RESCHEDULED WORK SESSION & BUDGET WORK SESSION MEETING

THURSDAY MAY 26, 2016 @ 8:00 AM

CHERRYVILLE FIRE DEPARTMENT

411 E. CHURCH STREET CHERRYVILLE, N.C. 28021

Mayor Beam called the meeting to order at 8:15 am. Councilmember's Jill Puett, David Kiser, Malcolm Parker and Brian Dalton were present. Also present was City Manager Ben Blackburn, City Clerk Paige Green, and Finance Director Dixie Wall. Fire Chief Jeff Cash and Police Chief Chad Hawkins were present for the work session only. No media was present.

Citizens Alan Fraley, Gail Jenkins and Hilda Bates joined the meeting at different times to speak on agenda items.

ITEMS FOR DISCUSSION OR ACTION:

PRESENTATION BY THE CHERRYVILLE ABC BOARD, ALAN FRALEY:

Mr. Alan Fraley, Chairman of the Cherryville ABC Board, was present at the meeting to present a check to the City of Cherryville for $20,000. Mr. Fraley also reported the following:

- Distributions of Revenues to City of Cherryville since 9-14-82
- Distribution of profits thru Fiscal Year 2015-2016 $615,151.00
- ABC Law Enforcement payments thru 06/2016 $172,800.00
- Total Distributions from Cherryville ABC $787,951.00
- Estimated Revenue from Beer & Wine sales $512,000.00
- Total revenues from ABC System since 1982 **$1,299,951.00**

DISCUSSION OF LIGHTS AT TOM WHITE FACILITIES, CITY MANAGER BEN BLACKBURN:

Ms. Hilda Bates attended the work session to share that she and her family would like to donate $38,000 to the City of Cherryville in memory of her son Neman Bates. Neman was very active in Little League and he mother would like to see lights installed at the practice field in his memory. She would also like to place a sign at the practice field. Ms. Bates will render a drawing of the sign for approval.

The Little League Board received a quote of $80,000 for tournament lighting for the practice field. The City of Cherryville contacted Southeastern Consulting Engineers Inc., the city's engineer firm for a quote also. The quote from Southeastern consisted of the following:

This plan includes four direct buried, galvanized poles, two 45 feet total length behind the backstop and two 55 feet total length in the LF and RF foul areas. There will be a total of (22) 1500 kW floodlights mounted on these poles and aimed to cover the field. I cannot remember how far we would have to go to get to a transformer or the closest place to tap a line for service. However, I think it would take an underground crew less than a week to trench in a line and an overhead crew less than a week to set poles, mount and aim lights.

The estimated cost would be:

Galvanized poles- $10,598 ($800 is freight from Lancaster, SC that could be saved if you wanted to pick them up). 16-week delivery.

Floodlights- $7,400 for the lights and brackets. Did not get delivery quote, but assume it would be less than 16 weeks.

Overhead line crew and equipment- $12,000/wk. but estimate three days would be enough.

Underground crew and equipment- $9,000/wk. but estimate four days would be enough.

Assuming the City could provide the wire and any conduit you want to use.

So total would be $38,998, with some options to handle some things in house if you want to save some.

After discussion, Councilmember's directed City Manager Blackburn to contact City Attorney Huffstetler so he can draw up a contract for the Bates family regarding the naming and it never being changed. Ms. Bates also asked that the contract include a time limit on the completion of this project. Mayor Beam asked city manager to let the city attorney know we would like to have the contract prepared for the July 11 meeting so the project could begin. City Manager Blackburn stated that he would have the city attorney contact the Bates family and iron out what needed to be in the contract.

CONSIDERATION OF BIDS FOR THE CLEANING OF CITY HALL, CITY MANAGER BEN BLACKBURN:

City Manager Blackburn explained that J & C Cleaning currently provides janitorial services for city hall. Mr. Chris Cash owner and operator since 2006 has submitted a price increase for the upcoming fiscal year of $1,350.00. The City of Cherryville placed an advertisement for janitorial bids. The advertisement ran in the Cherryville Eagle May 11 and 18. The Cleaning Professionals submitted two bids. One for five days of janitorial services for $1,322.00 and one for three days of janitorial services for $1,018.00.

Mr. Chris Cash was working at the fire department the day of the meeting and Mayor Beam stopped him to ask him about providing the services to the city. Mr. Cash spoke to Mayor Beam and the Councilmembers sharing with them that with the duties of being a husband and father were more demanding at this time, and he understood if the city accepted the bid from another vendor. Mayor Beam and Councilmember's thanked Chris Cash for his years of janitorial services at city hall.

This will be placed on the agenda for the June 13 meeting.

CONSIDERATION OF SEWER ADJUSTMENTS FOR FILLING SWIMMING POOLS, CITY MANAGER BEN BLACKBURN:

City Manager Blackburn shared that in the past citizens would pay a flat fee of $100.00 to fill swimming pools up. Citizens would pay the $100.00 fee at city hall, take the receipt to the fire department where they would get fire hose to attached to the closest hydrant and fill their pool. Staff is asking this be changed and customers receive a one-time credit on their sewer bill. The customer can receive the credit once a year only. Council will need to vote on this and it will be placed on the agenda for the June 13 meeting.

CONSIDERATION OF ALCOHOL FOR THE INDEPENDENCE DAY FESTIVAL, EDC DIRECTOR RICHARD RANDALL:

City Manager Blackburn shared that the area downtown where alcohol has been served in the past is limited and the Chamber is asking Council if they would like to expand that area for the Independence Day Festival. To expand the area would allow alcohol from Pink Street to Oak Street. Mr. Richard Randall shared that arm bands would be used just as they have in the past for the ones that pay to drink. Mr. Randall shared that this issue is not something the Chamber of Commerce is trying to push. The request is from citizens that wish to have a bigger area to consume alcohol.

City Manager Blackburn explained that two flyers have been proposed for the utility bills letting the citizens know about the Independence Day Festival. One flyer mentions alcohol sales and the other flyer does not. Mr. Blackburn asked Mayor Beam and the Councilmember's for direction on which flyer should be printed and mailed out. After some discussion staff was directed to print and mail the flyer stating alcohol sales. This will be on the June 13 agenda for a vote.

CONSIDERATION OF APPOINTMENTS FOR THE PLANNING BOARD/BOARD OF ADJUSTMENTS, CITY MANAGER BEN BLACKBURN:

City Manager Blackburn shared that three extraterritorial jurisdiction (ETJ) Board of Adjustment/Planning Board members will be rotating off June 30, 2016. A list of names were available for consideration. Mr. Mark Mauney, Mr. Larry Gunnell, Mr. Scott Beam, and Mr. Patrick Kelly were on the list for consideration. Councilmember Dalton wanted to know if this has been advertised on the city's web site. The vacancies have not been advertise on the web site but will be. This will be on the agenda for June 13.

CONSIDERATION TO SET A PUBLIC HEARING RE: ZONING TEXT AMENDMENT FOR FENCES IN B-1 DISTRICT, CITY MANAGER BEN BLACKBURN:

Mayor Beam and the Council asked Mr. Jeff Hawkins to take the following zoning ordinance back to the Planning Board and ask the board members to agree on a final text for fences in the business/GMC districts. The ordinance is as follows:

CURRENT CITY OF CHERRYVILLE ZONING ORDINANCE(S) DEALING WITH FENCES IN THE BUSINESS/GMC DISTRICTS:

Section 5.4 Fences or Walls Permitted

Except as otherwise noted, fences or walls are permitted in the various districts subject to the following regulations:

5.4.1 In Residential (R) Districts:

a. When fences or walls are installed in a required setback area (required front, side, or rear yard), the maximum height shall be six (6) feet, except when such fence or wall is installed pursuant to Section 5.2 of this Ordinance it shall not exceed eight (8) feet in height.

b. No above ground electrical or barbed wire fences shall be allowed except in the R-40 district.

5.4.2 In B-1, B-2, B-3, and GMC Districts:

a. Maximum height shall be twelve (12) feet except that no maximum shall apply to jails and prisons where said wall or fence is installed behind any required setbacks.

b. No electrical fences except electrical livestock fences shall be permitted

PROPOSED TEXT ADMENDMENT TO THE CHERRYVILLE ZONING ORDINANCE(S) DEALING WITH FENCES IN THE B-1 DISTRICT: (CHANGES REQUESTED TO BE MADE ARE NOTED IN RED)

5.4.2 In B-1, B-2, B-3, and GMC Districts:

a. Maximum height shall be twelve (12) feet except that no maximum shall apply to jails and prisons where said wall or fence is installed behind any required setbacks.

b. No electrical fences except electrical livestock fences shall be permitted.

c. No chain-link fence(s) of any kind shall be allowed in the front yard or lot

In any B-1 (General Business) District property, Except, Temporary chain-

link fencing will be allowed under Emergency Circumstances to prevent death / serious injury from occurring when a building has been damaged.

****ALL OTHER TEXT WILL REMAIN THE SAME****

At the last city council work session they wanted this text amendment sent back to the Planning board for further clarification and to be defined more. It was reviewed again by the Cherryville Planning Board on 5.16.2016, 2016 at 6pm.

After much discussion they recommended that the Text amendment be approved as Re-Written below and voted unanimously to recommend to the Cherryville City Council that it be approved as re-written on 5.16.2016.

c. No chain-link fence(s) of any kind shall be allowed in the front yard or lot in any B-1 (Central Business) District property, Except, Temporary chain-link fencing will be allowed under Emergency Circumstances to prevent death or serious injury from occurring when a building has been damaged. Any other type of fence in the B-1 District would need approval from the Zoning Administrator.

This text amendment will be on the agenda for the June 13 meeting to set the public hearing for the July 11 meeting.

UPSET BID PROCESS FOR THE WATER PLANT HOUSE, CITY MANAGER BEN BLACKBURN:

A bid for the water plant residential property come in on May 16, 2016 for $38,100. The City will be accepting any upset bids until June 6, 2016 at 5:00 pm. The upset bid would need to be more than $40, 055.00. This will be on the June 13 agenda.

CONSIDERATION TO SET A PUBLIC HEARING ON JUNE 13, 2016 RE: 2016 – 2017 BUDGET, CITY MANAGER BEN BLACKBURN:

City Manager Blackburn reminded everyone that a public hearing date for June 13 regarding the 2016 – 2017 budget.

CONSIDERATION OF BUDGET AMENDMENTS, FINANCE DIRECTOR DIXIE WALL:

Finance Director Dixie Wall shared that she will have budget amendments at the June 13 meeting. Mrs. Wall shared that currently we still have some spending and she is hopeful revenues will come in to cover these without the funds coming from fund balance. Mrs. Wall shared that anyone has questions about the amendments to give her a call.

CONSIDERATION OF ELECTRICAL RATE RIDER (REPS CHARGES), FINANCE DIRECTOR DIXIE WALL:

Finance Director Dixie Wall presented the Electrical Rate Rider (REPS) Charge for the new fiscal year. It is as follows:

City of Cherryville

Electric Rate Rider REPS

Renewable Energy Portfolio Standards (REPS) Charge

Applicability

The Renewable Energy Portfolio Standards Charge set forth in this Rider is applicable to all customer accounts receiving electric service from the City of Cherryville except as provided below. These charges are collected for the expressed purpose of enabling the City to meets its Renewable Energy Portfolio Standards compliance obligations as required by the North Carolina General Assembly in its Senate Bill 3 ratified on August 2, 2007.

Billing

Monthly electric charges for each customer account computed under the City's applicable electric rate schedule will be increased by an amount determined by the table below:

	Monthly Charges		
Customer Type	Renewable Resources	DSM/Energy Efficiency	Total REPS Charge
Residential Account	$ 0.54	$ 0.07	$ 0.61
Commercial Account	$ 2.95	$ 0.00	$ 2.95
Industrial Account	$30.41	$ 0.00	$30.41

Exceptions

Industrial and Commercial Customer Opt-out

All industrial customers, regardless of size, and large commercial customers with usage greater than one million kWh's per year can elect not to participate in City's demand-side management and energy efficiency measures in favor of its own implemented demand-side management and energy efficiency measures by giving appropriate written notice to the City. In the event such customers "opt-out", they are not subject to the DSM/Energy Efficiency portion of the charges above. All customers are subject to the Renewable Resources portion of the charges above.

Auxiliary Service Accounts

The following service schedules will not be considered accounts because of the low energy use associated with them and the near certainty that customers served under these schedules already will pay a per account charge under another residential, commercial or industrial service schedule:

- Schedule _____ Outdoor Lighting Service (metered and unmetered)
- Schedule _____ Street and Public Lighting Service
- Schedule _____ Traffic Signal Service
- Etc.

Sales Tax

Applicable North Carolina sales tax will be added to charges under this Rider.

Effective for service rendered after July 1, 2016.

Adopted this _____ day of June 2016.

_____

H.L. Beam, Mayor

_____

Paige H. Green, CMC, NCCMC, City Clerk (SEAL)

This will be placed on the agenda for the June 13, 2016 meeting.

OTHER BUSINESS:

Councilmember Parker shared that citizens are not treated fairly when it comes to zoning permits. Councilmember Parker shared that not everyone is required to have a permit and he wants to know why. Councilmember Parker shared that contractors have come to him wanting to know why they are not being treated fairly. Councilmember Parker is having a new air conditioning unit put in at his business and he had to get a permit from the county. Councilmember Parker shared that a business owner in town was not required to get any permits. City Manager Blackburn shared that he would check on this.

Mayor Beam shared that the grass at Eugene Griggs old office needed to be mowed so he contact Jeff Hawkins and it was mowed the next day because Jeff had already sent a letter and gave the owner so many days before we cut it.

Councilmember Parker also shared that the city needs to do their part on mowing the right a ways.

The work session portion of the meeting adjourned at 9:45 am. A short break was taken and Mayor Beam, Councilmembers, City Manager, City Clerk and Finance Director continued with the Budget Work Session.

CITY OF CHERRYVILLE

BUDGET WORK SESSION

The budget work session began at 9:55 am. Everyone was given a copy of the proposed 2016 – 2017 budget. City Manager Blackburn and Finance Director Dixie Wall walked Mayor Beam and the Councilmembers through the budget page by page pointing out capital outlay request by department heads. The proposed budget was clear about the request and the final budget plans. Some of the highlights of this proposed budget consist of the following:

General Fund Highlights:

Administration: $10,000 in Capital Outlay Equipment for New Financial System

EDC: No Change

Police Department: $55,400 in Capital Outlay Equipment for 2 New Police Cars

Fire Department: $4,350 in Capital Outlay Equipment for New Fire Hose

Public Works: $3,000 in Capital Outlay Equipment to replace aging computers

Street: No Change

Powell Bill: $157,320 for Paving List (Attached)
$ 35,000 New Compact Tractor

Sanitation: $18,000 for repairs to Older Sanitation Truck

Recreation: $25,000 for Part-Time Recreation Director
$10,000 for New Roof and overhang at City Pool
$ 5,000 for Repairs to Heritage Park

Cemetery: $25,000 to Construct Columbarium site

Electric Fund Highlights: $45,000 for New Financial System
$55,000 New Mini Excavator w/ Trailer
$30,000 New Service Truck to Replace 2000 F-150

Water/Sewer Highlights:

Administration: $45,000 for New Financial System
$12,000 UTV for Right of Way and High Priority Lines per State

Water Plant: $ 6,800 for Tuttnauer AutoClave
$11,000 for New SCD unit –Replace old 2000 model

Wastewater: $150,000 to replace Influent Bar Screen
$ 11,000 New Utility Vehicle UTV

All Funds:

- Health Insurance increase 6.4%
- 2% Salary increase for all full time employees

After the presentation of the proposed budget and discussion by Mayor Beam and the Councilmembers, staff was commended for the work on the 2016-2017 proposed budget.

Councilmember Parker stated that he would like to see the profits from the water plant house be used to renovate the restrooms at the little theater.

Councilmember Dalton stated that he is getting complaints about the restrooms at all the ballfields.

Councilmember Kiser asked city manager Blackburn if we were getting Bonny Alexanders restitution money. Mr. Blackburn and finance director Dixie Wall shared that to date we have not received another check. Councilmember Puett asked about Jennifer Hoyle's restitution. Finance director Dixie Wall shared that no money has come in from Jennifer.

ADJOURNMENT:

Councilmember Dalton made a motion to adjourn the work session/budget session meeting. The meeting adjourned at 12:30 pm.

Adopted this 13 day of June 2016.

H.L. Beam

H.L. Beam, Mayor

(SEAL)

Paige H. Green

Paige H. Green, CMC, NCCMC, City Clerk