

CITY COUNCIL WORKSHOP MINUTES OF THE  
CITY OF SANFORD, SANFORD, NORTH CAROLINA  
Tuesday, July 12, 2016

The City Council held a workshop meeting Tuesday, July 12, 2016, at 5:30 p.m., in the West End Conference Room, of the Sanford Municipal Center, located at 225 East Weatherspoon Street, Sanford, North Carolina. The following people were present:

Mayor T. Chet Mann  
Council Member Byron Buckels  
Council Member Charles Taylor  
Council Member Rebecca Wyhof  
City Clerk Bonnie Davis

Mayor Pro Tem Sam Gaskins  
Council Member Jimmy Haire  
Council Member James G. Williams  
City Manager Hal Hegwer  
City Attorney Susan Patterson

Absent:

Council Member Norman C. Post, III

Mayor Mann called the meeting to order.

**Consider Motion to Take from the Table for Discussion Water and Sewer Late Fees (Exhibit A)**

Council Member Taylor made a motion to take from the table for discussion the issue of water and sewer late fees. Seconded by Council Member Wyhof, the motion carried unanimously.

Financial Services Director Beth Kelly reviewed options on fees previously discussed. Council Member Buckels noted that customers paying one day late and those being disconnected for non-payment are currently paying the same \$20 "late" fee. Mayor Mann pointed out that sending second notices earlier would allow customers more time to pay before the proposed \$15 administrative cost fee is applied. Mrs. Kelly confirmed that the software upgrade scheduled for December would include an option to send notifications by text message. Council Member Buckels suggested using a service such as "One Call Now" that can send 50,000 phone notifications for approximately \$5,000 annually. Ms. Kelly explained that the city's contract with the third-party provider of online payment processing will soon expire and her department has researched companies offering services for notifications and payments by mobile phone.

Consensus was reached to establish an administrative cutoff fee of \$15 for accounts unpaid when the cutoff list is generated. Once this fee is assessed and meter readers are disconnecting service, customers who pay can be removed from the list but the \$15 fee would still apply.

Council Member Wyhof stated that Council must determine when a bill is actually late and when the late fee should be applied. Council Member Williams suggested that accounts not paid by the "due date" (20<sup>th</sup> day of the cycle) should be assessed a late fee and sent a second notice on that day, with the administrative fee assessed on the 31<sup>st</sup> day. Ms. Wyhof suggested sending late notices to accounts unpaid on the 21<sup>st</sup> day (rather than the 25<sup>th</sup> day in the current policy), notifying customers that the late fee would be assessed on the 25<sup>th</sup> day and the \$15 administrative fee would be assessed on the 31<sup>st</sup> day. The time deadline for payments was discussed and Ms. Kelly suggested using 5:00 p.m., since staff would be able to assess payments received in the drop-box before the end of the work day as opposed to using a later time, when receipt could not be verified.

Consensus was reached to send second notices on the 21<sup>st</sup> day of the cycle, to assess a \$5 late fee at 5:00 p.m. on the 25<sup>th</sup> day of the cycle, and to assess a \$15 administrative processing fee to accounts unpaid when the cutoff list is generated (regardless of whether the account is paid before service is actually disconnected).

Mrs. Kelly explained that processing software changes to the bills and notices will take two to three months and that time could be used for public notification of the policy changes.

### **Discussion on Former BB&T Building (Exhibit B)**

Jim Powell, with ADW Architects, stated that his staff was asked to look at the building in Jonesboro, formerly used by Branch Banking & Trust Company (the “BB&T building), and analyze whether there was a feasible and reasonable option for relocating the Financial Services (“Finance”) and Human Resources (“HR”) Departments to that facility. After reviewing the building, he does not feel that can happen due to the way those departments perform their daily work and the building layout. He noted that the building is approximately 62 years old and public buildings are typically designed for an average of 50 to 70 years. It was originally constructed as a supermarket, later used as a bank and was not built to public standards. After that determination was made, his staff developed two options:

- Option 3A uses a more minimalistic approach, with renovations to make the floor plan layout work efficiently and effectively, but the intent would be to minimize renovation cost and only replace finishes and systems where required. The overall estimate of time to implement this option is 45 months at an estimated cost of \$1,091,000, for a total of \$9,021,000, including renovations to existing City Hall.
- Option 3B includes renovations necessary to make the floor plan layout work efficiently and effectively, with finishes equal to the level of those found in City Hall, as well as upgrading the HVAC and electrical systems, upgrading lighting, adding windows, a new roof and other renovation and repairs to provide a facility that will hopefully last another 20 years. The overall estimate of time to implement this option is 51 months at an estimated cost of \$2,055,000, for a total of \$9,985,000, including renovations to existing City Hall.

Mr. Powell explained that his office considered how to reduce previous cost estimates. Since the proposed 2,000 square foot addition for detective and narcotics offices spaces would be very expensive, it was removed and the lower level reorganized, with priority given to needs for processing and interview areas, detectives’ offices and reducing exercise/locker areas and meeting rooms. The left side of the upper level, which will also be used by the Police Department, was slightly reduced with less space for future expansion. The largest part of the upper floor has been totally reorganized, since the previous concept included a separate facility for the Utilities Department, as well as Public Works Administration and Engineering, and the current proposal relocates only Finance and HR, with the other departments remaining at City Hall.

A summary of the steps for Options 3A and 3B was explained by Mr. Powell, describing the logical progression required in each option, including moves to swing space and the relocation of departments for each option.

Council Member Taylor questioned whether retrofitting the sally port had been considered. Mr. Powell confirmed that it had been and there were some possibilities but also some substantial

limitations, specifically with functional flow, which did not work well. Mr. Taylor expressed concern that the first space needs study was done in 2013 and the sally ports could have been retrofitted for interview areas in the meantime. Mr. Powell stated that he couldn't address that specific issue but there are many space issues in the Police Department and simply using the sally port is not a simple solution. There is an entire thought process behind the location of interview rooms and holding areas and how they interact; just because there is extra space in a given location doesn't necessarily mean that it can be upfitted to solve those problems. The relationship between processing and interview rooms, detective and patrol areas is complex, with a synergy in the way they flow together. Modern police departments are designed to incorporate that.

Mr. Powell reviewed a summary of all five options, including estimated time frames (27 to 51 months) and costs (\$9 million to \$14.4 million). City Manager Hegwer reminded everyone that Options 2A and 2B, which include construction of a building for the Utility Department, could be funded through the Utility Fund rather than the General Fund. He also noted that cost estimates were calculated by his firm but also verified by a professional cost estimator. Those figures were close but the professional's estimate was slightly higher.

Council Member Wyhof questioned how much of the BB&T building would be unused and whether completing a portion could be delayed. Mr. Powell stated that he would review the original space needs study but he did not think it was significant. He noted that this would not result in a substantial cost savings since they had taken a very cost effective approach, updating only where needed. The general floor plan layout likely wouldn't change very much and most of the work would still be needed in the initial phase. If the entire building was completely gutted and designed from scratch, a portion could be reserved; however, their approach was to work with the existing layout and to be very cost effective on renovations. Council Member Taylor requested a map showing existing needs and future needs, which Mr. Powell agreed to provide.

Mr. Powell noted that he has been in this business for 31 years, analyzing and renovating many older buildings, including factories from the 1920s. He cautioned Council that this is not an easy project: the BB&T building is 62 years old and it was never designed as a civic building. It can be done but it will not be simple and will be expensive to do properly.

Mayor Mann requested a short recess at 7:15 p.m. for Council members to review the drawings. The meeting was reconvened at 7:25 p.m.

Council Member Haire stated that this was the biggest gross interpretation of a project he had ever seen. The intent was for the building to be a facility where the public could pay water bills, housing ten employees from the Revenue Department and should cost nowhere near the estimates. City Manager Hegwer noted that the Finance Department would need to be relocated with the Revenue Department to accommodate the transactions (collecting cash, making deposits, etc.). HR was included since there was additional space available and in an effort to keep the HR and Payroll Departments together, since employees typically need to deal with both at the same time.

Mayor Pro Tem Gaskins stated that if the purpose was to provide a facility for the public to pay utility bills, the payment kiosks previously discussed were substantially less expensive than any option presented. Council Member Taylor stated that more services are currently needed along the Highway 87 corridor, where much of the recent growth has occurred, and the majority of customers paying bills on the last days of the cycle are located in the Jonesboro area. He also noted that

offering services at the BB&T building would be much more customer-friendly than the current system at City Hall (since the drive through window is no longer available and a long walk is required from the parking area to the Revenue Department).

Public Works Director Victor Czar stated that this process begin with the goal of providing additional space to the Police Department and making it a state-of-the-art facility. Providing a location for utility payments is a different matter. The hope was that these two goals could be merged, to create some synergy and to reduce costs.

Council Member Williams questioned when work should begin. City Manager Hegwer stated that we are not at a “critical mass” point but when considering the Police Department needs, it is not only about space, but how to make the space work for the next 30 years. Mr. Hegwer also noted that there are several options and when a decision involves this amount of spending, it is better to analyze and discuss all options in order to make the right decision. Mr. Williams also noted the need for another Fire Department and questioned whether there was a way to combine that with relocating the Revenue Department. Mayor Mann stated that we are not at the critical mass point for either and he would rather wait to see Sanford busting out of the seams before considering that.

Council Member Taylor stated that he sees great potential in the corner where the BB&T building is located: it has one of the highest traffic counts in the county; \$3,000,000 has been spent on revitalization in Jonesboro; three of the city’s electoral wards have boundaries very near that corner; many customers who make payments in person (rather than by mail or online) live near there; and that area is growing faster than any other in the community. He also noted that the Jonesboro Historical Society, which has raised funds privately, has expressed an interest in funding a mural project in Jonesboro. Council should not delay making decisions about purchasing this property or property for a future Fire Department in the southern portion of the City, because land prices have increased substantially and will likely continue to increase.

Council Member Haire reminded everyone that he had previously considered the old Southern National Bank building (at the corner of Wicker and Moore Street) but it has been sold and the current owner has no plans to sell. He also considered the bank building at the Lowe’s Spring Lane Shopping Center, but that is not an area convenient to the majority of customers who make walk-in payments. There are other properties previously used as banks in the Jonesboro area, but none of them appear to be as convenient or have the easy access that the BB&T building has.

Council Member Wyhof stated that while she does not want to rush into any decision before considering all options, it appears that this building could solve many problems and could be the cornerstone of the Jonesboro streetscape project, especially with its large parking area. It has generated conversation about what we want the character of our city and community to be in the future, and has renewed our sense of civic engagement. While the BB&T building may not be the answer, maybe the location is: perhaps a building should be constructed on that corner or in the Kendale Shopping Center. Mayor Mann agreed that this property has the potential to be the “Buggy Company of Jonesboro” and it could help bridge many needs.

Mayor Pro Tem Gaskins stated his opinion that considering an off-site location serves a totally different purpose than the Buggy Company since it would be removing services from a central location rather than consolidating them. The original priority was to build a police station to meet the needs of that department and we should build to address what is needed.

Mayor Mann acknowledged Council members' input and suggested developing a vision plan after additional discussion.

**Discussion on Quotes to Demolish and Remove Houses Located on First Street and the Jaycee Hut (Exhibit C)**

Public Works Manager Tim Shaw reviewed cost estimates to demolish property owned by the City at 809 Tryon Street (the "old Jaycee Hut"), property owned by the County at 807 Tryon Street and properties recently purchased by the City at 103 First Street, 105 First Street and 113 First Street. The total estimated cost is \$25,855 (including asbestos testing) or \$20,955 for the City's share. Prices do not include asbestos abatement, if any is found at the properties.

Fire Chief Wayne Barber explained that the Fire Department would like to conduct training on the First Street properties, including forcible entry, ventilation, search and rescue but no burning.

Mr. Shaw also received a cost estimate of approximately \$70,000 to move a house similar to those on First Street. A representative of Oldham Movers explained that they would need to be cut into two sections (due to their size), then the walls, roof and foundation would need to be rebuilt.

City Manager Hegwer stated that a budget amendment would be presented to Council for this expense, as well as approximately \$5,000 to \$8,000 for yard cleaning and maintenance.

**Discussion on East Sanford Redevelopment Strategies (Exhibit D)**

Community Development Director Marshall Downey reminded Council that former Community Development Director Bob Bridwell presented several strategies in 2010 for revitalizing East Sanford and that information has been incorporated into current strategies. A map defining the area for planning purposes was reviewed and Mr. Downey suggested a two-prong approach: (1) a long-term strategy to build on momentum from the downtown revitalization and (2) creating a specific land use/redevelopment plan for the area just east of downtown (the transition area between the core business district and the traditional residential areas of East Sanford).

Mr. Downey explained there must be a vision: a strategy for implementation, including funding mechanisms (both public and private), potential partners (and their responsibilities), an agenda or time frame for making the project a reality. This includes the City playing a major role by purchasing property to reduce the private sector risk and by partnering with non-profit agencies to help solicit private investment. This will not be a simple or quick process but it has been the most successful tool in other areas for similar situations.

City Manager Hegwer suggested that this process will take many years unless the City considers public investment in those areas, through cooperating and partnering with property owners, especially those who own several properties. He noted that the Chatham Street revitalization began with public investment (a grant) and private investment came along later, spreading and changing the entire area around it. If Council has the will and the City has the financing, it can be a stimulus for revitalization.

Mayor Mann acknowledged work done by W.I.T.'s Construction on three houses along Charlotte Avenue and referenced work done in Rocky Mount, where an area of the dilapidated Mill Village was refurbished and transformed with a work/live/play concept and a park.

Mr. Downey suggested the focus should be on stabilizing and promoting infill, as well as promoting and protecting the existing community through some type of concentrated code enforcement and community policing. The intent is to build long-term relationships with residents, building self-pride, to work in conjunction with the strategy for the area between downtown and Third Street and to build on that success.

There has also been a clear shift in demographics and population in East Sanford, with a major upward trend in the Hispanic community in this segment of the city. Strategic Services Director Don Kovasckitz reviewed maps and data showing an increase in Hispanic-owned properties from 7.65 percent in 2000 to 26.2 percent in 2016; Hispanic owner-occupied homes increased from 14.7 percent in 2000 to 42.9 percent in 2016. Public school population in East Sanford is approximately 67 percent Hispanic, 24 percent black and 9 percent white. Mr. Downey noted that this data illustrates the importance of enhancing the relationship with the expanding Latino population and referenced the "Building Integrated Communities" project, which is helping bridge the gap and by reaching out to the Latino community.

Mr. Downey explained that the first step in implementation would be for staff to draft a land use/redevelopment plan and develop a realistic time table to complete an inventory. Additional tasks, such as identifying key partners from the non-profit and private sectors, along with identifying funding sources and mechanisms, may be more challenging. He noted that non-profit agencies are critical because of the contacts and relationships they have.

#### **Other Business**

Council Member Byron Buckels asked Council to seriously consider providing a center specifically for area youth and teens and presented a slide show illustrating potential concepts (Exhibit E).

Council Member Taylor stated that his church is constructing a new campus which will include a center to be used by the community and teens during the week and suggested that a facility could be a constructed locally through a public/private partnership. He also expressed condolences to those affected by violence against police officers in Dallas and urged continued support of our local law enforcement officers.

Council Member Wyhof echoed Mr. Taylor's sentiments and suggested that people are looking for leadership.

Council Member Williams stated that a Unity Rally is being planned for August.

Mayor Mann urged Council members to encourage all citizens to participate in the Unity rally and stated his desire that citizens, political leaders and clergy can discuss current issues in the hope of bringing everyone together.

#### **Closed Session**

Council Member Wyhof made the motion to go into closed session in accordance with NCGS 143-318.11(a)(5), to instruct the public body, staff or negotiating agent on the position to be taken on behalf of the public body in negotiating the price or other material terms of a contract or proposed contract for the acquisition of real property. Seconded by Council Member Buckels, the motion carried unanimously.

**ADJOURNMENT**

Council Member Taylor made the motion to adjourn the workshop. Seconded by Council Member Buckels, the motion carried unanimously.

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

Respectfully Submitted,

  
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T. CHET MANN, MAYOR

ATTEST:

  
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BONNIE DAVIS, CITY CLERK