

**MINUTES OF
ELECTRONIC MEETING -
CITY COUNCIL OF THE CITY OF SANFORD
SANFORD, NORTH CAROLINA**

The City Council held an electronic meeting (Office Suite HD) on Tuesday, July 21, 2020, at 6 p.m., with the Mayor presiding from the Council Chambers of the Sanford Municipal Center, 225 E. Weatherspoon Street. The following people were connected (“present”) and participated remotely in the meeting:

Mayor T. Chet Mann
Council Member Sam Gaskins
Council Member Charles Taylor
Council Member Rebecca Wyhof Salmon
City Manager Hal Hegwer
Deputy City Clerk Vicki Cannady
City Clerk Bonnie Davis

Mayor Pro Tem Byron Buckels
Council Member Jimmy Haire
Council Member Norman Charles Post, III
Council Member James Williams
City Attorney Susan Patterson
Engineer Intern Mary De Pina

CALL TO ORDER

Mayor Mann called the meeting to order and noted that Council members were all connected and citizens were provided information prior to the meeting on how to join the meeting, which was recorded for viewing later. He will call for a roll-call vote due to the electronic connections.

Council Member Taylor gave the invitation and Mayor Mann led in the pledge of allegiance.

APPROVAL OF AGENDA

Council Member Gaskins made the motion to approve the agenda. Seconded by Council Member Post, the motion carried unanimously through roll call vote.

CONSENT AGENDA

Consider Resolution Directing the Clerk to Investigate a Petition for Annexation Under G.S. 160A-31 – West Landing Subdivision (Exhibit A)

Consider Ordinance to Erect Stop Signs Within the City of Sanford – Chapter 36, Traffic – Code of Ordinances – Valley Road at Intersection with Lakeland Drive (Exhibit B)

Consider Ordinance to Erect Stop Signs Within the City of Sanford – Chapter 36, Traffic – Code of Ordinances – Valley Road at Intersection with Rockwood Drive (Exhibit C)

Council Member Gaskins made the motion to approve the consent agenda. Seconded by Council Member Taylor, the motion carried unanimously through a roll call vote.

NEW BUSINESS

Consider Ordinance Amending Annual Operating Budget Fiscal Year 2020-2021 – Safety and Security Access Control at Service Center (Exhibit D)

Financial Services Director Beth Kelly explained that the ordinance appropriates \$100,000 of Fund Balance to Public Building; these funds are for safety and security access control at the Service Center. Part of the money has been requested through the CARES Program with Lee County. As soon as we receive the memorandum of understanding approved with the County, we

will have a budget amendment, that will replace part of this Fund Balance.

Council Member Taylor made the motion to adopt the Ordinance Amending Annual Operating Budget Fiscal Year 2020-2021 – Safety and Security Access Control at Service Center. Seconded by Council Member Gaskins, the motion carried unanimously by a roll call vote.

Consider Resolution Declaring the Intention of City Council to Consider Closing of an Unopened Street South of 1002 Hawkins Avenue (Exhibit E)

Senior Long-Range Planner David Montgomery explained that the resolution declares the intention to close an unopened street south of 1002 Hawkins Avenue. This request is by Lee Dark, which borders two of his properties. The resolution sets a public hearing for Tuesday, August 18, at 6:00 PM., at the Dennis Wicker Civic Center. (Mr. Williams connected to the electronic meeting at 6:10 PM).

Mayor Pro Tem Buckels made the motion to adopt the Resolution Declaring the Intention of City Council to Consider Closing of an Unopened Street South of 1002 Hawkins Avenue. Seconded by Council Member Salmon, the motion carried unanimously by a roll call vote.

Consider Resolution Declaring the Intention of City Council to Consider Closing of a Portion of an Unopened Alley West of 228 Charlotte Avenue and a Portion of an Unopened Alley North of 107 Second Street (Exhibit F)

Senior Long-Range Planner David Montgomery explained that Lawrence Curtis is requesting this closure and owns property east of the first closure and part of the 102 Second Street. He is looking to redevelop that property and looking to add more land to it.

Council Member Post made the motion to adopt the Resolution Declaring the Intention of City Council to Consider Closing of a Portion of an Unopened Alley West of 228 Charlotte Avenue and a Portion of an Unopened Alley North of 107 Second Street. Seconded by Mayor Pro Tem Buckels, the motion carried unanimously by a roll call vote.

Consider Resolution Declaring the Intention of City Council to Consider Closing of an Unopened Portion of Columbine Road at its Southern End (Exhibit G)

Senior Long-Range Planner David Montgomery explained that this request comes from Tom Joyner, who owns two properties east of the requested road closure, as well as the property identified as owned by Charles Hazelwood and partnership; that property is currently landlocked and he is wishing to possibly sell that for someone to develop on it. This will go before the Board of Adjustment this Thursday night in regards to the lot width requirement. Depending upon approval by the Board of Adjustment, we will move forward with the public notices. If it does not pass, he will notify Council and remove the public hearing.

Mayor Pro Tem Buckels made the motion to adopt the Resolution Declaring the Intention of City Council to Consider Closing of an Unopened Portion of Columbine Road at its Southern End. Council Member Gaskins seconded the motion. Attorney Patterson confirmed for the record whether the motion and second are contingent upon approval of the variance. Mr. Buckels and Mr. Gaskins amended their motion to include contingent upon approval of variance. The amended motion carried unanimously by a roll call vote.

Consider Update on Sales Tax Receipts (Exhibit H)

Financial Services Director Beth Kelly explained this is a sales tax analysis that Mr. Hegwer and she reviewed this last month. She explained that the customers pay the businesses the sales tax, then the businesses remit the tax to the state. The State remits the taxes to the City. The City received April's sales taxes in July. April sales were down due to the Stay at Home order by the Governor due to COVID-19. She budgeted 5.02 percent for FY 2020-21 based on what the League of Municipalities was projecting. This is information to keep you informed on the monthly sales. The 5.6 percent reduction seems lower than what is projected across the state; however, it takes us a little longer to receive the final numbers. We are waiting to see how it is going to impact us over the next few months. Mr. Gaskins asked if she knew if there was a lag on internet sales. She thinks they have to be paid the next month after collection.

Consider Utility Payment Plan Policy – Executive Order 142 (COVID-19 Moratorium on Disconnections (Exhibit I)

Financial Services Director Beth Kelly explained this is an updated version of what was discussed last month since Executive Order 142 extended the prior Executive Order 124. She had previously brought a payment policy and it was discussed at a prior meeting. She just updated it with the new dates, assuming there is no extension by Governor Cooper. If extended, she will have to bring back to Council another payment plan policy.

Mayor Pro Tem Buckels asked if we can modify the payment plan? She replied that it is a blanket policy; as far as the Executive Order, there are some things the Executive Order requires that we follow which is you have to have six months past a certain date. She is not sure if there are other types of specifications or changes Council would want to make; she will have to make sure it does not negatively impact the Executive Order 142. Mr. Buckels stated that he knows we gave a grace period of five months and on the average if someone is paying \$35 to \$40 on their water bill and now we give them six months to pay it back, then it sounds like we are doubling what they cannot already pay at first. Is there any way that it could be a certain percentage such as 5 to 10 percent to pay it back? Mrs. Kelly replied that they would not have five months outstanding. First of all, not all of our accounts are outstanding by three or four months; we do have some accounts outstanding that have not paid since April 1, when it came into effect; the most you will have is four months outstanding. You would total the amount divided by six months. Mr. Buckels was concerned that some individuals will not be able to pay the bill back in six months because if you don't pay the full amount, you can disconnect them. Mrs. Kelly replied yes. When they sign the agreement, the City has the Executive Order to disconnect them if they do not make the payment by the due date it is due. Mr. Buckels said he is trying to see if there is an alternative plan to put in place that is not so burdensome on the citizen who cannot pay it, possibly charge them a certain percentage each month on the payment plan and apply it to their bill every month. Mrs. Kelly replied that with software, we have to continually bill out the new month of consumption and we are not able to just add it in to the same bill, which is why we have the payment plan separately and we would contact the customer and we would arrange the payment amount with them, based on the policy Council approved; it cannot be combined with the regular bill, we are offering two other times during the month to pay that if they want to or they can keep it with the same time. If they don't have the extra money at the time their normal bill date is due, then they have additional time and they can choose another day of the month to pay that additional bill. It cannot be combined with the regular bill and we are offering two times a month to pay it. The requirement of Executive 142 says that you cannot give less than six months to pay it. We are offering nine months to repay it, if the total amount due is \$500 or over. Her concern about spreading it out too much is the cost to the City. Whenever staff is running a separate bill run for the additional

amount, and if they are not collected, we have to send meter readers out to cut customers' services on and off. We do not have these additional costs because we just typically cut on and cut off every month. In the last few months, there is going to be additional staffing needs/cost related to extending out payment plan any more than the nine months we are offering for those who are over \$500 owed and less than \$500 owed for six months.

Council Member Gaskins made the motion to adopt the Utility Payment Plan Policy Executive Order 142 (COVID-19 Moratorium on Disconnections. Seconded by Council Member Haire, the motion carried in favor by a six to one roll call vote. Mayor Pro Tem Buckels cast the dissenting vote.

Consider Discussion/Presentation of Providing Sewer Service to Brookhaven Subdivision (Exhibit J)

City Engineer Vic Czar stated that at the last meeting, there was a presentation of a proposed subdivision that was annexed and came for rezoning on Tramway Road which backs up to the existing Brookhaven subdivision. This subdivision came up initially as a private lift station installation because it does not meet our criteria typically for a public lift station installation. It does not serve an area large enough to meet our criteria, but there are some compelling reasons why it makes sense that it was a public lift station. One reason is the fact that the residents will get a city water bill and just continuity of water and sewer service in that area. Also, this area is going to get connected to the City in some way (the city limits can grow out in that area very easily). The third thing there is an existing sewer line not very far downstream. There is a vacant piece of property between Brookhaven and that existing sewer line, which when it develops, it is very likely that it will develop with sewer. The proximity of sewer to that property makes it much valuable with sewer than without and that would get it right up adjacent to Brookhaven. The subdivision that got annexed and rezoned is at the top of the hill and sewer flows by gravity, so it goes down through the new subdivision through Brookhaven, then to that existing sewer line (displayed on map). He displayed a second map which showed the recently annexed section. The existing 18-inch sewer line is to the east. The dash line is what it would take to get to the existing sanitary sewer line up to the subdivision where the proposed lift station is located. Staff believes the rough estimate is \$650,000 to run the sewer line to the private lift station, which is what needs to happen for Brookhaven to be served with sewer. It is a significant amount and that is the reason we allowed a private life station. We do allow private lift stations when the cost to get gravity sewer to it exceeds the cost of a private lift station by more than 2.5 times and that private lift station will cost approximately \$100,000. There is no reason to move the proposed lift station downstream, because when you look at Section A, it is \$350,000 and at that price, their recommendation is to install that Section A to eliminate maintenance of a lift station because maintenance of a lift station cost more than the maintenance of gravity sewer lines. There are 57 lots in Brookhaven; the sewer line it would take to get the proposed subdivision to the existing sewer line would provide 17 of those lots, so that means 40 lots would be remaining that would not have city sewer. It would take another 3,000 feet or a little more to serve that and estimated cost would take \$930,000 to serve the other 40 lots. It is pretty expensive sewer installation to benefit all the lots in Brookhaven. We debated this initially when this matter came up because we recognized a private lift station is not the best idea most of the time. It is our belief that Pine Lakes Mobile Home Park will probably get developed with sewer; it would get it much closer to the lift station and maybe at that point, the City could try to connect the two to eliminate the maintenance needs of the lift station.

Mr. Williams asked about the cost to each lot? Mr. Czar replied that it depends on how you look at it; if there is an extension made through the subdivision, it would cost approximately \$650,000

and he did not know if that is something you would choose to assess or not because that is the cost to get sewer to those lots. So if assessed, the total cost to each lot would be about \$30,000. If the City participates to some degree and allow the 17 lots to have sewer and only assess the remaining 40 lots, it is \$25,000 per lot. You would have to figure it out to make it equitable throughout the subdivision. You would have the question of annexation also. If you look at where Brookhaven is located, it seems to him that the City could grow in that direction or around it. It would be a donut hole if you do not require annexation as part of consideration for receiving city sewer. Services are affected by a donut hole. There is no reduction in cost that the developers are paying that would help the residents in Brookhaven.

Mayor Mann stated that we do not know how many people would be interested in sewer in the Brookhaven subdivision and the interest level would be determined by their cost. Council Member Salmon asked staff to reach out to the people who were asking about sewer and let them know about the preliminary cost and also that the matter was looked into.

Consider Discussion/Presentation of Cumnock Village Annexation and the City's Annexation Philosophy (Exhibit J)

Community Development Director Marshall Downey presented a two-part powerpoint presentation on the Village of Cumnock. As Council recalls, staff brought a petition from the property owners of the Village of Cumnock in February. At that meeting, Council had a lot of questions and decided to table the request. The purpose of this presentation is for staff to give more in-depth background about how we got here to the petition received in 2019 and in July 2020. As part of that discussion, staff would like to talk about the annexation philosophy and how it may apply to this area in combination with the Land Use Plan, utilities, fire service, etc.

In 2011, staff was approached by the owners about rezoning several acres located at the intersection of Highway 421 and the "new" Highway 421 Bypass. The owners were looking at new development opportunities that may be presented as their properties were in close proximity to the new interchange of the 421 Bypass. The first action was to submit a request for conditional rezoning for 128 acres closest to the intersection. The owners wanted to create a conditional zoning district focused on commercial. At the time, the owners felt there was real opportunity for some type of commercial such as truck stop, convenience type store when the Bypass opened. They also gained control of several other properties. The request was brought forward in November 2011 and was approved by the Lee County Board of Commissioners. Within the next six months to a year, they came back to staff and indicated that they had gained control of several more properties. In working with them, staff agreed to look at a master plan to look at the different areas they had and the different land use types. They had a mix of high and low density residential, as well as commercial and industrial uses.

Staff conducted three to four neighborhood meetings in the community at Buds Barbecue. Upon conclusion, is the master plan that the county was presented. Mr. Downey referred to a map entitled Village of Cumnock Rezoning – 2013 and displayed the various zonings. The Village of Cumnock Master Plan - Tract 1 was approved in 2011. The large blue area PUD/CZ is important; it is the property that the owners want to move forward with high-density development R-6 and MF-12 in 2019, which will necessitate access to public sewer. The City of Sanford has the ability to deliver this service but our policy requires a petition for annexation. What they are looking at in 2019-2020 in terms of rezoning, is fundamentally the same. The map shows a combination of 116 acres of single-family; about 14 to 15 acres of multi-family and about 21 acres of neighborhood commercial. You

would have a mixed-use development; they used the term – Planned Unit Development (PUD). It is almost the same proposal they presented in 2013.

Mr. Taylor asked if this presentation will be made public on the City's website so that the residents in Cumnock can view this document. Mr. Downey replied that they can do that but to keep in mind as staff moves forward with it, there will be public neighborhood meetings as was done in 2013. Mr. Taylor added there is a lot of talk that the residents do not know what is happening with this project and he would like for transparency reasons to allow the residents in that area to know what is going on. Mr. Downey stated that the applicant is always willing to work with staff and there would be a couple of neighborhood meetings due to COVID conditions. If Council would like to move with annexation; the next step would be to work with the developer to set up an in-person event at the Civic Center.

Mr. Downey explained that the second part of the presentation is about the Land Use Plan and explained why it does not necessarily reflect this being a growth area, etc. He referenced the 2013 Wastewater Master Plan that Planning staff participated in with the Public Works Department. It shows the growth area based on where our existing sewer was and where there is a likelihood of expanding the sewer, based on current lines in 2012-2013. Sewer is not an issue for the Village of Cumnock; the developer can tap into it. When staff drafted the Master Land Use Plan, staff looked at this area and strongly considered it. Ultimately, they did not include it in the growth area because the US #1 and US 15-501 corridors became the primary target for growth area but there were factors that would dictate that it could be. It was not known how active the US Highway 421 corridor would be.

The Fire Department indicated that the City's existing arrangement with the Northview Volunteer Fire Department could be expanded to cover this area. Mr. Downey explained that discussion was held regarding land being donated for a fire station by the developer of Galvin's Ridge. Mr. Hegwer stated that we could hire nine additional firemen at Northview Fire Station. Northview Fire Department has a sub-station right around the Cumnock subdivision. Our goal, long-term, would be to put nine additional firemen at the Northview Fire Department and we have them in the budget for this year and we are having conversation now with Northview. Ultimately, as discussed, we would add an additional fire station in the Deep River Road area very close to Galvin's Ridge subdivision. Both would need to be done over time. Staff feels that area is going to grow very quickly. We are coming back with a SAFER grant to obtain those additional firemen. Staff was informed by the County, as we approached Northview Fire Department and County administration about converting Northview's Fire Station, that the fire marshal stated it would be a change of use to accommodate additional personnel. The Fire Station was also designed initially to accommodate firemen and then the fire station did not accommodate it; it was used more for administrative staff and there were no sleeping quarters year-round. We are looking at having to make an investment in the Northview Fire Department in order to make the sleeping quarters available for the firemen. Staff was not aware of the issue when we prepared the budget.

Mr. Downey stated that the request to direct the clerk to investigate this petition was tabled at Council's meeting on February 18, 2020, and staff is seeking direction to place the annexation petition back on the agenda for consideration. If Council decides to move forward, staff will work with the applicants regarding the conditional zoning process and schedule neighborhood meeting and public hearing.

Mayor Mann asked if Council wanted to revisit this matter. It was the consensus of Council to bring it back to Council for consideration.

Other Business

Mayor Pro Tem Buckels said someone approached him and indicated that they were not able to listen to the audio and he is not sure what happened. Hopefully, staff can look into this matter.

Mr. Gaskins stated that Duke Energy left a mess on Hermitage Road, where a tree fell on a power line, and asked if there was anything we can do to get the subcontractor to clean it up. It is a recurring problem with Duke Energy. Mr. Hegwer said we will do our best, but we share the frustration. In many cases they are not required to clean it up. Mr. Gaskins asked if there are state restrictions where we clean it up and invoice Duke and its contractors; we put liens on other individuals. Mr. Hegwer replied that we will check on it.

Mayor Mann stated we had some actions taken last night with the County and the County is asking the City to take over some of the parks and discussion needs to be held at an interlocal committee meeting.

Mayor Mann thanked the public for remaining calm as we move forward during this pandemic. It is becoming more apparent to wear a mask to reduce the spread of COVID 19 and not have mass gatherings in public places.

ADJOURNMENT

Mayor Pro Tem Buckels made the motion to adjourn the meeting; seconded by Council Member Salmon, the motion carried unanimously.

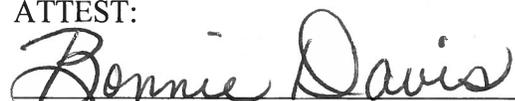
ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THESE MINUTES.

Respectfully Submitted,



T. CHET MANN, MAYOR

ATTEST:



BONNIE DAVIS, CITY CLERK