

**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, March 15, 2022, at 6:00 p.m., in Council Chambers. The following people were present:

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

CALL TO ORDER

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

APPROVAL OF AGENDA

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

CONSENT AGENDA

Approval of Ordinance Amending the Annual Operating Budget of the City of Sanford – (Fire Department) - (Exhibit A)

Approval of Ordinance Amending the Annual Operating Budget of the City of Sanford – (Golf Course) – (Exhibit B)

Approval of Resolution to Support Development of the S-Line Rail Corridor and to Provide Local Funding to Match a Federal Grant Opportunity for Station Area Planning and Design Activities – (Exhibit C)

Approval of Renewal of Audit Contract with Joyce and Company, CPA – (Exhibit D)

Council Member Gaskins made a motion to approve the Consent Agenda; seconded by Council Member Salmon, the motion carried unanimously.

Public Notice Regarding New Proposed Library

Mayor Mann read a notice from Lee County regarding receiving public input on the new library project (Exhibit E).

Mayor Mann announced the retirement of Senior Budget Analyst Cindy O'Quinn who has thirty years of service with the City. There is a nice celebration in the hallway recognizing Mrs. O'Quinn and he has passed by her door for eight and one-half years and she always had something nice to say. He wished her well and expressed thanks for her service.

SPECIAL AGENDA

Consider Presentation of Main Street Champion Award to the Public Works Department

Downtown Executive Director Kelli Laudate stated that each year at the NC Main Street Conference, the North Carolina Main Street and Rural Planning Center recognize the efforts of dedicated individuals or groups who have contributed to the success of local programs across the state. Each NC Main Street Program may designate one individual, couple, organization, business partnership or civic entity as their Community's NC Main Street Champion. It is a non-competitive award but this designation honors those persons who have made extraordinary contributions to their Downtown. This year the conference had to be virtual, due to the pandemic. Mrs. Laudate stated that on behalf of the Downtown Sanford Inc., Board of Directors, she would like to honor and thank the City of Sanford Public Works Department for their dedication to Downtown and City. She presented Public Works Director Vic Czar with the Main Street Champion Award.

Public Works Director Vic Czar thanked Mrs. Laudate for submitting the nomination for the award and appreciated the recognition of the Public Works Department employees. He thanked the Public Works employees in the audience and stated that these employees take pride in what they do and they work hard to make it look good in Downtown.

Mayor Mann presented Public Works Director Victor Czar with a key to the City on behalf of the Public Works Department for their efforts and hard work they do in the City.

CASES FOR PUBLIC HEARING

ITEM POSTPONED BY APPLICANT (No public hearing will be held)- Application by Criteria Development, LLC - to rezone two adjoining tracts of land comprising 46.74 +/- acres addressed as 1039, 1040, and 1041 Carthage Street from Residential-Mixed (R-12) to the Reeves Property Conditional Zoning District to allow the development of a 253-lot residential community (103 single-family homes and 150 townhome units) as illustrated on the "Plans for Reeves Property, Overall Site Plan" submitted as part of the application. The subject property is owned by Reeves Farm Landco, LLC and is identified as Lee County Tax Parcels 9642-26-3017-00 and 9642-25-6727-00 as depicted on Tax Maps 9642.01 and 9642.03. – (Exhibit F)

Mayor Mann advised that the applicant requested to postpone the public hearing.

Public Hearing on an Economic Development Project – (Project Frame)

Consider Adoption of Resolution Authorizing the Administration of Grant Funds for an Economic Development Project for Project Frame – (Exhibit G)

Mayor Mann opened the public hearing.

City Attorney Susan Patterson stated that Council previously approved the cost of an economic development project and held a public hearing on it on September 7, 2021. After the hearing, Council approved a performance based local incentive grant award in the amount of \$224,828 on November 16, 2021. Before Council is a potential economic development project including a reimbursable grant from the NC Railroad Infrastructure Grant Program of up to \$300,000 for the construction of a railroad spur to the project site. No local funds are required from the administering entity; however, repayment obligations maybe imposed on the City if the project fails to meet the performance requirements. On this project, the performance requirements are: 263 jobs, 235 jobs for new, full-time and 28 full-time jobs retained, with an annual average wage of \$50,470 and with a minimum annual average wage of \$45,423 and an investment of \$18 million with a minimum investment of \$16,200,000. The company will actively begin using the rail project within 36 months of the commencement date and have a

minimum of 150 rail car shipments over any twelve-month period. The public hearing for the project is tonight and if Council agrees after the public hearing, Council will have for consideration a resolution authorizing the administration of those grant funds and authorizing the signing of certain documents, including giving approval of the term sheet. The term sheet in Council's packet has the details, that she just presented to Council.

Sanford Area Growth Alliance CEO Jimmy Randolph, residing at 3405 Windmere Drive, Sanford, North Carolina, spoke in favor of the project. He encouraged Council to take on the role of administering this railroad grant. SAGA staff has been on extensive conversations with this company and SAGA believes this is a very good project for this community, based on capital investment and the jobs created at well above the County wage. He added that we are competing against another state that has the rail infrastructure in place. This grant would allow this site in Sanford to compete effectively. The company has indicated that they like Sanford and would love to locate here in Sanford and Lee County. The rail spur is essential to the company being able to operate their business here in Sanford.

With no one requesting to speak in favor or in opposition, the public hearing was closed.

Council Member Gaskins made the motion to adopt the Resolution Authorizing the Administration of Grant Funds for an Economic Development Project for Project Frame. Seconded by Mayor Pro Tem Buckels, the motion carried unanimously.

- Consider Approval of Term Sheet – (Exhibit H)

City Attorney Patterson stated that the NC Railroad would like for us to send, if approved, an email saying that we agree to the terms on the term sheet. We will follow that with an agreement post announcement by the company. This would authorize the mayor and city clerk to sign both the agreement and to give the email saying we agree with the terms.

Council Member Taylor made the motion to approve the term sheet and the email request that Attorney Patterson just made. Seconded by Council Member Gaskins, the motion carried unanimously. Mr. Gaskins asked Attorney Patterson if that was satisfactory to include the authorization to sign the agreement following. Attorney Patterson clarified the motion is for approval of the term sheet, authorize the email, and approve the agreement to follow. Council Member Taylor agreed. The vote was unanimous.

REGULAR AGENDA

Consider Contiguous Annexation Petition for Rob Ron's Farm, LLC

Senior Long-Range Planner David Montgomery explained that staff received a contiguous annexation petition for Rob Ron's Farm, LLC. Council has already approved the rezoning of the property.

- Receive Certificate of Sufficiency – (Exhibit I)

City Clerk Bonnie Davis verified that the annexation petition for Rob Ron's Farm, LLC, is sufficient.

- Consider Adoption of Resolution Fixing Date of Public Hearing on Question of Annexation Pursuant to G.S.160A-31 – (Exhibit J)

Mr. Montgomery stated that the resolution sets a public hearing date of April 5, 2022, at 6 PM, for petition of annexation.

Council Member Salmon made the motion to adopt the Resolution Fixing Date of Public Hearing on Question of Annexation Pursuant to G. S. 160A-31. Seconded by Mayor Pro Tem Buckels, the motion carried unanimously.

NEW BUSINESS

- Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2021-2022 - (Finance Department) – (Exhibit K)

Financial Services Director Beth Kelly stated the amendment is to appropriate \$53,088 for the purchase of Tyler Cashiering. Tyler Cashiering will streamline the utility bill payments accepted by our customer service reps. This cost includes new software, credit card machines, check and bill scanners and receipt printers. It will help with the processing and the reconciliation.

Council Member Gaskins made the motion to adopt the Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2021-2022. Seconded by Mayor Pro Tem Buckels, the motion carried unanimously.

- Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2021-2022 – (WTP) – (Exhibit L)

Financial Services Director Beth Kelly stated the amendment is to appropriate \$6,000 to pay for a consulting service to - Strategics Consulting, LLC, - which will help us find opportunities for grants related to the WTP Expansion. The cost will be allocated among five entities based upon each entity's capacity in the plant expansion which include: Chatham County, Fuquay-Varina, Holly Springs, Pittsboro and Sanford. The \$6,000 would cover the City through the end of this fiscal year.

Council Member Salmon made the motion to adopt the Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2021-2022 - (WTP). Seconded by Council Member Gaskins, the motion carried unanimously.

- Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2021-2022 – (Buggy Building) – (Exhibit M)

Financial Services Director Beth Kelly stated the amendment is to appropriate \$8,225 to be paid for the utilities related to power bill at the Buggy Factory. We received an email from Progressive Contracting, informing us that Duke Energy service for the ground floor of the Buggy Factory had never been switched to the City, when we switched to the ground floor. Joni Martin, with Progressive Contracting, had Duke Energy to calculate the amount that we owed since that change in space on the ground floor. One half of the power bill will be reimbursed from the County. The County pays for the telephone service and the City reimburses the County its portion. The City pays the power bill and other utilities at the Buggy Factory and then we invoice the County for their portion.

Council Member Gaskins made the motion to adopt the Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2021-2022 - (Buggy Building). Seconded by Council Member Salmon, the motion carried unanimously.

OTHER BUSINESS


City Manager Hegwer informed Council that we are going to have a workshop next Tuesday, March 22, and one next month to have deeper discussion on some items.

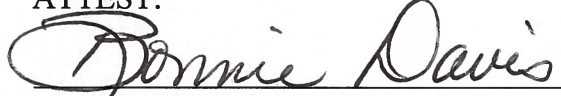
Attorney Patterson stated that we will have some agreements coming back to Council on the railroad project.

ADJOURNMENT

Council Member Gaskins made the motion to adjourn the meeting; seconded by Council Member Salmon, the motion carried unanimously.

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


T. CHET MANN, MAYOR
Rebecca Wyhof Salmon,
Mayor

ATTEST:

BONNIE DAVIS, CITY CLERK