

**SANFORD CITY COUNCIL
WORK SESSION**

Tuesday, April 11, 2023
West End Conference Room
225 East Weatherspoon Street, Sanford, NC

The City Council held a work session on Tuesday, April 11, 2023, at 1:00 p.m. in the West End Conference Room at City Hall. The following people were present:

Mayor Rebecca Wyhof Salmon
Council Member Byron Buckels
Council Member Linda Rhodes
City Manager Hal Hegwer
City Clerk Bonnie Davis
Assistant to the City Manager Holly Marosites

Mayor Pro Tem Charles Taylor
Council Member Jimmy Haire
Council Member James Williams
City Attorney Susan Patterson
Deputy City Clerk Vicki Cannady

Absent:

Council Member Mark Akinosho
Council Member Jean Dabbs

Call to Order

Mayor Salmon called the work session to order and requested a moment of silence to recognize the loss of Council Member Mark Akinosho's wife, Carolyn.

Results of Municipal Service District Survey and Request for Qualifications (Exhibit A)

Senior Long-Range Planner David Montgomery provided background on the boundaries, benefits and authority of the Municipal Service District ("MSD") which was established in 1980 and expanded in 1989. Mr. Montgomery reviewed details of the survey as described in Exhibit A. Mr. Montgomery explained that the survey results explained in Exhibit A will be included with the Request for Qualifications (RFQs), which will be analyzed by staff, then a recommendation will be offered to Council for approval before the contract is awarded.

Mayor Pro Tem Taylor asked Mr. Montgomery to explain the survey response, "Enforce maintenance Standards for Building Exteriors." Mr. Taylor asked if staff could make any changes to address issues such as different color variations of buildings, or other issues at the application stage. Mr. Montgomery replied that this would be addressed in the Downtown Small Area Plan. He said staff will ask the consultant to consider a universal standard so that everyone is on the same playing field; however, there are legalities to consider. Community Development Director Marshal Downey added that enforcement of safety is limited to what the Inspection Department is allowed to administer by North Carolina State Building Code regulations; however, appearance issues are enforced by Code Enforcement.

Mayor Pro Tem Taylor commented that he had received comments concerning the wi-fi service in Downtown Sanford. Mr. Montgomery responded that discussions with Lee County are necessary to create opportunities for improvements.

Council Member Rhodes recognized DSI Vice President Pam Gordan, and commented that at the Main Street Conference in Statesville, she noticed a desire by other municipalities to duplicate Sanford's Downtown. She said she learned at this conference that as we move out of the streetscape phase we should

continue with improvements. She added that parking is an issue in Downtown Sanford and she suggested the Council should have future discussions to address this issue.

Award of Construction Contract for Fire Station #5 (Exhibit B)

City Engineer Sherry Earley reviewed the design of Sanford Fire Station #5, to be located on Colon Road. Ms. Earley said that staff received seven bids on February 23, 2023, as described in (Exhibit B). She explained that Mohammed Construction was the apparent low bidder; however, upon review, his bid documents contained numerous irregularities and omissions. She said based on staff review, the consultant's review, and discussions with City Attorney Susan Patterson, a decision was made to reject that bid and accept the next lowest bidder, which is Carolina Commercial Contractors in the amount of \$7,443,404.28. She noted that alternatives may be added at a later date. Mrs. Earley said staff would present the recommendation to award the Construction bid to Council at the April 19, 2023, City Council meeting.

ADW Contract for Construction Services for Fire Station #5 (Exhibit C)

City Engineer Sherry Earley reviewed the proposed ADW Architects' Professional Services Contract for Sanford Fire Station #5. She explained that ADW Architects did the design work for this project and they are currently under contract; however, the current contract does not include any construction phase services. Staff is proposing an addendum to the existing contract to allocate funds for this service. Thirteen months is projected for the completion of the Sanford Fire Station #5 project. The proposed contract amendment is \$102,250 as described in (Exhibit C.)

Recess

A recess was taken at approximately 1:35 p.m. and the meeting reconvened at 1:45 p.m.

Loan to Sanford Affordable Housing Development Corporation

Mayor Salmon explained that she, along with Council Members Buckels and Williams, should be recused from discussion on this item since they are on the board of Sanford Affordable Housing Development Corporation (SAHDC). Council Member Taylor made a motion to recuse Mayor Salmon, Council Member Buckels and Council Member Williams for review of the proposed loan to SHDC. Seconded by Council Member Rhodes, the motion carried unanimously.

Financial Services Director Beth Kelly explained that SAHDC has an outstanding loan secured by the Wilrik Hotel Apartments, with a balance of about \$245,000. At the last City Council meeting, it was requested that City Council approve a loan to SAHDC to pay off this debt and the loan would not exceed \$245,000 or the payoff amount. She said the loan would be similar to the loan for the HVAC units. This loan will be from ARPA funding, as was the previous loan.

Mayor Pro Tem Taylor asked how many operational units were available the Wilrik building. Mrs. Kelly said that currently there are 26 units occupied out of a total of 41 units and fifteen units have already been updated. She said the renovation of these units will be done as cash flow and operating expenses allow. This loan would allow approximately \$2,500 in monthly cash flow to be spent on rehabilitation of units. Mrs. Kelly added that the interest rate for this loan would be three percent and SAHDC will have to sign a promissory note for this loan.

Mayor Pro Tem Taylor asked for a consensus to approve this loan; the consensus was favorable. Ms. Kelly explained that a budget amendment will be presented to Council for approval at the April 18, 2023, City Council meeting.

Presentation of Employee Wellness Programs and Employee Recruitment and Retention Recommendations (Exhibit D)

Human Resources Director Christy Pickens reminded Council that the Wellness program was introduced in 2017, and the diabetes program, hypertension, and biometric screening programs were added in 2019. She reviewed the attached report (Exhibit D) and noted that PPCN is the administrator of this program. PPCN reaches out regularly to individuals who have been diagnosed with diabetes and hypertension and she will be asking that they initiate a new campaign for recruiting enrollment. Mrs. Pickens added that staff sends out information to individuals for recruitment purposes and the information is also included within the newsletter. Active participants must attend at least five meetings annually with a pharmacist manager and have four visits annually after the first year. Participation incentives are two \$60 gift cards annually and a \$0 co-pay on program related medications. Program information is confidential and the information was compiled by the provider, not staff. Mrs. Pickens reviewed the statistics of the average cost per individuals with diabetes, which is detailed in Exhibit D and added that there were improvements in the baseline blood pressure, cholesterol and A1C levels in program participants.

Council Member Taylor suggested offering a mid-point (six-month) check-in for participants but Mrs. Pickens explained that the program administrators were not always available and there was less interest in participation with the idea of having to check-in twice per year.

Mayor Pro Tem Taylor asked Mrs. Pickens if there was any data related to which City Department had the most participation in the Wellness Program. Mrs. Pickens said she did not have any specific information related to the ratio of departmental participation.

Mrs. Pickens explained that 67 percent of the City's workforce population are active participants in the Waist and Weight Incentive Participation Program. The incentive for participating in this program is \$250 and 78 percent of participants achieved their goal.

Council Member Rhodes commented that these results show a change of life-style, as opposed to waiting until the last minute to comply with the incentive. Mrs. Pickens added that hopefully, the City will start seeing more participation, not only for their health and wellbeing, but for the health and well-being of the financial process.

Mayor Pro Tem Taylor mentioned that it had been discussed to change the check-in review process of the Waist and Weight Program to twice per year, as opposed to once per year. Mr. Taylor added that he has heard rumors that individuals will fast prior to their check in appointment in order to meet their goal. Mrs. Pickens said they had investigated the issue of twice per year check-ins; however, there is a cost associated with changing from once per year to twice per year. She said this was something that could be explored but most employees are not showing an interest in changing because there is no incentive associated with a six-month scenario. Mr. Taylor added that since the City is paying for the insurance, this could be made a requirement for the program, because goals should be maintained throughout the year. Mrs. Pickens said if Council so desires, she will investigate the six-month benchmark.

Mayor Salmon questioned whether there were strategies to encourage additional participation. Mrs. Pickens explained that this program is confidential and the information is between the individual and the pharmacist case manager. Mrs. Pickens added that the program is publicized in the employee newsletter and email. She said an option to include dependents could be explored.

City Manager Hal Hegwer noted that this program is very accessible and easy to use; hypertension is often noted at screenings and weigh-in sessions. Mayor Pro Tem Taylor said that he spoke with a gentleman from Asheboro who spearheads this program and this individual's suspicion was that 75 percent of individuals that met their goals, did so in the last quarter before weigh-in sessions. Mr. Taylor said he would like to see a six-month benchmark rather than an annual screening, because hypertension could be determined at the six-month screening, as opposed to waiting until the yearly screening. Mrs. Pickens commented that the incentive (\$120) could be broken down to half for the six-month benchmark and the other half at the end of the year. Mr. Hegwer said staff will investigate and try to improve the process.

Health Insurance Renewal for Plan Year 2023-2024 (Exhibit E)

Human Resources Director Christy Pickens said she has received the Self-funded Medical Claims Analysis and projected funding for the July 1, 2023, renewal, from Broker Mark Browder with Marks III Employees Benefits. Based on the claims analysis, an increase in funding of two percent is advised for continuation of employer coverage requirements. This results in an approximate increase of \$83,079 annually. She added that there are no recommended changes to dependent premiums for plan year 2023-2024 and no recommended changes to the plan design. Plan approval by council is needed outside of the normal budget process to meet notification requirements of the PPACA and enable employees to prepare for the upcoming annual benefits open enrollment period in May. She added that staff is not recommending that this cost be absorbed by employees and that the last time we provided an increase to dependent coverage cost was in 2016.

City Manager Hal Hegwer said staff does not typically bring budgetary expenses before Council this early; however, this decision has to be made at this time. Mayor Salmon reminded Council that the City of Sanford is self-funded, and we need to bank funds for high-cost claims.

Mayor Pro Tem Taylor asked if employees were getting their prescriptions filled with generic drugs or other alternatives. Christy Pickens replied yes, generic drugs were being used for alternatives. Mayor Salmon noted that this item will be on the Consent Agenda at the April 18, 2023, Council meeting.

Improvements to Holidays and Vacation-Annual Leave Policies (Exhibit F)

Human Resources Director Christy Pickens noted that several months ago, Council asked staff to evaluate some programs that may assist in employee relations, specifically for recruiting and retaining employees for the Police Department and other departments, and adding programs across the entire organization. Mrs. Pickens said that management felt that it may be beneficial to review the City's current benefits, policies, and programs for improvement. She said staff recommendations include non-budgetary and budgetary proposals. Mrs. Pickens reminded Council that there were some changes last year, including a \$15 per hour minimum wage starting pay; increased tuition reimbursement from \$2,000 to \$2,500; and the Gaskins/Tuberville CCCC scholarship. She said staff considered transferring an individual's local government vacation accrual from other government organizations, and also considering career ladders for all departments; the City already has career ladders in place for several departments. We want to be more formalized to reach career goals; however, at this time the current staff is not able to handle such a massive project. Mrs. Pickens said she may request another employee next year, or hire a consultant to do this work. They are currently considering revising vacation accrual by increasing each tier level by 24 hours in order to remain competitive with surveyed local governments in our surrounding area, including Lee County, who offers 30 hours more than our current vacation leave policy. Mrs. Pickens informed Council that she may come back before Council after the surveying is complete and noted that there would be no budgetary consequence if this proposal is accepted by Council.

Mayor Pro Tem Taylor asked Mrs. Pickens if there would be a cap on the amount of time that can be accrued. Mrs. Pickens replied the cap will still be 240 hours and any amount over 240 hours will be transferred to sick leave.

Mayor Pro Tem Taylor asked Finance Director Beth Kelly what financial impact the proposed additional accrual would have on individuals with 30 years of employment with the City of Sanford? Mrs. Kelly replied that most longer-term employees retain the 240-hour balance in order to roll over into creditable service at retirement. She added that the dollar amount will not change other than cost of living increases or merit pay.

Human Resources Director Christy Pickens informed Council that staff is also recommending that the City increase the number of holidays the currently offer. Employees currently receive from eleven to twelve days per calendar year, depending on which day Christmas falls. She said staff is recommending a three-day Christmas Holiday (regardless of which day Christmas falls) and add Juneteenth as a holiday. She said this recommendation is in line with results obtained from a recent survey of local governments.

The consensus of Council was favorable for the proposed holiday increase and to allow Juneteenth as a holiday in the current fiscal year.

Regarding budgetary items, Ms. Pickens said staff recommends Council consider revising our longevity plan to expand employee eligibility from five years of service to two years of service. She said the City's highest time of turnover is within the five-year period, and she believes this would help in retention of employees and improve employee relations. Staff is recommending that council increase the current longevity tier levels by one percent. This cost estimate for this recommendation would result in an increase of approximately \$204,000.

Mayor Salmon questioned if this recommendation would be presented as a part of the FY 2023-2024 budget review and approval process. City Manager Hal Hegwer replied that it would be.

Mayor Pro Tem Taylor asked Mrs. Pickens if she had data indicating trends in reasons for individuals leaving employment with the City of Sanford with less than five years of service. Council Member Buckels asked Mrs. Pickens if individuals expressed their reason for leaving employment with the City during exit interviews. Mrs. Pickens replied that the reason is typically for more opportunities and personal reasons. However, she has had some individuals express that their reason for leaving is for financial reasons and because they do not have the tools and resources they need.

Mrs. Pickens explained that in regards to the bilingual incentive, staff has had discussions with the Equity Task Force and she officially introduced a bilingual proficiency premium program that will recognize employees who have direct communication with residents and visitors of Sanford, which will strengthen our relationship with the Hispanic and other communities where English is their second language. This premium program incentive would be paid in a lump sum to the eligible employee. These individuals would be required to pass an on-line proficiency test administered by a third-party. The estimated cost of this program to be \$26,000, which will include the incentive and the fee for administering the program.

Mrs. Pickens introduced the proposal of a paid dental program. The City currently offers three different voluntary options ranging from \$31 to \$155 monthly, depending on the plan. Staff conducted a survey of surrounding local government agencies and it indicated that it is becoming more prevalent for employers to provide dental plans for employees. Mrs. Pickens said the cost to implement this proposal

would be approximately \$114,000 to offer only a low plan to employees, with the option to buy-up into the high plan if they desire or Council could also consider providing the high plan which would cost approximately \$181,000. She said staff will present details of the different plans to Council for review.

Mayor Pro Tem Taylor asked Mrs. Pickens if the City could offer a vision plan and she said that vision programs are also being offered in surrounding local government agencies. A free eye examination is included in the City's current health plan but it doesn't offer hardware compensation.

Mayor Pro Tem Taylor expressed a desire that staff include details of a vision plan for employees for Council to review.

Recess

A recess was taken at approximately 2:45 p.m. and the meeting reconvened at 2:52 p.m.

Strategic Framework Discussion (Exhibit G-1, G-2, G-3)

Assistant to the City Manager Holly Marosites reminded everyone that Triangle J Council of Governments assisted the City of Sanford with creating the Strategic Framework plan beginning at the 2022 Council retreat. She said the plan going forward is at or around retreat time. The Strategic Framework Plan will be reviewed and updated if necessary. She noted the five goals Council adopted in the Strategic Framework as shown on attached Exhibit G-1 and stated that Council uses this plan as a guide when making budgetary decisions.

Ms. Marosites reviewed the goals of the Strategic Framework Annual Report with Council Exhibit G-2, as well as the key accomplishments that were fulfilled to meet those goals. Ms. Marosites said this report, which was previously distributed at Retreat, will be presented annually to show milestones achieved toward goals Council has established. She added that this report was created prior to the 2023 Retreat and therefore, only included accomplishments prior to retreat.

Ms. Marosites reviewed the Strategic Framework – Staff Feedback Report (*Exhibit G-3*) that was created February 2023. This report outlined Strategic Framework Goals, as well as Council feedback on any changes to be made in opportunities for reaching these goals. Ms. Marosites explained that the red markup on the report indicates suggestions from staff.

Upon review of the Strategic Framework Goals, Council suggested changes and additions to the proposed Strategic Framework as shown in Exhibit G-3 and as follows:

Goal 1: Economic Opportunity for All

- A. Explore Opportunities to Partner with Central Carolina Community College and Lee County Schools including public and private, to improve workforce opportunities.
 - Empower Sanford Area Growth Alliance (SAGA) to develop a gap analysis for the Lee County Promise Program
 - Encourage stakeholders to explore workforce and vocational opportunities, e.g., the E. Eugene Moore Manufacturing and Biotech Solutions Center.
- B. Improve Public Transportation and Mobility Options.
 - Explore feasibility of micro-transit (e.g., Via Ride Share)
 - Continue partnership with NCDOT to explore mobility hub – rail/multi-modal station along S-Line Corridor
 - Continue to partner with NCDOT on mobility improvements throughout the city

- C. Develop Target Industries to Provide Diverse Workforce Opportunities
 - Tailor recruiting efforts to companies that provide large and diverse opportunities
 - Direct SAGA to develop a strategy to position Sanford as a regional hub for the life sciences industry

Goal 2: Preserving and Creating Affordable Housing

- A. Support Housing Initiatives
 - With relevant stakeholders, develop a comprehensive look at development
- B. Increase Access to Affordable Housing
 - Explore criteria to identify areas of opportunity
 - Explore changes to land-use policies to increase affordable housing opportunities (e.g., UDO and accessory dwelling units)
 - Continue support of Brick Capital CDC's homebuyer education and housing counseling
 - Identify and develop strategies to maintain existing affordable housing amid market changes
- C. Improve the Condition and Number of Affordable Housing Properties
 - Continue to fund urgent repair and single-family rehab programs
 - Continue partnerships with non-profits
- D. Develop and Improve Programs to Address Homelessness
 - Continue to support S3 Housing Connect Initiative
 - Encourage collaboration among agencies that provide homeless services

Goal 3: Vibrant Downtowns (*Sanford and Jonesboro*)

- A. Develop and Implement Strategies to link Sanford and Jonesboro
 - Explore the feasibility of establishing a Municipal Service District in Jonesboro
 - Develop strategies to jointly market downtown Sanford and Jonesboro
 - Study mobility improvements between downtown Sanford and Jonesboro – walkability, public transit, corridor improvements (landscaping, streetscapes, lighting)
- B. Improve Mobility
 - Continue to improve walkability/bike-ability through partnership with NCDOT and improvements to development codes
 - Express to NCDOT Horner Boulevard safety concerns
- C. Address the Changing Needs of Residents
 - Make use of vacant buildings for business in Sanford and Jonesboro
 - Direct SAGA to develop a strategy to position Sanford as a regional hub for the life sciences industry
 - Identify and take advantage of public/private opportunities in downtown
 - Continue to support the RISE Program and examine changing program needs
 - Direct SAGA to investigate the viability of a downtown incubator
- D. Continue to invest in public infrastructure
 - Develop plan for expanding streetscape and other infrastructure improvements
 - Public/private partnership for site-specific redevelopment – utilize developer agreement to partner with the private sector (e.g., Singer Building)
 - Invest in First Street Initiative through improved public space at Sanford Central Green

Goal 4: Planning and Infrastructure for Growth

- A. Leverage Sanford's Water and Sewer Assets for Managed Growth
 - Invest in distribution and collection system
 - Develop and implement long-range plans to allow for strategic infrastructure investments
 - Capitalize on regional opportunities

- B. Develop and Maintain Plans
 - Enhance long-range growth planning
 - Continue discussions on urban growth boundaries
 - Continue to update UDO and other land use ordinances
 - Review other planning documents

- C. Address the Changing Needs of Residents
 - Update, adopt, and implement Parks Master Plan
 - Construct and staff a new fire station

- D. Leverage Highway Corridors
 - Enhance street lighting along corridors
 - Create and enhance corridor standards
 - Increase staff capacity to enforce existing corridor standards
 - Continue to partner with NCDOT on transportation planning initiatives

Goal 5: Engagement

- A. Support Programs that Help Grow Future Community Leaders
 - Continue Sanford 101 Program
 - Participate in SAGA's Leadership Sanford, the RISE Program and youth leadership opportunities

- B. Develop Improved Information Dissemination Strategies
 - Strengthen core identity to welcome new residents and build a stronger connection with them – investigate options to distribute information
 - Enhance and market existing tools such as subscribed alert system, website, the Project Hub, and City Facebook page
 - Publish and regularly update the Resident's Guide to Municipal Services
 - Ensure all City information is bilingual

- C. Strengthen Local and Regional Partnerships
 - Continue engagement with Broadway and Lee County
 - Look for ways to collaborate and partner outside Lee County

- D. Develop Diverse Community Building Programs
 - Explore opportunities to advance equity
 - Explore how parks can continue to bring the community together
 - Explore opportunities through citywide events
 - In leadership program (ex. Sanford 101 and Leadership Sanford), recruit individuals who reflect the full diversity of the community. Leverage past participants' organizations and relationships to continually widen and deepen the pool of informed and inspired current and future community leaders

- E. Engage the Various Cultures in Sanford
 - Engage the diverse population
 - Continue to explore opportunities
 - Consider other Sister City opportunities

Assistant to the City Manager Holly Marosites noted that she would present the updated version of Strategic Framework to Council for approval at a future date.

Boards, Commissions and Committees

To be reviewed at a later date.

Quarterly Projects Update

To be reviewed at a later date.

Other Business

Council Member Williams asked Community Development Director Marshall Downey what was happening at the former Brass Kettle location on Horner Boulevard. Mr. Downey replied that according to information provided to the TRC, this is one of three sites that has been identified as a potential Sheets location.

Council Member Haire commented that W. B. Wicker's Birthday is incorrect on the mural located on Horner Boulevard near Wicker Street. He said he researched Mr. Wicker's Death Certificate, which documented his birthday. Mr. Haire said he contacted Nancy Kimble to inform her of this error. Mr. Haire added that another mural in Sanford referencing the opening night of baseball season, to be at Temple Field. Mr. Haire exhibited a copy of a flyer (Exhibit H), which indicated the field was called Temple Park at the time and not Temple Field, and at some time this should be change on the mural. Mr. Haire added that the City-owned lot on Third Street is perfect for a house that could be utilized as affordable housing in our community.

Mayor Salmon asked that everyone keep Council Member Akinosho and his family in our prayers in the loss of is wife Carolyn.

Closed Session

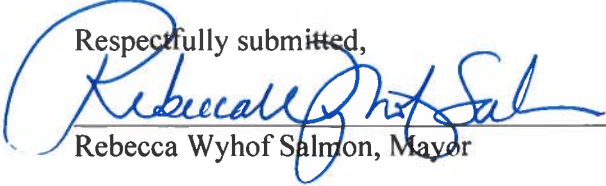
Council Member Buckels made a motion to go into closed session in accordance with N.C.G.S. 143.318(11)(a)(1), to prevent the disclosure of information that is privileged or confidential pursuant to the law of this State or the United States or not considered a public record within the meaning of Chapter 132 of the General Statutes; and (3), to consult with an attorney employed by the public body in order to preserve the attorney-client privilege. Seconded by Council Member Rhodes, the motion carried unanimously.

Return to Regular Session and Adjournment

Council Member Rhodes made the motion to adjourn. Seconded by Council Member Haire, the motion carried unanimously.

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

Respectfully submitted,


Rebecca Wyhof Salmon, Mayor

Attest:


Bonnie Davis, City Clerk