

MEBANE CITY COUNCIL
REGULAR MONTHLY MEETING
MAY 5, 2008

Members Present: Tim Bradley
Ed Hooks
Bob Hupman
Patty Philipps
Everette Greene

Mayor Stephenson called the Regular Monthly meeting to order at 6:00 p.m. in the City Council Chambers of the Mebane Municipal Building. Ed Hooks gave the invocation.

Mayor Stephenson brought to the Council's attention an invitation from Ed Cathey of NYPRO Carolina to tour their new facility.

City Attorney Charles Bateman requested authorization of joint municipal representation. Mr. Bateman explained that a meeting between representatives from Mebane, Graham and Burlington took place on May 1, 2008 to discuss further action as the Jordan Lake Rules are set to be considered for adoption by the North Carolina Environmental Management Commission and then by the North Carolina Legislative Rules Review Commission. Mr. Bateman went on to explain that the City of Burlington, as the lead agency, has consulted with a law firm in Raleigh which specializes in representation before these agencies and has recommended that the Cities jointly retain the firm to represent the Cities interest and advise as the rules process continues. The total contract amount is \$30,000. Mr. Bateman stated that Burlington would commit to \$20,000 and Graham and Mebane each would contribute \$5,000. Mr. Bateman recommended that the City of Mebane agree to participate in this amount.

Bob Hupman made a motion, seconded by Tim Bradley, to approve the request for authorization of joint municipal representation. The motion carried unanimously.

Everette Greene made a motion, seconded by Patty Philipps, to amend the budget in the amount of \$5,000 for the City of Mebane's contribution towards joint municipal representation. The motion carried unanimously.

City Manager Robert Wilson presented the proposed 2008/2009 Budget. No tax increase is being proposed, with the tax rate remaining at \$0.50 per one hundred dollars of valuation. A 4% salary increase for both full time and part time employees was included. No monies were included for consideration of merits. Mr. Wilson proposed two new positions in the Inspections Department. The positions would include 1 inspector and 1 clerk. He discussed capital projects which have been completed and those that are still underway. Mr. Wilson stated that other projects under consideration for the 2008/2009 budget year include the renovation of the old recreation center and the municipal building. Mr. Wilson proposed a 3% to 4% increase in both water rates and sewer rates. A Public Hearing date to consider the 2008/2009 Budget was set for June 2, 2008 at 6:00 p.m.

Mayor Stephenson called Officer W.M. Hargrove to the front of the Council Chambers for the purpose of recognition for a Class A Commendation (Life Saving). Mayor Stephenson read aloud a letter from Police Chief Terry Caldwell which gave an account of the successful life saving efforts of Officer Hargrove. Mayor Stephenson presented Officer Hargrove with a plaque honoring him for his heroic actions.

The Council received a request from EYC Companies on a proposed development at Ashbury. Ellis Coleman spoke concerning the request. He stated that this development would be a community health and wellness center located at the front entrance of the existing Ashbury subdivision. Mr. Coleman gave an extensive overview of the intended uses for the development. Proposed uses for the development included a medical fitness center, active adult senior center, wellness center and other office uses.

Sterling Stevens of Centrepont Architecture, Raleigh, NC presented further renderings of the proposed development. After further discussion, no formal action was taken.

The Council received a request for approval of a Resolution Opposing Realignment of County Line. Councilmember Tim Bradley spoke concerning this request. Councilmember Bradley asked for Council's consideration to go on record strongly opposing moving anyone that bought property with the understanding that it was in one county and now are subjectively being moved to another county without their permission.

Tim Bradley asked to be recused from voting on this matter do to the fact that his residential property adjoins the county line in question. Ed Hooks made a motion, seconded by Everette Greene, to recuse Tim Bradley. The motion carried unanimously.

Mayor Stephenson stated that Jeanette Evans signed up to speak during the public comment period, however since the subject she wished to speak on was the matter at hand, he stated that her comments would be heard now.

Jeanette Evans, N. Ninth Street, Mebane, spoke in opposition of the county line realignment. She stated that she battled this issue in the late 70's and thought it had been resolved. Ms. Evans pleaded with the Council to stand up for Mebane's citizens in opposition of the realignment.

Councilmember Greene asked City Manager Robert Wilson and City Attorney Charles Bateman to attend the Public Hearings to represent the City of Mebane.

Ed Hooks made a motion, seconded by Everette Greene, to adopt the Resolution Opposing the Realignment of County Line. The motion carried unanimously.

Ed Hooks made a motion, seconded by Patty Philipps, to have Tim Bradley rejoin the meeting. The motion carried unanimously.

The Council received a request from Clem Letendre of Overtime Restaurant & Sports Bar to amend the Unified Development Ordinance (UDO), Sign Ordinance Section, to

allow for a HD digital display board to be placed at a distance of 850 ft. between signs as opposed to the 1000 ft. as required in the UDO. Mr. Letendre also requested allowance of a larger sign, 14 x 48 (672 sq ft), which is greater than the permitted size allowed in the UDO. City Manager Wilson stated that along with those 2 areas, a third area in which Mr. Letendre's request doesn't meet the requirements is the permitted zoning district. He stated that Mr. Letendre's property is zoned B-2, and that the new UDO states that outdoor advertising signs are only permitted in M-1 and M-2 zoned districts.

After much discussion, Mayor Stephenson recommended that Mr. Letendre meet with City Manager Robert Wilson, City Attorney Charles Bateman and Planning Director Montrena Hadley to discuss changes to be made in order to bring the request back to the Planning Board. It was the consensus of staff and Mr. Letendre to do so.

Police Chief Terry Caldwell requested a budget amendment in the amount of \$27,000 to replace the agencies telephone recording system. The purchase of this equipment will aid the department in meeting C.A.L.E.A. standards. Ed Hooks made a motion, seconded by Tim Bradley, to approve the budget amendment as requested in the amount of \$27,000. The motion carried unanimously.

The Council received a request to approve an overall budget amendment for any over expenditures in the City's Departments. City Manager Wilson stated that staff will report to Council any amendments that are made. Bob Hupman made a motion, seconded by Ed Hooks, to approve an overall budget amendment. The motion carried unanimously.

The Council received a request from Dick Holt, Commander with the American Legion, Mebane Memorial Post 95, for a waiver of Item 7 on the Street Closing Guidelines, which states that the City may require evidence from the requesting party to show proof of liability insurance. Along with the wavier, the request is for consideration to close one block section of W. Center Street and Third Street to W. Clay and Third on Sunday, May 25th from 1:30pm to 3:30pm. Ed Hooks made a motion, seconded by Patty Philipps, to approve the request to waive Item 7 and to close the requested streets during the specified times. The motion carried unanimously.

Ken Stafford of Alley, Williams, Carmen & King, Inc. gave a report on the April 29, 2008 Bid Opening for Renovations of the Old Recreation Center and Municipal Building. Mr. Stafford reported that four bids were received for the Municipal Building and five bids were received for the Old Recreation Center. He stated that all bids were very competitive. Mr. Stafford stated that the low bidder for the recreation center project was submitted by H.M. Kern Corporation of Greensboro. Their base bid was \$1,203,000. Kern had the second lowest bid for the municipal building project at \$1,772,000. Kern's proposal also included a \$3,000 reduction in bid price for each project if awarded both projects.

The low bidder for the municipal building project was Lomax Construction, Inc. of Greensboro at \$1,770,900.

The low combined bid for both projects (from H.M. Kern) totaled \$2,969,000. Based on the bid numbers, the overall budget for construction of both projects, including construction on both the Old Recreation Center and Municipal Building, construction administration and contingences, totaled \$3,200,000. A recommendation was made to award the bid to H.M. Kern, the lowest bidder, should Council decide to award both projects.

After the report, Mr. Stafford gave a power point presentation showing the proposed renovation plans. By motion of Tim Bradley, seconded by Bob Hupman, the Council unanimously voted to tentatively award the contract to the lowest bidder, H.M. Kern, subject to the decision of the Local Government Commission on financing.

During the Public Comment period, Lenny Stout spoke in representation of the Board of Directors and general membership of the Mebane Historical Society. She stated that the desire of the Historical Society is to see the renovation of the Old Recreation Center move forward. She thanked Council for allowing the Mebane Historical Society to house their museum within the Old Recreation Center. Ms. Stout expressed several concerns they hope to see addressed during the renovation.

Mayor Stephenson called for a short recess, and then called the meeting back to order.

A Public Hearing was held on a request for approval of a Resolution of a Financing Agreement for the Renovation of the Municipal Building and the Old Recreation Center. City Attorney Charles Bateman spoke concerning the request. Mr. Bateman stated that consistent with the Council's approval of the bids for the two facilities, Finance Officer Elaine Hicks and City Manager Robert Wilson, solicited proposals from area banks for long term financing for the two projects. He stated that five bids were received for the financing, with interest rates ranging from a high of 4.55% to a low of 3.52%.

Mr. Bateman commented that after review of the proposals, it is staff's recommendation that the contract for the financing be awarded to the Bank of America, who made a proposal of an interest rate of 3.52% on a fifteen (15) year term for a total amount of \$3,200,000.00 which would cover the cost for both projects. He stated that it is the staff's opinion that the cost of this financing can be handled by current budget items. Mr. Bateman also said there would be no increase in tax revenues necessary to finance this project.

No one from the public spoke concerning the matter.

Bob Hupman made a motion, seconded by Patty Philipps, to approve the Resolution Approving Financing Terms as stated. The motion carried unanimously.

A Public Hearing was continued on a request from Ross/Deckard Architects for a Special Use permit to allow for the development of an apartment complex. Mayor Stephenson stated at last month's meeting a motion was made and seconded to deny the request, however a substitute motion was made to delay action until tonight's meeting. Mayor

Stephenson explained that the Public hearing is closed and no further evidence would be heard and only a decision was to be made on the original motion. City Attorney Charles Bateman agreed with Mayor Stephenson and stated that Attorney Lawson Brown had requested, on behalf of TCG Mebane, LLC, Council's consideration for procedural relief. Councilmember Philipps stated that she thought Mr. Brown should be heard.

Attorney Lawson Brown of Vernon, Vernon, Wooten & Brown, stated that he was not present at last month's hearing. He stated that TCG Development and the property owner are requesting that Council officially reopen the public hearing. Mr. Brown stated that city staff had informed him that in order to reopen the public hearing, a re-advertisement of the public hearing would be necessary. Mr. Brown told Council that his client is willing to bear the cost of the re-advertisement. He stated that this would allow them to come back and present some essential points that were not presented at the last hearing.

Councilmember Philipps made a substitute motion to reopen the public hearing at Council's regular monthly meeting in June. Mayor Stephenson stated that a second motion failed and a vote should be made on the original motion to deny.

After some discussion, Councilmember Phillips again made a substitute motion to reopen the public hearing in June. Councilmember Greene seconded the motion. Mayor Stephenson called for a vote, Ayes- Greene, Philipps and Nays- Bradley, Hooks, Hupman. The motion failed with a 3-2 vote.

Mayor Stephenson called for a vote on the original motion to deny the request, Ayes- Bradley, Hooks, Hupman and Nays- Greene, Philipps. The motion passed with a 3-2 vote.

A Public Hearing was held on a request from Sandvik, Inc. to close Dogwood Court lying between Dogwood Way and a Dead End in the Carolina Industrial Center. John Taylor, Project leader for Sandvik, spoke on behalf of the request. Mr. Taylor stated that the street closing would allow for future expansion of Sandvik. He stated that they are currently in negotiations with Heritage Properties to acquire the property on the west side of Dogwood Court for future growth.

Stephanie Davies, spoke on behalf of Heritage Properties. She stated that Heritage Properties supports the street closing.

Patty Philipps made a motion, seconded by Ed Hooks, to approve the request for the street closing of Dogwood Court lying between Dogwood Way and a Dead End. The motion carried unanimously.

The Council received a request for approval of an amendment to the Engineers Agreement between the City of Mebane and Alley, Williams, Carmen & King, Inc. City Engineer Darrell Russell stated that this amendment to the existing agreement would cover construction administration services for the renovation of the Municipal Building

and the Old Recreation Center. Ed Hooks made a motion, seconded by Everette Greene, to approve the amendment. The motion carried unanimously.

The Council received a request for approval of the Charge Off Accounts in Water and Sewer. The Water Account totaling \$5,027.22, the Sewer Account totaling \$3,190.95, the Users Fee totaling \$748.15 and late fees totaling \$885.80 for a total of \$9,852.12. Ed Hooks made a motion, seconded by Patty Philipps, to approve the request. The motion carried unanimously.

City Engineer Darrell Russell gave a report on estimated water revenue changes for the new proposed rates. Councilmember Hooks requested that this be discussed at budget work session. No action was taken.

The minutes for the Regular Monthly Meeting on April 7, 2008 and the Bid Opening on April 29, 2008 were approved as presented.

There being no further business, the meeting was adjourned.

Glendel Stephenson, Mayor

ATTEST:

Stephanie W. Shaw, City Clerk