC General Statutes require that the City approve the travel policy of the ABC Board every year. The ABC Board has suggested in the past and at this point in time, they would incorporate and utilize the City's policy. The resolution states that the City's travel policy will be the ABC Board's travel policy.

Consider Discussion Regarding the Purchase of Sewer System at Industrial Park from Lee County – (Exhibit I)

Public Works Director Victor Czar stated that in November of 2001, Lee County and the City of Sanford got together because the County wanted to expand the existing industrial park. To do this, they wanted to get closer to having a product on the ground and one of the things that was missing was the sewer. Lee County proposed the idea that they would fund the installation of the Gum Fork Lift Station, the gravity line from the existing industrial park to the lift station and the force main coming back to the existing system that the City had. The County would fund it. The idea would be that they would get their money back over time as connections were made; there would be an acreage fee applied. When the County got their money back, the ownership of the lift station would become the City's because the County is not in the sewer business. This was agreed to by both parties. There is another way for the ownership to come back to the City of Sanford and that is for the City to pay whatever portion of funds they have not been reimbursed from the assessment fees. Shortly after that time, the economy did not do well and at that time, it appeared there were going to be some people going in the industrial park fairly quickly and they would get their money back in a short period time; however, that did not happen.

Mr. Czar said that the City can purchase the system for the amount the County has not been reimbursed for; that amount is \$1,489,175.10. The County is not in the sewer business and the City is. He said the intention was for this to have resolved itself before this time. One of the options is to purchase the system from the County. It is a fairly strategic place in the County for urban growth.

Mr. Czar said he has spoken with the County and we could pay this back over three years and it would not be as big a strain on the Utility Fund as opposed to paying it all back at one time. There are some benefits to purchase this system and not go through the Local Government Commission. It is a fairly strategic place for the City to grow; urban growth follows the installation of City sewer and we believe that area will grow. The City needs to take control of the line and manage it in a way that we believe is in the best interest of the City.

Council Member Gaskins asked who has maintained the system. Mr. Czar replied that the City has maintained it; that was part of the agreement. We would maintain it and get certain funds from that assessment; the assessment was based on how many acres connect and the City would receive 1/3 and the County would receive 2/3. There have been no connections to that line at this time. We have made sure that the generator runs and the pumps work. The line was built to the City's standards. It is a 12-inch gravity line and an 8-inch ductile iron force main.

Mayor Mann asked if it is in working condition now. Mr. Czar replied yes and water has been through it.

City Manager Hegwer said that if the City retains ownership of this system, one of the objectives in many Economic Development meetings that have been held is the idea that we do not have a lot of product on the ground for industrial development. There are only two buildings left in the park now that seem to be viable for industrial companies that are looking to add machinery and expand for job creation. Our interim EDC Director Crystal Morphis, has mentioned that the building inventory is getting smaller. One concept is to be more aggressive and consider putting a product on the ground so that once we get beyond these few buildings that are left, there is an opportunity for development as it comes - there is water and sewer available, a roadway and a site. The County has extended and completed the roadway all the way through from the old industrial park to Colon Road so it opens up all that property for development; however, there are no utilities to the site. There is limited infrastructure that has been installed; all parts of the system would serve that site but it needs more work to get it connected to where it could be connected to readily. He said we need to keep in mind that we need to grow in a manner that is consistent and as efficient as possible with the providing of our services. Mr. Hegwer said that staff may come back to Council to discuss extending utilities further.

Consider Letter to Triangle J Council of Governments Regarding a Regional Public Safety Training Facility – (Exhibit J)

City Manager Hegwer advised that he and County Manager John Crumpton received a letter from Triangle J Council of Governments concerning the possibility of a regional approach to public safety training. There has been a small study put together with several triangle municipalities and counties that were interested in a regional training facility that would benefit all Triangle J participants. We were not part of the initial study; however, Wake, Cary, Durham County, City of Durham, Orange County and Chapel Hill participated and now they are moving forward with a feasibility study and asking our interest in the program. Mr. Hegwer said that he and Mr. Crumpton have spoken with each of their public safety agencies and they do not feel it is necessary at this point to participate. The CCCC facilities that exist now already provide area responders with valuable programs. The County has on a ballot an expansion of some of those programs for the bond referendum in the future for the training facility. The police chief has expressed to him that just about any type of training he needs, he can have it within a week or two

through the community college. He said if Council approves, he will write a letter to Triangle J that we will not participate in this study.

Consider Discussion of Visioning Workshop Priorities (Improving Upgrade of Pocket Parks and Public Areas including the Martin Luther King Jr. Park) – (Exhibit K)

Mr. Hegwer stated that at the retreat, a considerable amount of time was spent talking about long-term and short-term priorities. One short-term priority was to upgrade and improve pocket parks and public areas including the Martin Luther King Jr. Park, and long-term preservation of the Depot. He reminded Council that this was part of the initial priorities and was incorporated into the budget; \$75,000 was put in the budget for some type of park improvement. He has spoken with several council members regarding the parks and the consensus he has received is that those parks are well received by the public at this time. They feel that no improvements are necessary at this time regarding fall-safe materials and they feel we could focus in other areas.

Mr. Hegwer referred to a map of the Martin Luther King Jr. Park located along Washington Avenue and Horner Boulevard. We have had some conversations over the years with the Department of Transportation and they came back with some preliminary ideas and but they reshaping some of those ideas. Mr. Hegwer said that we are looking at how we can make the intersection at the Martin Luther King Park, Jr. safer. The DOT is investigating the intersection and will bring us some ideas in the next couple of weeks.

Mr. Hegwer referred to several diagrams (Exhibit K) on ways to improve the intersection that will help the park. It will create better access into the park. The goal is to see how the \$75,000 can be incorporated into a project that the state might consider and also, as the safety is improved in that area, it would allow greater access to potential parking along Washington Avenue. The DOT is conducting a cost-benefit analysis and they will rank it among other requests and come back to staff. If the \$75,000 is not utilized in that project, then we could look and proceed with the area behind the park for access to the park.

Mr. Hegwer mentioned that there is a piece of property that Lee County owns that borders Washington Avenue totaling .10 acres, which the City of Sanford mows. He has asked Lee County about giving it to the City. He wanted to make sure Council was aware of it and okay with the transaction.

Council Member Taylor said that the Martin Luther King Park is a beautiful park and does not want his comments misconstrued. One thing that concerns him is he does not see a lot of use for the MLK Park currently. We have kids that are involved in violence and gangs and the last place he wants to invest in is a serene park. He said we have other opportunities such as in front of Ann and Webb McCracken's house, there is a parcel of land that is owned by the County and maintained by the City and the only thing they want at it is a picnic table. There are other places we can make enhancements, such as park benches along sidewalks. He is not undermining the importance of the MLK Park at all.

Mr. Hegwer added that a safety improvement to the roadway would make the park more accessible.

Mr. Taylor mentioned that now that the City owns the property behind the Riverbirch Shopping Center, maybe a bicycle skills course could be developed with sponsorships on each element so you have money to maintain the park and you do not have to pour money into a park ten to fifteen years down the road.

Council Member Buckels asked for clarification, because we keep saying monument park and which do we consider it – a park or monument. Mr. Hegwer replied that it is a park; he just referred to it as a monument to designate where it is on a map. If there is an event at the park, you have to walk along Washington Avenue and park at the church at the intersection.

Mr. Buckels said if we are going to refer to it as a park, then we need to reflect what a park is or as a monument. His assessment on it is that it is a park and there was some more development going to take place with that area. He would look at the City developing it to reflect what it is - a park.

Consider Draft Commercial Maintenance Code – (Exhibit L)

Community Development Director Marshall Downey summarized the proposed amendment to the City Code of Ordinances to include the new commercial maintenance code. In February of this year, staff was asked to come and do a presentation as part of Council’s visioning process as how to look at different options and how other communities are addressing tools to improve our commercial corridors. In May, staff brought different options to Council that we could explore. Council gave direction to staff to look at adopting a commercial maintenance code.

In 2007, the NC General Assembly adopted NCGS 160A-439, giving cities the specific authority to adopt ordinances establishing minimum standards for maintenance, sanitation and safety for nonresidential buildings and structures. This authority is more commonly known as a commercial maintenance code. As many Council Members are aware of the City’s Minimum Housing Code, the proposed commercial maintenance code would act in very much the same way. The key point is the authority to deal with situations that are “dangerous and injurious to public health, safety, and welfare and identify circumstances under which a public necessity exists for the repair, closing, or demolition of such (nonresidential) buildings and structures.” This authority does not address cosmetic appearance issues.

Mr. Downey stated that the intent of this ordinance would be administered through the combined staff of code enforcement and building inspections. The big advantage this code would have is it would allow staff to address the buildings with issues earlier on and not wait until they are in bad shape. Code enforcement and building inspections would be cross-trained on the code.

Staff is looking at holding some public information meetings to get the word out to the public. Mayor Mann added that there could be a series of meetings for this purpose.

Other Business

City Manager Hal Hegwer announced that the public needs to be aware that the next City Council meeting will be held at 1 P.M., instead of 7 P.M., on Tuesday, August 5, 2014, due to National Night Out activities.

Law and Finance Committee Meeting
July 30, 2014

Council Member Gaskins extended condolences to Public Information Officer Kelly Miller and her family in their recent loss.

Council Member Taylor thanked staff for sticking out with Council tonight. He was glad we held the Law and Finance Committee meeting tonight.

Mayor Mann echoed Mr. Taylor's comments. He said we will have a community National Night Out on the Chatham Street parking lot. He will be attending a Young Commissioners dinner at 5 P.M. They were going to come to the Council meeting and participate; however, with the change in the meeting time, it was cancelled. He praised the Young Commissioners for having interest in civics.

Adjournment

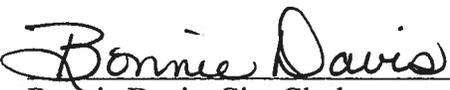
Council Member Sam Gaskins made the motion to adjourn the meeting. Seconded by Council Member Charles Taylor, the motion carried unanimously.

Respectfully Submitted,



T. Chet Mann, Mayor

ATTEST:



Bonnie Davis, City Clerk