

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, June 7, 2016, at 7 P.M., in the Council Chambers. The following people were present:

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

Mayor Mann called the meeting to order. Council Member Taylor delivered the invocation. The Pledge of Allegiance was recited.

PUBLIC COMMENT – (Exhibit A)

Susan Hardy residing at 552 Summitt Avenue, Phil Yarborough residing at 637 Sunset Drive, Joni Martin residing at 1313 Bickett Road, Craig Shore residing at 530 Sunset Street and Richard Hayes residing at 2004 Vantage Pointe, all spoke in favor of the City owning the lot formerly known as “Horner Park.” They would like to see the City beautify and maintain the park for green space in that area.

APPROVAL OF AGENDA

Mayor Mann stated that we need to add a closed session to the agenda. Council Member Wyhof made the motion to approve the amended agenda. Seconded by Mayor Pro Tem Sam Gaskins, the motion carried unanimously.

SPECIAL AGENDA

Proclamation Honoring the Life of William Worth “Butch” Johnson, Jr. – (Exhibit B)

Mayor Mann gave a background of Butch Johnson’s life. He was special to this community and a proclamation cannot catch the real essence of his life. He was a citizen that made Sanford and Lee County a special place. Mr. Johnson was dedicated to public service and served as police officer for the City of Sanford before becoming a Magistrate for the State of North Carolina. He was very proud of his children and grandchildren.

Mayor Mann read the proclamation honoring William Worth “Butch” Johnson and presented a copy to his wife, Charlene, and daughter, Renee Thomas.

CASE FOR PUBLIC HEARING

Public Hearing – Proposed Annual Budget Ordinance for Fiscal Year 2016-2017 – (Exhibit C)

City Manager Hegwer stated that this is the public hearing for the proposed FY 2016-2017 budget. The total budget is \$58,197,501. The budget does not include a property tax increase; however, there are slight increases in the Golf and the Community Development Departments. The proposed ordinance reflects the change of moving the Golf Department from the Enterprise

Fund to the General Fund. Included in the budget are two additional employees in the 911 communication center, which will improve communications and the safety of the overall public; a 2 percent increase in the water and sewer rates; and an additional employee in the Utility Locator position to meet the requirements of the NC 811 requirements. There are capital improvements of \$8 million in the Utility Fund for \$4.5 million for the Central Carolina Enterprise Park and \$3.5 million for the Little Buffalo sewer line. There is a 1 percent cost-of-living adjustment for all employees and the potential of a 2 percent merit option to coincide with their annual review period. Several workshops were held with council members to prepare the budget.

Financial Services Director Beth Kelly explained the changes to the budget ordinance from what was originally presented to Council (Exhibit D).

Community Development Director Marshall Downey explained that Council received a copy of a letter from David Montgomery and a copy of the survey results for the Downtown Sanford Municipal Services District (MSD) (Exhibit E). There has been some General Statute changes as it relates to Municipal Services District. Specifically, the General Statutes now requires that the City of Sanford set the Municipal Services District tax rate after an annual public input from residents and/or property owners within the MSD, so the City does not accumulate excess funds. Excess funds does not necessarily connote carrying a fund balance nor does it prevent saving money for identified long-term capital needs. General Statute §160A-542 (d) requires the City Council to set a tax rate based on current needs, long-range plans and goals for the service district. Funds collected shall be used only for meeting the needs of the district, as determined by the City Council. In order to meet this standard, based on this requirement, and the short amount of time in this budget window, staff used a survey monkey and used an on-line public survey. A total of 200 surveys were sent out and the City received 44 responses, for a response rate of 22 percent. They had less than a week to turn the survey in. We will do this annually and you can contract up to five years once we go through this process.

Mayor Mann opened the public hearing on the proposed budget. Mr. Buckels expressed concern about what the City is charging for late fees. He noted that there are low-income and elderly people who are on a fixed income. He understands the increase in fees; however, the late fee charges are astronomical compared to the same cities we compare our rates. The City charges a late fee of \$20. He asked that Council look at reevaluating those late fee charges.

Mayor Mann asked Mr. Buckels if he was okay with the utility fees and would he be satisfied with a workshop on this matter. Mr. Buckels said he is okay with the fees but not the late fees. If we are saying we are moving forward and not considering making some type of evaluation, he is not okay with it.

Council Members Taylor, Wyhof and Gaskins echoed the same concern that Mr. Buckels had on the late fees. Mayor Mann felt there was a consensus to come back and make this an agenda item to address late fees and evaluate our schedules.

Mr. Hegwer explained that there are ways we can help with some individuals' bills by a voluntary program through our water billing department to round up their utility bills or through donations.

Charlie Hayes, spoke at the public hearing. He moved to Sanford in 2011. For someone who pays utilities when they sign up they understand the fees. There can be some adjustments made but Sanford is left with logistics of scale; Sanford is a blue collar community. The City of Sanford makes their money by selling utilities; that is a bulk of its income. He did not care if you are on a small budget or big budget; it does not matter, you are on a budget. You know that bill has to be paid and there will be late fees. There can be adjustments made but we have to take into consideration, Sanford still has to have the income and if the money is not paid, Sanford has to come up with the money from somewhere else to meet the budget. He ask Council to take that into consideration when they take up the matter.

With no one else requesting to speak, the public hearing was closed.

- Consider Motion to Move the Golf Fund from the Enterprise Fund to the General Fund – (Page 6)
Mayor Pro Tem Gaskins made the motion to move the Golf Fund from the Enterprise Fund to the General Fund. Seconded by Council Member Post, the motion carried in favor with a five to two vote with Council Members Taylor and Haire casting the dissenting votes. Mayor Pro Tem Gaskins noted that when staff went to the bond ratings agencies, it raised a red flag that the Golf Fund was in the Enterprise Fund and he did not want the red flag to be raised.
- Consider Adoption of Annual Budget Ordinance for Fiscal Year 2016-2017 - (Exhibit F)
Council Member Haire made the motion to adopt the annual budget ordinance for Fiscal Year 2016-2017. Council Member Wyhof seconded the motion. Mr. Gaskins clarified that the budget ordinance includes the amendments. Mayor Mann replied yes. The motion carried in favor six to one with Council Member Taylor casting the dissenting vote.

DECISIONS ON PUBLIC HEARINGS

Consideration of Amendments to the Unified Development Ordinance, Article 11 Sign Regulations, Section 11.8.2: Wall Signs by adding a new Subsection 11.8.2.6 Additional Wall Sign Permitted in NC, CBD, TNC, and PUD Zoning Districts and amending Table 11.2: Standards for Permanent Signage in the NC, CBD, TND, and PUD Zoning Districts to reflect that change.- (Exhibit G)

Long Range Transportation Planner David Montgomery explained that a public hearing was held on May 17, 2016, jointly with the Planning Board to add a new proposed amendment to Article 11 Sign Regulations - Section 11.8.2: Wall Signs. It would add a new Subsection 11.8.2.6 Additional Wall Signs Permitted in the NC, CBD, TNC, and PUD Zoning Districts and amending Table 11.2 Standards for Permanent Signage in the NC, CBD, TND, and PUD Zoning Districts to reflect that change. It would allow interior lots in those districts to have an additional wall sign in an off-street parking lot or alley. The Planning Board voted unanimously to recommend approval of the proposed text amendment.

- Consider Ordinance Amending the City of Sanford Unified Development Ordinance – (Exhibit H)
Council Member Buckels voted to approve the ordinance. Seconded by Mayor Pro Tem Gaskins, the motion carried unanimously.

Consideration of an Amendment to the Unified Development Ordinance, APPENDIX A - DEFINITIONS to add a definition of a “**Yard Sale**”. The purpose of this amendment is to clarify that yard sales shall be permitted as an accessory to any residential use and shall not require a zoning permit. Design standards shall be included within this definition.

Community Development Director Marshall Downey explained that a public hearing was held on May 17, 2016, jointly with the Planning Board to add a definition of a “Yard Sale.” The purpose of this amendment is to clarify that yard sales shall be permitted as an accessory to any residential use and shall not require a zoning permit. It furthers clarifies and allows more tools for staff to use to meet with residents to explain what you can and can’t do in the neighborhoods. The Planning Board voted unanimously to recommend approval of the proposed text amendment.

- Consider Ordinance Amending the City of Sanford Unified Development Ordinance – (Exhibit I)

Mayor Pro Tem Gaskins made the motion to approve the ordinance. Seconded by Council Member Wyhof, the motion carried unanimously.

Application by AGA Corporation - to rezone three vacant tracts of land totaling 86 acres +/- off of Commerce Drive from the current zoning of Light Industrial (LI) and Barrington Park Conditional Zoning District (Design #4) to Residential Single-family (R-14). The property is the same as depicted on Lee County Tax Map 9660.01 as Tax Parcels 9660-18-0558-00, 9660-08-9755-00 and 9660-08-5884-00 Lee County Land Records. The subject property is the same as illustrated as Tracts Six, Seven, and an adjoining 76.46 acre tract of land on a survey map recorded in Plat Cabinet 2007, Slide 265 of the Lee County Register of Deeds Office. – (Exhibit J)

Design Review Coordinator Amy McNeill stated that a public hearing was held on May 17, 2016 and the Planning Board recommends that the City Council support the request to rezone three vacant tracts of land totaling 86 acres off Commerce Drive from the Light Industrial (LI) and Barrington Park Conditional Zoning District to Residential Single-family (R-14), to allow for the development of the property in a residential manner even though it is not consistent with the 2020 Land Use Plan designation as Industrial-Commercial-Office and Industrial Park. The request appears to be reasonable and in the public interest based on the availability of public utilities, the surrounding land uses and the zoning patterns in the area. Rezoning the subject property to a residential zoning district would appear to allow the owner to make reasonable use of the land while acknowledging that this area appears to be transitioning away from commercial.

Ms. Wyhof asked if she could discuss what the Planning Board talked about regarding the comments the residents had concerning the traffic pattern at the public hearing. Ms. McNeill replied that the Planning Board discussed the possible future extension of Commerce Drive to Lee Avenue which was a concern to several residents at the public hearing. They commented that the proposed preliminary plat for the subject property, which will be reviewed next, did not actually connect to Lee Avenue and when and if there was a connection from Commerce Drive to Lee Drive, the NCDOT would review the connection and make sure the connection was as safe as possible. Staff did contact the NCDOT after the public hearing to relay these concerns and comments to them so they were aware.

Mr. Hegwer stated regarding the problem with speed on Lee Avenue, staff wrote a letter to the NCDOT requesting them to investigate the speed and make sure it is appropriate for that area. We want to ensure that the DOT will look at this closely.

- Consider Ordinance Amending the Official Zoning Map of the City of Sanford, North Carolina - (Exhibit K)
Mayor Pro Tem Gaskins made the motion to adopt the ordinance. Seconded by Council Member Taylor, the motion carried unanimously.

REGULAR AGENDA

Consideration of a Preliminary Major Subdivision Plat for a 23-Lot Residential Single-family Subdivision Labeled The Park at South Park to be served by public water, public sewer and public streets (all City maintained) with a connection to Commerce Drive. The subject property is a portion of an 86 acre +/- site requested to be rezoned to Residential Single-family (R-14) for which the public hearing was held on May 17, 2016. – (Exhibit L)

Mayor Mann noted that since the Council just approved the rezoning request, this preliminary plat is for Council's consideration.

Design Review Coordinator Amy McNeill explained that Council Members have an 11 x 17 copy of the preliminary plat at their seats. The rezoning request for this subject property was just approved. The developer/owner AGA Corporation is seeking approval of a plat for a 23-lot residential subdivision located within the City limits. All lots are proposed to be served by public water, public sewer, and city maintained streets. There is a total of 15.6 acres within the area and the minimum building setbacks for R-14 are 30 feet from the front; 20 feet from the rear; and 12 feet from the left and right sides. The plat was reviewed by the Planning Board on May 17, and the overall design was allowed to move forward with the board's approval with the condition that all the Technical Review Committee technical comments be addressed prior to recording the final plat. She noted that even though the site has been rezoned to R-14, the developer has expressed a desire to not construct or include sidewalks, which is allowed under the UDO as the average lot size is used to determine if the project is required to provide sidewalks along one side of the street and based on the proposed plat, the average lot size is greater than 20,000 square feet. Therefore, sidewalk and curb and cutter will not be required within this residential subdivision.

- Consider Adoption of Subdivision Plat for a 23-Lot Residential Single-Family Subdivision Labeled The Park at South Park
Mayor Pro Tem Gaskins made the motion to table the subdivision plat. Council Member Williams seconded the motion. Mr. Taylor asked for clarification that if we table the item, what is our next action on what we will do. Mayor Mann said it would stay on the table until someone removes it from the table for discussion. Mr. Gaskins stated that he felt the reason for the hesitancy on the motion was because it has no sidewalks and curb and gutter.

Attorney Patterson stated that the preliminary plat approval is based upon compliance with the ordinance and if it complies with the ordinance, approval is something that Council does not have a lot of discretion on. You may always table a matter for more information and take it up at a later date, so there is no issue with tabling. If our current zoning ordinance does

not require sidewalk, curb and gutter, in the current zoning category, you cannot make it a condition of approval unless you change the UDO ordinance. It has been submitted under the current ordinance which does not require curb & gutter and sidewalks. Council should study the information provided and if it meets the ordinance, Council must approve it.

The vote was six to one in favor to table the preliminary plat, with Council Member Haire casting the dissenting vote.

Consider Request for Right-of-Way Encroachment at 3020 Lee Avenue – (Exhibit M)

City Engineer Paul Weeks informed Council that this is a right-of-way encroachment request from the E-T-N Group located on Juno Street and Lee Avenue. Their consultant would like to install a groundwater monitoring well on the north side of Cameron Drive. They want to do some monitoring of the groundwater in the facility of their former location as required by the NC Department of Environmental Quality.

Mayor Pro Tem Gaskins made the motion to approve the request. Seconded by Council Member Post, the motion carried unanimously.

Consider Resolution to Award the Contract for City of Sanford Sidewalk Improvements Project 01: Horner Boulevard – (Exhibits N & O)

City Engineer Paul Weeks explained to Council that bids were opened on May 19, 2016 and four bids were opened. He referred to a map showing the locations of the project on Horner Boulevard. After reviewing all four bids, the lower bidder at that point and time was Carolina Earth Movers. However, it was found there was a discrepancy in the bid documents; they did not include a unit price on their bid. This makes their bid non-responsive, so staff had to throw their bid out. With three bids left, Jymco Construction Company was the apparent low bidder in the amount of \$141,349. Staff has worked with Jymco before and staff is happy with their work; they are located in Smithfield, NC. They did the sidewalk work at Autumn Oaks.

Mr. Weeks noted that this is a DOT funded project; they are providing about \$114,000 for this work. Council is being asked to consider these bids and award the contract to Jymco Construction Company in the amount of \$141,349, contingent upon Department of Transportation approval. He said we do have the money in the budget for this project and it falls within the budgeted amount.

Mr. Weeks updated Council on the Woodland Avenue and Courtland Drive project. Mr. Buckels asked staff to look at the section located on the end of Washington Avenue and Horner Boulevard at the Stewart Manor apartments. It is a small area of about 10 yards that needs to connect with Horner Boulevard. Many people walk the path and some on electric wheel chairs. Mr. Weeks stated that it is not considered as part of the Horner Boulevard project; however, if there is money left over from the bond sidewalk project, it can be utilized in that area. Mr. Buckels asked staff to consider the project.

Council Member Wyhof made the motion to award the contract to Jymco Construction Company in the amount of \$141,349 contingent upon DOT approval. Seconded by Mayor Pro Tem Gaskins, the motion carried unanimously.

Consider Ordinance Amending the Annual Operating Budget for the City of Sanford Fiscal Year 2015-2016 – (Legal) - (Exhibit P)

Financial Services Beth Kelly informed Council that this ordinance appropriates funds from the Fund Balance in the amount of \$12,000 to the Legal Department to pay for contractual services related to outside counsel. Council Member Taylor made the motion to approve the ordinance. Seconded by Council Member Wyhof, the motion carried unanimously.

Consider An Ordinance to Amend Various Sanford City Code Sections to Clarify Enforcement Mechanisms – (Exhibit Q)

City Attorney Patterson explained that we have been reviewing our ordinances to modernize and improve the ordinances and we have made some changes to our door-to-door sales ordinances, and we will be looking at some changes to our sign ordinances; but this ordinance contains a clarification of enforcement mechanisms to various sections throughout the code. The City has had a section in our ordinance for many years that says each ordinance passed thereafter (since the 80s) will state whether it is to be enforced through civil penalty collected in the nature of a debt owed to the City, or by a criminal penalty. Almost all of our ordinances are enforced civilly. The School of Government has recommended that you amend your code and specifically state that it shall not be a violation of Chapter 14-4 when you violate a civil ordinance, because the General Statutes has a catch-all provision that says “all City ordinances/violations can constitute a violation of the criminal code. The City collects the ordinance violations through enforcement of the debt owed to the City. We are not actually enforcing the ordinance itself, we are forcing non-payment of the debt. This is a comprehensive ordinance that ended many sections of the code. The ordinance lists the general sections and adds a phrase that would state “and it shall not be a violation of NCGS 14-4.” It goes through the different sections of the City code adding that language; it would also remove in the general catch-all provision that a violation of each code would not constitute a misdemeanor, and violations would be punishable by a fine not exceeding \$500 and not carrying an imprisonment or a term of 30 days, which is currently in the ordinance. This is for Council’s consideration to decide whether you want to make these changes. This is the School of Government’s recommendation.

Council Member Taylor made the motion to approve the ordinance. Seconded by Mayor Pro Tem Gaskins, the motion carried unanimously.

Consider First Addendum to Commercial Lease Agreement – (Exhibit R)

City Attorney Patterson explained that staff received a request from Progressive Development Company, LLC, to amend our current lease with them at the Buggy Factory, where we have our one-stop shop for City and County Planning and Land Use Departments. There is some additional square feet that we are occupying that they would like to be paid for. The calculations for the square footage has been divided by the City and the County and the City’s share annually would be approximately \$492.17.

Mayor Pro Tem Gaskins made the motion to approve the first addendum to the Commercial Lease Agreement. Seconded by Council Member Post, the motion carried unanimously.

Consider Request by Progressive Contracting Company to Lease Suite 302, Third Floor in the Sanford Buggy Company Building - (Exhibit S)

Attorney Patterson stated that the current lease with Progressive Contracting Company has a requirement that the landlord seek our approval before they lease space to other tenants. Progressive has submitted a request to lease 2,126 square feet on the Third Floor to Dr. Patterson for his medical office, and this request is before Council tonight for approval.

Council Member Post moved to approve the request. Council Member Post seconded the motion.

Council Member Haire asked how many parking spaces would be required for the new tenant. Joni Martin replied they have six employees and she felt there was adequate parking on the side lot where she parks; usually there are six available spaces on the side lot.

The vote was unanimous to approve the request by Progressive Contracting Company.

Consider Contract for Design Services for Assistance with Sanford Area Wayfinding Plan – (Exhibit T)

Long Range Transportation Planner David Montgomery explained that at Council's retreat, a presentation was made on wayfinding signage and the sentiment was to look at a comprehensive wayfinding signage plan. Staff sent out RFQs soliciting design professional services for the plan. A group of individuals reviewed and evaluated the RFQs and based upon the evaluation, staff is recommending Bizzell Design Incorporated. Staff is seeking approval to negotiate a contract with Bizzell not to exceed \$35,000. The comprehensive wayfinding plan should be completed within eight months with an emphasis on ten signs Downtown to be designed within 60 to 90 days; this is what staff proposed last year for this fiscal budget. As a reminder, staff and the consultant intend to work with the design committee throughout the development of this plan.

Council Member Taylor noted that he spent the weekend in Charlottesville, Virginia and they have done a very nice job with their wayfinding signage and especially their Downtown redevelopment area. He hopes that staff will look at Greenville, South Carolina and Charlottesville, Virginia to consider what they have done.

City Manager Hegwer stated that whatever we do, we need to look at a much larger view of the whole City and how this would progress over time. We do not want to go back and change things. He hopes whatever we decide, we can move forward with it and it would be a signage and platform for the whole City in the future.

Mayor Pro Tem Gaskins made the motion to approve the contract design services. Seconded by Council Member Buckels, the motion carried in favor six to one with Council Member Taylor casting the dissenting vote.

NEW BUSINESS – (Items for discussion and action will only be taken if necessary. Otherwise, these items will be placed on the next agenda for approval.)

Mayor Mann asked if there was any new business to discuss.

Council Member Taylor said that in fairness to the applicant on the AGA project, he would like to see it on the next agenda. In the best interest to the applicant, the applicant applied and did everything he is supposed to do and we need to give guidance and answer accordingly.

Mayor Mann said we have a couple of items that need to be added: (1) Late fees on water and sewer; (2) the sidewalk extension connecting Horner Boulevard and Washington Avenue.

OTHER BUSINESS

Council Member Taylor praised the Police Department for their hard work on the recent shootings in Sanford and how swift they moved to apprehend. It is a great testament to our employees working hard.

Mr. Hegwer thanked Council Members and staff on the countless hours spent on the completion of the budget.

Mayor Mann announced that the City of Sanford, led by Financial Services Director Beth Kelly, has received another Certificate of Achievement for Excellence in Financial Reporting, which is the highest honor you can reach. He thanked Council for working together on the budget and adopting it tonight.

Closed Session

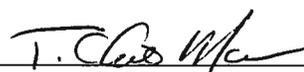
Council Member Haire made the motion to go into closed session in accordance with N.C.G.S.143-318.11(a)(5) to instruct the public body's staff or negotiating agents concerning the position to be taken in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property. Seconded by Mayor Pro Tem Gaskins, the motion carried unanimously.

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

ADJOURNMENT

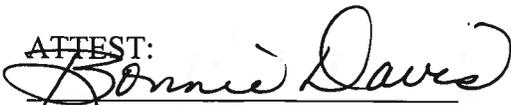
Council Member Haire made the motion to adjourn the meeting; seconded by Council Member Post, the motion carried unanimously.

Respectfully Submitted,



T. CHET MANN, MAYOR

ATTEST:



BONNIE DAVIS, CITY CLERK