

AGENDA



**CITY OF LENOIR
CITY COUNCIL MEETING
CITY HALL
801 WEST AVENUE
TUESDAY, MARCH 15, 2016
6:00 P.M.**



I. CALL TO ORDER

- A. Moment of Silence & Pledge of Allegiance

II. MATTERS SCHEDULED FOR PUBLIC HEARINGS

- A. Amendment; Charter Code of Ordinances; Section 3-50, Urban Archery Deer Hunting: A public hearing will be held to consider amending the Charter Code of Ordinances, Chapter 3, Animals, Article IV. Deer, Section 3-50, Urban Archery Deer Hunting, to consider adoption of an ordinance to reduce urban deer population through increased archery hunting opportunities within the corporate limits of the City of Lenoir.

III. CONSENT AGENDA ITEMS

- A. Minutes: Approval of minutes from the City Council Meeting of Tuesday, March 1, 2016 as submitted.
- B. Minutes: Approval of minutes from the City Council Budget Retreat of Friday, February 26, 2016 as submitted.
- C. Budget Amendment; Fire Safety Grant: Approval of a Budget Amendment in the amount of \$266,429.00 for Air Packs. Note: The City of Lenoir received a Fire Safety Grant in the amount of \$266,429.00 for this equipment.
- D. Change Order #1, Smith Crossroads Improvements Project, Phase II: Approval of Change Order #1, Smith Crossroads Improvements Project, Phase II, in the amount of \$25,500 to change the design of the slope from a 1 ½:1 slope to a 2.1 slope which greatly reduces the possibility of slope failure in the future and improves retaining wall conditions. Note: McGill Associates has reviewed the proposed request and recommends approval and NCDOT has concurred with the Change Order as well.

IV. REQUESTS AND PETITIONS OF CITIZENS

V. REPORTS OF BOARDS AND COMMISSIONS

VI. REPORT AND RECOMMENDATIONS OF THE CITY MANAGER

A. Items of Information

- 1. The City/County Coordinating Committee is scheduled to meet on Monday, March 21 at 11:30 a.m.

2. The Parks & Recreation Advisory Board will meet on Monday, March 21 at 6:00 p.m.
3. The Committee of the Whole will meet on Tuesday, March 22 at 8:30 a.m. at City Hall, Third Floor, former Council Chambers.
4. City offices will be closed on Friday, March 25 in observance of Good Friday.
5. The Planning Board will meet on Monday, March 28 at 5:30 p.m.
6. The annual Employee Recognition Banquet will be held on Tuesday, March 29 at 6:00 p.m. at the J.E. Broyhill Civic Center.
7. The Foothills Regional Airport Authority will meet on Wednesday, March 30 at noon.
8. A Cruise-In Event is scheduled for Saturday, April 2 from 4:00 p.m. – 9:00 p.m. in downtown Lenoir.

B. Items for Council Action

VII. REPORT AND RECOMMENDATIONS OF THE CITY ATTORNEY

VIII. REPORT AND RECOMMENDATIONS OF THE MAYOR

- A. Board Appointment; Lenoir Business Advisory Board: Mayor Gibbons will recommend that John Moore be appointed to serve a three-year term on the Lenoir Business Advisory Board.

IX. REPORT AND RECOMMENDATIONS OF COUNCILMEMBERS

X. ADJOURNMENT



Lenoir Police Department

1035 West Avenue NW
Lenoir, North Carolina 28645
(828) 757-2121 • Fax (828) 757-2103



Council Action Form

I. Agenda Item:

This agenda item involves the adoption of ordinance allowing for the City's voluntary participation in the NC Urban Archery Deer Hunting Program.

II. Background Information:

This proposal was initiated by several citizen requests that the City of Lenoir participate in the Urban Archery Deer Hunting Program, which is regulated by the NC Wildlife Resources Commission (NCWRC). This program involves a special 4-week period in late winter in which hunting is allowed inside participating municipalities' corporate limits. Fifty-eight (58) municipalities participated in 2016. The purpose of this program is to reduce urban deer populations, which often pose a threat to public safety. In 2015, twenty-four (24) motor vehicle crashes in the City of Lenoir were attributed to deer in the roadways.

In speaking with representatives of the NCWRC, participation in the Urban Archery Deer Hunting Program requires only a letter of intent to participate, renewed annually. We feel that adoption of ordinance will allow us to police this program more effectively and will help educate the public as to what is and is not allowed.

Therefore, the purpose of the proposed ordinance is to reduce urban deer populations through voluntary participation in the NC Urban Archery Deer Hunting Program. If approved, deer hunting will be allowed inside the City only in accordance with established provisions, which are intended for public safety.

III. Staff Recommendation:

Staff requests that City Council call for a Public Hearing to be held on March 15, 2016 to consider adoption of the proposed ordinance. Staff recommends adoption of the ordinance, as submitted.

IV. Reviewed by:

City Attorney: _____	Date: _____
Assistant City Manager: _____	Date: _____
Police Chief: <u></u>	Date: <u>03-01-2016</u>

ARTICLE IV. – DEER

SEC. 3-50. – Urban Archery Deer Hunting

The purpose of this ordinance is to reduce urban deer populations through voluntary participation in the North Carolina Urban Archery Deer Hunting Program, which is regulated by the North Carolina Wildlife Resources Commission. Deer hunting is permitted within the corporate limits of the City of Lenoir ONLY in accordance with the following provisions:

- (a) For the purposes of this ordinance, hunting is defined as, “all operations during, immediately preparatory, and immediately subsequent to an attempt, whether successful or not, to kill, pursue, or otherwise reduce to possession any deer.”
- (b) Hunters shall follow all state and local laws, rules, and ordinances when hunting deer within the corporate city limits.
- (c) Hunting with firearms is strictly prohibited. Only archery equipment, as defined by the North Carolina Wildlife Resources Commission, is permitted.
- (d) Hunting dates and times for the Urban Archery Deer Hunting Program, which are established annually by the North Carolina Wildlife Resources Commission, shall apply for the purposes of this ordinance.
- (e) Hunters must have in their possession a valid North Carolina Hunting License showing completion of a hunting safety course.
- (f) Hunting is allowed only on private property. Hunters must have in their possession written permission from property owner(s), dated within one (1) year, to hunt on specific private property; or the hunter(s) must be the property owner(s).
- (g) No hunting is allowed on publicly owned property.
- (h) No hunting is allowed on private property within five-hundred (500) feet of the property line of a school, daycare center, playground, park, or other location where children are likely to be located.
- (i) No hunting is allowed on, from, or across the right-of-way of any public street or highway.

- (j) Hunting is allowed only on a tract or parcel of land which is at least three (3) or more acres. Adjacent tracts or parcels of land may be combined or pooled to meet this requirement, with written permission from each landowner.
- (k) No archery equipment may be discharged unless the hunter/shooter is located at least one-hundred (100) feet within the allowed property line. This one-hundred (100) foot buffer within each property line is an area in which no hunting may occur.
- (l) A violation of any of the provisions of this section shall constitute a misdemeanor offense pursuant to G.S. 14-4.

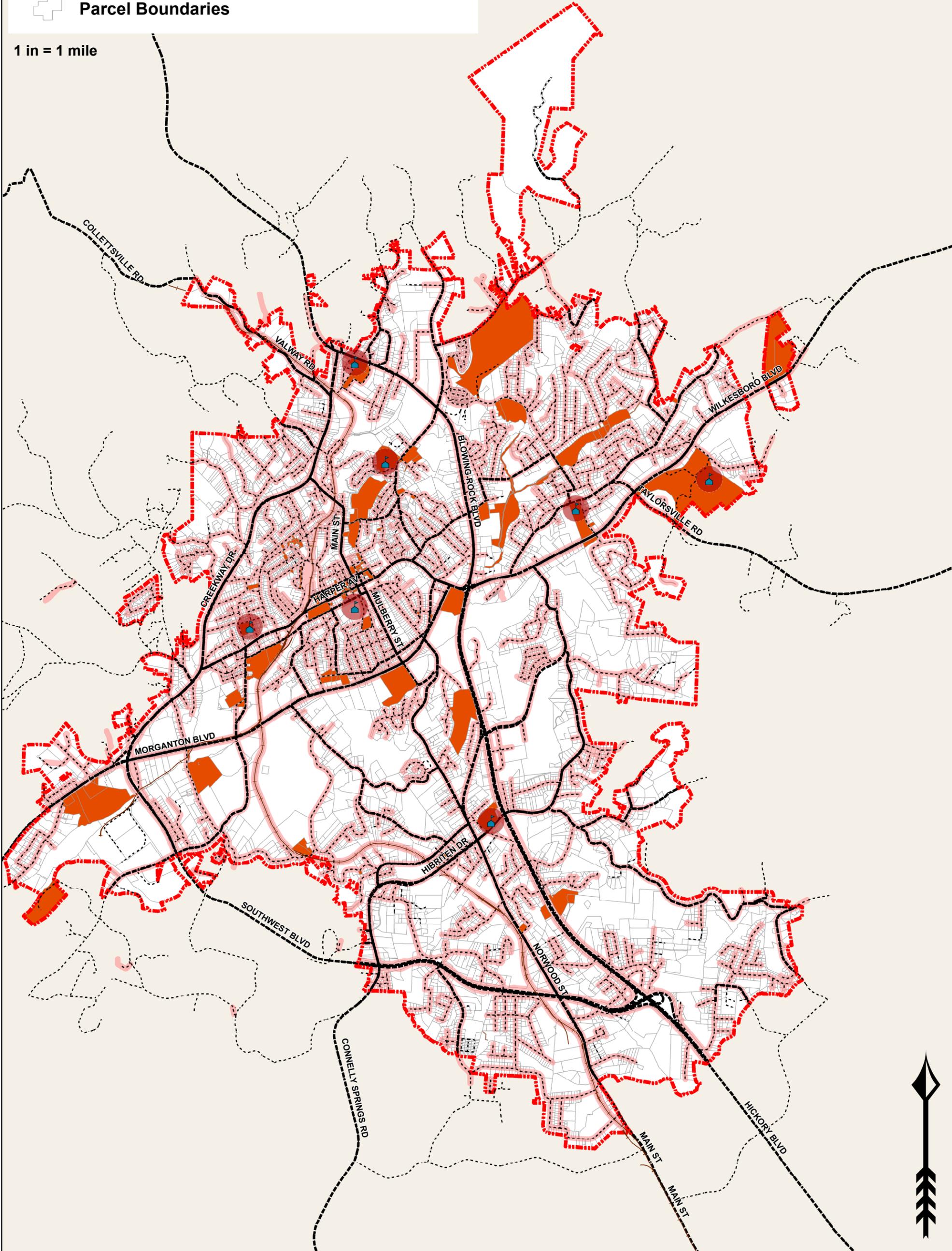
City of Lenoir URBAN ARCHERY: PROHIBITED PARCELS



- City Limits
- Public Right of Way--Urban Archery Prohibited
- 500 ft. School Buffer--Urban Archery Prohibited
- Public Lands--Urban Archery Prohibited
- Parcel Boundaries



1 in = 1 mile



**LENOIR CITY COUNCIL
TUESDAY, MARCH 1, 2016
6:00 P.M.**

PRESENT: Mayor Gibbons presiding. Councilmembers present were Edmisten, Perkins, Stevens, Thomas and Willis. Also in attendance were City Manager Hildebran, City Clerk Cannon and City Attorney Blair.

ABSENT: Councilmembers Perdue and Rohr.

I. CALL TO ORDER

A. The meeting was opened by a moment of silence followed by the Pledge of Allegiance led by Mayor Gibbons.

**SPECIAL RECOGNITION;
BRANDON GOBLE & TRACY HUFFMAN:**

B. On behalf of City Council and all the citizens, Mayor Gibbons presented the City's "*Service Beyond Measure Medal of Valor*" award to Brandon Goble and Tracy Huffman in honor and recognition of their acts of heroism on January 11, 2016, which resulted in saving the life of Marcus West, fellow employee.

Public Works Director Beck explained that Tracy Huffman and Marcus West were working on a storm drain on Willow Street when Mr. West collapsed. Mr. Huffman called 911 and began CPR as he could not find a pulse. Brandon Goble, Utility Department, arrived and together they took turns performing CPR until emergency personnel arrived. At that point, Mr. West was revived by City Staff and was transported on to the hospital.

Mayor Gibbons commended Mr. Goble and Mr. Huffman and stated the City was extremely proud of their actions. Mayor Gibbons thanked them for doing the extra things they did to save another human being. Mr. West also expressed his appreciation to Mr. Goble and Mr. Huffman for saving his life.

**FY2015 ANNUAL REPORT;
POLICE DEPARTMENT:**

C. Police Chief Scott Brown presented the Department's FY2015 Annual Report and reviewed several highlights of the report. Chief Brown reported the Department has sixty-eight full-time and sixteen part-time employees along with five volunteer Chaplains. He noted that Staff's role is to serve first and lead second.

A copy of the full report is available to the general public on the

City's website at www.cityoflenoir.com and he encouraged the public to review the report and contact the Police Department with any questions or concerns.

Chief Brown noted the crime rate still remains the lowest since 2007 although there was not a reduction in crime in 2015. He reported there was a 31% increase in traffic crashes and emphasized it is illegal to text and drive. He encouraged all citizens to avoid cell phone use while operating a vehicle. There was also an 87% increase in service checks by Police personnel and he expressed his appreciation to Staff for all of their hard work in going above and beyond in assisting citizens.

In addition, Chief Brown stated the Department has two full-time dispatchers plus several part-time employees and the Communications Center is staffed twenty-four hours per day. He stated the Communications Center will be state of the art upon completion of the Next Gen 911 improvements project in early spring. Chief Brown also reported there were 29,672 property items stolen in 2015 and the Department's goal is to return these stolen items back to their rightful owners. He further related there were 379 pounds of medicine collected with their program "Operation Medicine Drop" and 125 code enforcement cases were closed out.

Lastly, Chief Brown reported there were 40 overdoses in 2015 of which 6 resulted in death. He related the majority of overdoses were a result of opioid drug use. He informed City Council and the public the Department has recently partnered with the North Carolina Harm Reduction Coalition (NCHRC) program in order to help individuals in emergency situations who have experienced an overdose by providing an injection of Naloxone (Narcan) which is an effective, prescription medication that reverses an opioid drug overdose. Chief Brown stated that officers have been trained in the administration of this medicine. He noted Naloxone is available to anyone and there is no liability to the Department. Chief Brown stressed that Naloxone is very safe and only effective with cases of opioid overdose. He commented the Department's goal is to save lives.

Mayor Gibbons thanked Chief Brown and all of his staff for all they do for the citizens and for making Lenoir a great place to live.

II. MATTERS SCHEDULED FOR PUBLIC HEARINGS

NON-CONTIGUOUS ANNEXATION; MT. HERMAN VARIETY STORE:

- A. A public hearing was held to consider a petition for a non-contiguous Annexation for the Mt. Herman Variety Store located at 2900 Freezer Locker Road, NCPIN#276-861-0582. The recommended zoning district

for this parcel is B-2 (General Business.) Note: The property owner/petitioner has subdivided the property in order to request that only the business (Mt. Herman Variety Store) be annexed.

A copy of the ordinance is hereby incorporated into these minutes by reference. (Refer to pages 44-46.)

Mayor Gibbons opened the public hearing to receive public comments regarding the non-contiguous annexation petition.

Planning Director Wheelock stated the Town of Hudson did not have any interest in annexing this small parcel which is located in their extra-territorial jurisdiction (ETJ) area, but is actually closer to the City limits of Lenoir. Director Wheelock clarified that Lenoir could not annex this property without the Town of Hudson agreeing to it. She reported that she also polled each City Department regarding any impact this non-contiguous annexation may have on their individual Departments but none was reported.

Mr. Randall Haas, 2531 Shelton Avenue, Hudson, NC, and property owner, addressed City Council and stated he and his mother were in favor of this annexation.

There being no further public participation, Mayor Gibbons closed the public hearing and asked Council for action.

Upon a motion by Mayor Pro-Tem Willis, Council voted 5 to 0 to approve the non-contiguous annexation petition for the Mt. Herman Variety Store located at 2900 Freezer Locker Road as submitted and as recommended by City Staff. The zoning district for this parcel will be B-2 (General Business.)

**CONTINUED; PUBLIC HEARING FOR
NUISANCE DECLARATION ORDINANCE;
1201 STEEL STREET:**

- B. A public hearing was resumed from Tuesday, January 6, 2016 to consider adoption of an ordinance declaring the former Bost Lumber Building located at 1201 Steel Street, NCPIN#274-965-0842, as a danger to the public health, safety, morals, and general welfare of inhabitants of the City and a nuisance by the City Council. Note: This public hearing was resumed for further consideration of Staff's recommendation and to receive an update from Mr. Jim Sullivan, property owner, regarding the current status of the property following his sixty-day extension to bring the front portion of the property into compliance with the City Code.

Mayor Gibbons resumed the public hearing in order to receive additional

comments.

Planning Director Wheelock stated Mr. Sullivan was not present at the meeting, but related she has been in contact with him. She informed Council that representatives from Preservation North Carolina met with Mr. Sullivan and were impressed with all of the facilities located at 1201 Steel Street. Ms. Wheelock related these officials indicated this site has the potential to be declared as a National Historic District and stated they recommended the City hold off on pursuing the nuisance declaration ordinance at this time.

Director Wheelock reported the front portion of the former Bost Lumber has been pulled down by the owners, but the debris has not yet been taken care of. She suggested fencing be installed at the site along with no trespassing signs in order for public safety and noted that Staff further recommends Council grant an additional thirty-day extension until Tuesday, April 5 in order to allow Mr. Sullivan time to address the unsafe conditions on the property.

Following a brief discussion and upon a motion by Councilmember Stevens, Council voted 5 to 0 to approve Staff's request for a thirty-day extension and to continue the public hearing at the Council Meeting scheduled for Tuesday, April 5.

III. CONSENT AGENDA ITEMS

A. Upon a recommendation by City Manager Hildebran, the following Consent Agenda items were submitted for approval:

1. Minutes: Approval of minutes from the City Council Meeting of Tuesday, February 16, 2016 as submitted.
2. Closed Session Minutes: Approval of closed session minutes of Tuesday, November 10, 2015, Tuesday, January 5, 2016 and Tuesday, January 26, 2016 as submitted and as reviewed by the City Manager, City Attorney and City Council.

Upon a motion by Mayor Pro-Tem Willis, Council voted 5 to 0 to approve the above listed items on the Consent Agenda as recommended by City Manager Hildebran.

IV. REQUESTS AND PETITIONS OF CITIZENS

V. REPORTS OF BOARDS AND COMMISSIONS

VI. REPORT AND RECOMMENDATIONS OF THE CITY MANAGER

A. Items of Information

MARCH CALENDAR:

1. By consensus of the Council, the calendar for the month of March was approved with various meetings and events.

**COMMUNITY MEETING;
FREEDMAN CENTER:**

2. A Community Meeting will be held on Thursday, March 3 at 6:00 p.m. at the Freedman Center to continue exploring options for the best way to utilize the Center and benefit the community.

CALDWELL COUNTY

- EDC:** 3. The Caldwell County Economic Development Commission will meet on Tuesday, March 8 at 8:00 a.m.

LENOIR BUSINESS

- ADV. BOARD:** 4. The Lenoir Business Advisory Board will meet on Thursday, March 10 at 6:00 p.m. at City Hall, Third Floor, former Council Chambers.

COFFEE WITH A

- COP EVENT:** 5. The Police Department will host a "Coffee with a Cop" meeting on Thursday, March 10 at McDonalds from 7:30 a.m. – 9:00 a.m.

SISTER

- CITIES:** 6. The Sister Cities Committee will meet on Thursday, March 10 at 1:30 p.m. at the Highland Coffee House.

CITY/COUNTY SERVICES

- COMMITTEE:** 7. The City/County Services Committee will meet on Monday, March 14 at 11:45 a.m. in the Board Room at CCC&TI.

MEETING LOCATION

CHANGE; CITY COUNCIL:

8. The City Council meeting scheduled for Tuesday, March 15 at 6:00 p.m. will be held at City Hall, Third Floor, former Council Chambers due to the election primary.

B. Items for Council Action

**AMENDMENT; CHARTER CODE OF
ORDINANCES, SECTION 3-50, URBAN ARCHERY**

- DEER HUNTING:** 1. City Staff recommends that Council call for a public hearing to be held on Tuesday, March 15 to consider amending the Charter Code of Ordinances, Chapter 3, Animals, Article IV., Deer, Section 3-50, Urban Archery Deer Hunting, and to consider adoption of an ordinance to reduce the urban deer population through increased archery hunting opportunities within the corporate limits of the City of Lenoir.

Upon a motion by Councilmember Stevens, Council voted 5 to 0 to schedule a public hearing to be held on Tuesday, March 15 to consider amending the Charter Code of Ordinances, Chapter 3, Animals, Article IV., Deer, Section 3-50, Urban Archery Deer Hunting as described above and as recommended by City Staff.

VII. REPORT AND RECOMMENDATIONS OF THE CITY ATTORNEY

VIII. REPORT AND RECOMMENDATIONS OF THE MAYOR

**BOARD RE-APPOINTMENTS;
SISTER CITIES AND PARKS & RECREATION
ADVISORY BOARD:**

- A. Mayor Gibbons recommends that Elizabeth “Betsy” Wilson be re-appointed to serve a two-year term on the Sister Cities Committee and Erik Rabinowitz be re-appointed to serve a two-year term on the Parks and Recreation Advisory Board.

Upon a motion by Councilmember Edmisten, Council voted 5 to 0 to approve the two Board recommendations as described above and as recommended by Mayor Gibbons.

IX. REPORT AND RECOMMENDATIONS OF COUNCILMEMBERS

X. ADJOURNMENT

- A. There being no further business, the meeting was adjourned at 7:13 p.m.

Joseph L. Gibbons, Mayor

Shirley M. Cannon, City Clerk

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF LENOIR, NORTH CAROLINA TO INCLUDE PROPERTY IDENTIFIED AS ALL OF LOT 1 IN PLAT BOOK 32, PAGE 1; AND PART OF THAT PROPERTY DESCRIBED IN DEED BOOK 310, PAGE 129, AND DEED BOOK 440, PAGE 109 OWNED BY VERA G. HAAS.

WHEREAS, the Lenoir City Council has been petitioned under NCGS 160A-58, as amended, to annex the area described herein; and

WHEREAS, the Lenoir City Council has by resolution directed the City Clerk to investigate the sufficiency of said petition, A#1-16; and

WHEREAS, the City Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held in City Council Chambers at 6:00 O'clock P.M. on the 1st day of March, 2016 after due notice by publication on February 19, 2016; and

WHEREAS, the Lenoir City Council further finds that the area described therein meets the standards for non-contiguous annexation of NCGS 160A-58.1; and

WHEREAS, the Lenoir City Council does hereby find as a fact that said petition has been signed by all the owners of real property in the area who are required by law to sign; and

WHEREAS, the Lenoir City Council further finds that the petition is otherwise valid, and that the public health, safety and welfare of the City of Lenoir and the area proposed for annexation will be best served by annexing the area described herein;

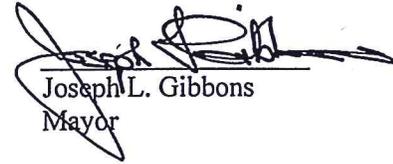
NOW, THEREFORE BE IT ORDAINED by the City Council of the City of Lenoir, North Carolina:

Section 1. By virtue of the authority granted by NCGS 160A-58, the non-contiguous territory described in Exhibit "A" is hereby annexed and made part of the City of Lenoir as of the 1st day of March, 2016.

Section 2. Upon and after the 1st day of March, 2016 the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Lenoir and shall be entitled to the same privileges and benefits as other parts of the City of Lenoir. Said territory shall be subject to municipal taxes according to NCGS 160A-31(e).

Section 3. The Mayor of the City of Lenoir shall cause to be recorded in the office of the Register of Deeds of Caldwell County, and in the office of the Secretary of State of Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 hereof, together with a duly certified copy of this ordinance.

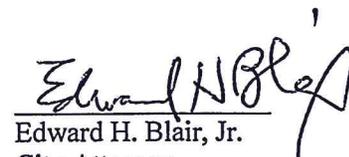
Adopted this the 1st day of March, 2016. Effective the 1st day of March, 2016.


Joseph L. Gibbons
Mayor

ATTEST:

APPROVED AS TO FORM:


Shirley M. Cannon
City Clerk


Edward H. Blair, Jr.
City Attorney

CITY OF LENOIR, NC
CHARTERED
JANUARY 28, 1851

SEAL

Description for the Vera G. Haas survey - Lot 1, 0.91 ac

Commencing at the Fire Hydrant located on the SW side of Freezer Locker Rd., (SR 1715), and proceeding thence N 22°56'32" W, a distance of 138.09' to the POINT OF BEGINNING;

The Point of Beginning being an unmarked point in the center of Freezer Locker Rd., the westernmost corner of the Cynthia H. Price, (Dbk. 1379, Pg. 1463), property, and the southernmost corner of Lot 1 of A Minor Subdivision of the Delano Franklin Haas & Vera G. Haas property, surveyed for Vera G. Haas; thence running 5 calls with the center of the street, 1- N 31°00'56" W, a distance of 46.63' to an unmarked point; thence 2- N 32°26'18" W, a distance of 106.85' to an unmarked point near the line dividing Dbk. 310, Pg. 129 and Dbk. 440, Pg. 109; thence 3- N 37°27'10" W, a distance of 68.59' to an unmarked point; thence 4- N 43°57'07" W, a distance of 63.99' to an unmarked point; thence 5- N 50°27'41" W, a distance of 45.60' to an unmarked point in the Intersection of Freezer Locker Rd. and Dragstrip Rd.; thence 2 calls with the center of Dragstrip Rd., 1- N 54°40'19" E, a distance of 71.95' to an unmarked point; thence 2- N 54°09'54" E, a distance of 151.01' to an unmarked point, the new corner dividing Lot nos. 1 and 2 of the aforementioned Minor Subdivision; thence leaving the street and running 4 calls with the division lines for Lot nos. 1 and 2, 1- S 01°16'36" W, a distance of 30.20' to a 5/8" Rebar set; thence 2- S 01°16'36" W, a distance of 51.83' to a 5/8" Rebar set; thence 3- S 30°54'46" E, a distance of 83.83' to a 5/8" Rebar set; thence 4- S 01°04'05" W, a distance of 222.57' to a 1/2" Iron Pipe in the Cynthia H. Price property line; thence with the Price line, S 49°38'14" W, a distance of 20.45' to the POINT OF BEGINNING;

Said described tract containing 0.91 Acres (39447.70 Square Feet), more or less, and being Lot 1 of A Minor Subdivision of the Delano Franklin Haas & Vera G. Haas property, Surveyed by Donald G. Bolick, L-3688, 10/22/2013.

Donald G. Bolick

DRAFT

MINUTES

**CITY COUNCIL
FY2016-2017 ANNUAL BUDGET RETREAT
CITY HALL, THIRD FLOOR
FRIDAY, FEBRUARY 26, 2016
8:30 A.M.**

PRESENT: Mayor Gibbons, Councilmembers Edmisten, Perdue, Perkins, Rohr, Stevens, Thomas, and Willis.

Others present were City Manager Hildebran, Assistant City Manager Gilbert, City Clerk Cannon, Deputy Fire Chief Hair, Planning Director Wheelock, Police Chief Brown, Recreation Director Winkler, Public Utilities Director Thomas, Public Works Director Beck, and Communications/Resource Director Reynolds. Also in attendance were Kara Fohner, *News-Topic*, Dennie Martin, Martin-McGill and Andy Lovingood & Joel Whitford, McGill Associates.

Absent: Fire Chief Briscoe and Economic Development Director Horn.

I. CALL TO ORDER

- A. Mayor Gibbons welcomed everyone and called the meeting to order.
- B. Introductions and Goals: City Manager Hildebran referred to the list of City Council's goals/priorities comprised at the January 26 Strategic Planning Retreat and asked if there were any questions. He commended Assistant City Manager Gilbert for all of his hard work in compiling the budget information.

Mr. Hildebran stated he and Department Heads were seeking guidance from Council in preparing the FY2016-2017 Annual Budget. The Manager's proposed budget will be presented to City Council on Tuesday, May 17 for consideration of approval.

- C. FY2016-2017 Proposed Budget Calendar: City Manager Hildebran presented the proposed FY2016-2017 Budget Calendar to City Council for their review.

(A copy of the budget calendar is attached to these minutes as information.)

Water Rate Comparison Chart

Public Utilities Director Thomas presented the 2015 Water Rate Comparison Chart and noted the updated 2016 Dashboard has not been released as of February 26, 2016. An updated comparison chart will be made available once the 2016 Dashboard is released. Director Thomas reported the City of

Lenoir ranks fourth on the list for water rates.

City Manager Hildebran introduced Dennie Martin, Martin-McGill, along with Andy Lovingood and Joel Whitford, McGill Associates, who partner with the City for engineering and planning services.

- D. Public Utility Fund Budget Update: Andy Lovingood distributed copies of the Utility Fund Capital Improvements Plan (CIP) which list projects in priority order. He explained these improvements projects are ranked by regulatory needs, replacement or efficiencies (age-related) and there were no growth items. The total cost of the water and sewer projects over a ten-year period is \$47,548,800. Mr. Lovingood related this plan allows the City to have financial stability with its rates and noted project #24 Sewer Line Replacement Project from Pennton to Highway 18 was added this year. In addition, Mr. Lovingood stated several of these projects were completed with grant funding and pointed out that #12 Water Treatment Plant Improvements and #15 Meadowood Sewer Replacement projects were both financed with a 0% interest rate while #22 Bost Lumber Sewer Line Replacement is being financed with an Appalachian Regional Commission (ARC) grant.

Mr. Lovingood reviewed the following list of projects and their goals as follows:

Water Improvements

- #1 Automated Water Meter Reading
- #2 Zacks Fork to Cottrell Hill Water Supply Loop
- #3 Main Transmission Line from Water Treatment Plant – Phase 1
- #4 Main Transmission Line from Water Treatment Plant – Phase 2
- #5 Water System Improvements
- #6 Hayes Avenue Line Replacements
- #7 Walt Arney Road Line Replacements
- #8 US321/Connelly Springs Road Utility Relocation-Water
- #9 Mayhill Avenue Water Line Replacement
- #10 Vehicles
- #11 Roof

Bernhardt Treatment Plant

- #12 Water Treatment Plant Improvements
- #13 Generator #2 and Electrical System Loop
- #14 Pump

Waste Water Improvements Collection System

- #15 Meadowood Sewer Replacement
- #16 East Harper Avenue Sewer Replacement
- #17 Rehab Blairs Fork Outfall
- #18 Golf Course Sewer Replacement
- #19 Crossroads Shopping Center to Lenoir Golf Clubhouse Sewer Replacement
- #20 Gunpowder Creek Interceptor Replacement
- #21 US 321/Connelly Springs Road Interchange Utility Relocation-Sewer

- #22 Bost Lumber Sewer Replacement
- #23 Zacks Fork Replacement
- #24 Pennton to Hwy 18 Sewer
- #25 Vehicles

Lower Creek Treatment Plant

- #26 Biosolids Improvements
- #27 Septage Receiving Station/Vactor Dump
- #28 Grit System Improvements

Mr. Lovingood reported the City's CIP plan was in great shape and commended City officials for planning for future projects in order for the City to maintain its infrastructure. He also clarified for Council that all improvements projects assist with water pressure issues and noted that Project #5 Water System Improvements project has been moved up from #6 to #5 on the CIP list. He pointed out there were options to address water pressure issues, but mentioned they were expensive. He further explained the process for maintaining high and low pressure areas and stated this was a complex issue with a complex solution. Councilman Perkins commented the City should not make the residents pay for this problem with Mr. Lovingood replying that Community Development Block Grant (CDBG) funding is one option the City may consider in the future when addressing this problem.

Assistant City Manager Gilbert also reported the agreement with NCDOT for project #8 US321/Connelly Springs Road Interchange Utility Relocation (Water) and #21 US 321/Connelly Springs Road Interchange Utility Relocation (Sewer) is for a three-year period and the City will budget for these projects when they come up on the list. He noted the City has the option to schedule payments for these projects and reported, due to state legislation passed last year, the City's estimated savings will be \$750,000.

- E. Update: Public Utility Fund Revenues: Dennie Martin, Martin-McGill, reported the City's debt service has been reduced from \$2.4 million in FY2014 to \$1.6 million in FY2016. He stated the City's Enterprise Fund is in good financial shape and emphasized the City is trying to reduce its debt and build up reserves. Mr. Martin reported the City's total revenue has grown to \$8.3 million and commended City officials for their efforts in maintaining the Enterprise Fund.

Mr. Martin stated the City's unrestricted net assets/total expenditures is averaging around 37% and he would like to see the unrestricted revenue increase to 40% to 50% in order to continue to pay for needed projects. He mentioned there were several water treatment projects currently under construction and emphasized it is critical for the City to maintain a balance of around \$2.5 million. He further related there were also several large short-term projects in wastewater and pointed out the water fund is still subsidizing the sewer fund. Mr. Martin then informed Council he recommends a zero percent increase in water rates and a 3% rate increase in sewer rates for FY2016-2017. As information, the City uses the Consumer

Price Index (CPI) for the Urban South to calculate its annual water rate increases. Mr. Martin stated the CPI as of December 2015 is 0.5% and should be 2% for the remainder of 2016. He stated it is normally around 2% to 3% which is the inflation rate and mentioned he expects it to come back in around five-years. Mr. Martin stressed how important it is for the City to keep funding projects over the next ten-year period.

Assistant City Manager Gilbert reported the 3% sewer increase would be an additional \$0.70 on a monthly bill. Mr. Martin also reiterated the City is trying to keep up with inflation and its costs.

Much discussion was held regarding the proposed 3% increase. Councilmember Stevens commended Council for carrying out the CIP Projects list and pointed out that Council continues to plan ahead for the future. He stated Council could always make changes to the CIP list and emphasized the City provides high quality water services. Public Utilities Director Thomas reported the Utility Department cannot operate with any less people and still satisfy state regulations. He stated the plants have high energy costs as well as chemical costs and he doesn't see that changing. In addition, he mentioned the City's reserves may help with paying for small projects.

Mayor Gibbons stated the City has to keep up with the cost of operations.

Council Poll for 3% Sewer Rate Increase

Mayor Gibbons then polled Councilmembers regarding the proposed 3% sewer rate increase with Councilmembers Edmisten, Perdue, Perkins, Stevens, Thomas, and Willis, voting in favor of the 3% increase and Councilmember Rohr opposing any increase.

City Manager Hildebran stated the FY2016-2017 budget would be prepared reflecting this 3% increase and the City would notify all of its customers.

- F. FY2016-17 General Fund Update: Assistant City Manager Gilbert presented a financial summary as of January 31, 2016 and stated the City is in good financial shape. Mr. Gilbert stated the General Fund has a balance of \$3,021,751, sales tax revenue, \$1,703,757, and water/sewer fund \$466,774. He remarked that sales tax collections have increased and the City has collected \$300,000 over what was budgeted for property tax collections and may collect an additional \$100,000 to \$200,000. The franchise tax or energy tax is also doing better than projected.

Mr. Gilbert also reported the ending balance for this fiscal year for the Water & Sewer Fund may be close.

Mr. Gilbert reported the unreserved fund balance is \$4,061,603 and \$500,000 was added to the fund in 2015 which increased the percentage to 23.14% from 21.90% in 2014. He emphasized the City's goal is to increase the fund to 24%.

- G. Budget Issues: City Manager Hildebran reviewed Council's list of Strategic Priorities for FY2016-2017. The Council's number one priority is employee compensation and he stated the City is proposing a 2% salary increase for FY2016 along with increasing the pay grade scale by 2%. He noted the City is moving in the right direction, but has not yet reached its goal.

Street Paving

Next, Mr. Hildebran referred to a sheet listing the City's ten-year history of street paving. He reported Staff will propose a 25% increase for street paving which increases the budget to \$375,000 for FY2016-17. Public Works Director Beck stated the price of asphalt has decreased and stated the City will solicit bids for its annual paving contract, but may wait until July 1 due to the decreased price of asphalt. The bid will be a "put in place price" and he noted contractors protect themselves with a liquid asphalt adjustment cost included in the contract. He reported the City has 120 miles of streets and the goal is to pave six miles per year. The price of paving one mile is \$88,000 and he related it will take time for the City to reach this goal.

Fire Station No. 3

Mr. Hildebran reported City officials will be meeting with Congressman Mark Meadows while they attend the National League of Cities Conference in Washington in March regarding possible funding options for the new Fire Station No. 3. He stated preliminary drawings have been completed for this project and the City is working with the Department in order to be sure the station will be fully equipped with everything they need to operate. It was also noted that 50% of the fill dirt needed for the construction of the new fire station will come from the current Smith Crossroads expansion project.

Downtown Housing

Next, Mr. Hildebran reported the Lenoir Business Advisory Board is looking at possible grant opportunities for Council's goal of future downtown housing. A brief discussion was held about the fire code for this project.

North Main Street Project

Planning Director Wheelock reported state officials will look at the J.E. Broyhill Park for a stream restoration project within the next few weeks. She mentioned the entrances to the Park are being worked on and the goal is to have the playground area sidewalk accessible in addition to a road. Recreation Director Winkler also clarified the playground equipment is too expensive to move and noted there will be a handicap access at the top entrance. He mentioned the shelters will also be renovated.

Traffic/Transportation Issues

Next, Council led a discussion regarding traffic/transportation. Areas discussed include Powell Road, Hibriten High School & new William Lenoir Middle School, Smith Crossroads/US Hwy 321 Improvements Project, Phase II and the Linkside Connector project along with Pennton Avenue and Morganton Boulevard. City Manager Hildebran was directed by Council to follow up on these two locations.

Unnecessary Spending

Mr. Hildebran reminded Council the City's Fund Balance has increased and pointed out the prior loss of Hold Harmless funding and privilege license fees. He noted that service demands have increased and commended Assistant City Manager Gilbert for the remarkable job he has done in handling the City's finances.

Councilmember Rohr stated he is not sure Council always follows the budget when approving proposed projects and commented this was just his current view of City Council.

A brief discussion was held regarding how the City has itself in good position in order to take advantage of situations/proposed projects.

Sidewalks/Greenway

Director Wheelock stated the rail banking project was almost completed and noted that several sidewalk projects are coming up. She mentioned Staff has applied for several grants and all of these projects are under budget.

In addition, Director Wheelock reported Staff missed the deadline to apply for the first grant cycle for the Overmountain Victory Trail Project, but they are planning to explore other funding options for this project. A brief discussion was held regarding the City's Greenway expansion with Public Works Director Beck informing Council the City has a signed easement across the former Lenoir Mall property, but the City doesn't have an encroachment right-of-way from NCDOT for this location.

Code Enforcement

Mr. Hildebran reported the City has experienced success with its Code Enforcement program with almost 120 success stories. The goal is to have 40 individuals from the Police Department trained in working these cases in order to continue the City's success with this program.

Technology

Mr. Hildebran commented the City's Customer Service Department will be looking at how to make the Click It/Fix It program work for the City of Lenoir. As information, he mentioned the City of Hendersonville recently dropped their agreement for the Click It/Fix It program and are seeking other options.

Fairfield South Plan

Planning Director Wheelock reported this proposed project will be completed sooner than the North Main Street Plan. She related it may be ready to start by next summer or fall and pointed out there were a lot of community interest in the proposed plans for this area.

City Manager Hildebran noted that Staff was trying to address all of Council's priorities.

Mayor Gibbons referred to the City's historic neighborhoods and commented the City needs to put more emphasis on placing signage in these areas in the future.

- H. General Fund CIP: Assistant City Manager Gilbert distributed a copy of the General Fund CIP and yearly projected tax and fee increases needed to fund the CIP programs and stated the City is seeking to eliminate borrowing any funds this upcoming budget year. He stated the new allocation of sales tax revenue may fund some of the City's proposed items. Mr. Gilbert pointed out the state has allocated sales tax to assist the rural areas and the City of Lenoir is estimated to receive \$215,000 in FY2016-17.

Next, he reviewed the General Fund's list of projects for FY2016-17 and proposed allocations. It was noted the City is proposing a \$427,000 financing package for FY2016-17.

Stormwater Issues

City Manager Hildebran stated the City was currently paying for any stormwater issues as they occur and pointed out that Council could determine whether they wanted to implement a fee for stormwater services or have a tax increase. He stated that Council could implement a fee at any time, but a tax increase has to be approved and included in the budget for FY2016-17. Mr. Hildebran further pointed out it was a complicated process to determine how much to charge businesses and citizens for stormwater services. Discussion centered on using a summer Intern to compile a list of the City's commercial businesses and property owners.

Assistant City Manager Gilbert clarified the fee could be adjusted to meet the City's needs and agreed that City Staff could administer a stormwater program.

Councilmember Rohr expressed his opposition to this project due to the additional revenue the City has received. Following a brief discussion, Council was in consensus to have an Intern work on this project and present information in the future.

Health Insurance

City Manager Hildebran informed Council the City did not have any information yet regarding its insurance rates for FY2016-17. This information will be presented at a later date.

II. ADJOURN

There being no further business, the meeting was adjourned at 10:48 a.m.

Attachments

- (1) FY2016-2017 Budget Calendar

CITY OF LENOIR
BUDGET CALENDAR
FY2016-2017

May 17, 2016	City Manager presents recommended budget to City Council. (City Clerk will have a copy of the proposed budget available for the public within five business days.)
May 19, 2016	Budget Work Session – 6:00 p.m., Third Floor, City Hall
May 24, 2016	Committee of the Whole – 8:30 a.m., Third Floor, City Hall (Budget Work Session if necessary)
May 26, 2016	Budget Work Session – 6:00 p.m., Third Floor, City Hall *if necessary
June 7, 2016	Public Hearing for recommended FY2016-17 Budget at City Council Meeting at 6:00 p.m. Earliest possible date to adopt FY2016-17 Budget. (City Clerk will have a copy of the proposed budget available for the public within five business days.)
June 21, 2016	City Council
June 28, 2016	Committee of the Whole Meeting

CITY OF LENOIR
COUNCIL ACTION FORM

I. Agenda Item:

Approve budget amendment for Fire Safety Grant

II. Background Information:

The City of Lenoir received a Fire Safety Grant in the amount of \$266,429 for equipment (Air Paks).

III. Staff Recommendation:

Approve as requested.

IV. Reviewed By:

City Attorney:

Assistant City Manager/Finance Director: 

Public Works/Public Utilities Director:

3/15/2016

BUDGET AMENDMENT

<u>Expenditures</u>	<u>BUDGET AMEND.</u>
Fire Suppression OSHA	\$266,429
Total Expenditures	<u><u>\$266,429</u></u>

<u>Revenues</u>	
Fire Safety Grant	\$266,429
Total Revenues	<u><u>\$266,429</u></u>

CITY OF LENOIR
COUNCIL ACTION FORM

I. Agenda Item: Change Order #1 – Smith Crossroads Improvements Project, Phase II

II. Background Information:

During the excavation of the Smith Crossroads Improvements Phase II project, unstable slope conditions for placement of the proposed retaining wall were encountered. Contractors found a significant amount of fragmented rock with mica in the lower elevations of the cut. As such, it was recommended to change the design from a 1½:1 slope to a 2:1 slope. This change greatly reduces the possibility of slope failure in the future and improves retaining wall conditions.

The new slope will provide an additional 2,800 cubic yards of dirt that will need to be excavated of which 2,400 cubic yards exported from the site. The cost of the Change Order #1 is \$25,500.

Public Works Director Charles Beck recommends that the additional material be hauled to the Fire Station #3 site, which will satisfy all the fill requirements needed at the proposed station site and is less costly than acquiring and hauling additional fill to that site at a later time. According to Mr. Beck, if we were receiving quotes to haul 2,400 cubic yards to that site outside of this Smith Crossroads project, the cost could be \$20.00 per cubic yard or \$51,000.

III. Staff Recommendation:

McGill Associates has reviewed the request and recommends approval. NCDOT has concurred with the Change Order as well.

IV. Reviewed by:

City Attorney:

City Manager: 

Finance Director:

Public Works/Public Utilities Director:

Planning Director:

Recreation Director:

Mountain Crest, LLC

*NC Contractor's License #69227
Unlimited Highway, Building, Water and Sewer*

1264 Taylorsville Road, SE
Lenoir, NC 28645
(828) 312-9000
mtncrestllc@yahoo.com

March 2, 2016

City of Lenoir
Attn. Charles Beck Director of Public Works

Smith Cross Roads Improvements

We propose to flatten the slope to a 2-1 for stabilization purposes, to do this , an additional 2800cy will be needed to be moved. This will increase the cost of the project \$25,500.00. We will create a landscape berm for the Community College around 400cy in lu of a ditch at the top of the cut slope and the majority of the dirt around 2400cy going to the fire dept. site.

Thank You,

Mike Willis

Work Change Directive

No. 1

Date of Issuance: March 3, 2016 Effective Date: March 3, 2016

Project: Smith Crossroads Improvements Phase II	Owner: City of Lenoir	Owner's Contract No.:
Contract:		Date of Contract: February 18, 2016
Contractor: Mountain Crest LLC.		Engineer's Project No.: 08.01014

You are directed to proceed promptly with the following change(s):

Item No.	Description
1.	Grade the slope on the shoulder of Hwy 321 south to a 2:1 slope in lieu of a 1.5:1 as shown on the plans.
2.	Use 400 cubic yards of material to build a berm for landscaping at the top of slope.
3.	Excavate 2400 cubic yards and haul to future fire department site.

Attachments (list documents supporting change):

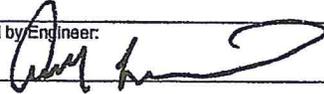
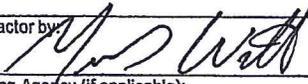
Purpose for Work Change Directive:

- Authorization for Work described herein to proceed on the basis of Cost of the Work due to:
- Nonagreement on pricing of proposed change.
- Necessity to expedite Work described herein prior to agreeing to changes on Contract Price and Contract Time.

Estimated change in Contract Price and Contract Times:

Contract Price \$ 25,500 (Increase/decrease) Contract Time 0 days (Increase/decrease)

If the change involves an increase, the estimated amounts are not to be exceeded without further authorization.

Recommended for Approval by Engineer: 	Date <u>3-3-16</u>
Authorized for Owner by:	Date
Accepted for Contractor by: 	Date <u>3-8-16</u>
Approved by Funding Agency (if applicable):	Date:

City of Lenoir

Board Appointment

John Moore Lenoir Business Advisory Board 2-year term