City of High Point

Municipal Office Building
211 South Hamilton Street
High Point, NC 27261

Meeting Minutes

Thursday, May 19, 2011

9:00:00 AM

Council Chambers, City Hall

Rebecca R. Smothers, Mayor
Latimer B. Alexander, IV, Mayor Pro Tem
James Corey, Foster Douglas, A.B. Henley, III,
Britt W. Moore, Michael D. Pugh,
Bernita Sims, M. Christopher Whitley

ROLL CALL, PRAYER, AND PLEDGE OF ALLEGIANCE

Present: Mayor Smothers, Council Member Alexander, Council Member Moore, Council Member Sims, Council Member Douglas, Council Member Pugh, Council Member Henley, Council Member Whitley and Council Member Corey

APPROVAL OF THE JOURNAL OF THE PREVIOUS MEETING

The minutes of the following meetings were unanimously approved as submitted upon motion by Mayor Pro Tem Alexander and second by Council Member Sims.

Finance Committee; Monday, May 2nd @ 3:30 p.m.
Combined Meeting; Monday, May 2nd @ 4:45/5:30 p.m.

CONSENT AGENDA

Upon motion by Council Member Sims and second by Council Member Whitley, all matters on the Consent Agenda were unanimously approved and/or adopted as recommended. The motion carried unanimously. [9-0 vote]

Action will be reflected throughout these minutes as being made and seconded by the same persons.

Finance Committee

Contract - Bid No. 35 - Water Meters

110093 Consideration of approval of contract awarding Bid No. 35 for the purchase of 5/8" x 3/4" Water Meters. Purchasing and Public Services recommends that contract be awarded to Carolina Meter Supply Co., in the amount of $244,000.00 which is the lowest responsible and responsive bidder meeting specifications.

Approved contract with Carolina Meter Supply Co., in the amount of $244,000.00 which is the lowest responsible and responsive bidder meeting specifications.

Contract - Bid No. 36 - General Water & Sewer Improvements

110094 Consideration of approval of contract awarding Bid No. 36 for General Water & Sewer Improvements. Purchasing and Public Services recommends that contract be awarded to Breece Enterprises, Inc., in the amount of $1,068,383.50 which is the lowest responsible and responsive bidder meeting specifications.

Approved contract with Breece Enterprises, Inc. in the amount of $,068,383.50 which is the lowest responsible and responsive bidder meeting specifications.

A motion was made by Council Member Sims, seconded by Council Member Whitley, that this matter be approved. The motion carried unanimously.

Contract - Bid No. 37 - Sidewalk Repair- Central Business District

110095 Consideration of approval of contract awarding Bid No. 37 for Sidewalk Repair in the Central Business District. Purchasing and Public Services recommends that contract be awarded to Mayes Landscaping and Concrete in the amount of $100,000.00 which is the lowest responsible and responsive bidder meeting specifications.

Approved contract with Mayes Landscaping and Concrete in the amount of $100,000.00 which is the lowest responsible and responsive bidder meeting specifications.

A motion was made by Council Member Sims, seconded by Council Member Whitley, that this matter be approved. The motion carried unanimously.

NCDOT - Sale of City Owned Property - Skeet Club Road Widening Project

110096 Council is requested to authorize the City Attorney's office to proceed with the sale of City-owned property (right of way and easements) to the North Carolina Department of Transportation (NCDOT) for the Skeet Club widening project. The parcels are located at the intersection of Waterview Road and Skeet Club Road and at the Deep River Park.

Authorized the city attorney's office to proceed with the sale of city-owned property (right-of-way and easements) to the North Carolina Department of Transportation for the Skeet Club widening project.

A motion was made by Council Member Sims, seconded by Council Member Whitley, that this matter be approved. The motion carried unanimously.

Resolution - Application to HUD - Healthy Homes & Lead-Based Paint Hazard Control Grant

110105 Council is requested to adopt a resolution authorizing staff to proceed with the filing of a grant application to the Federal Government's Housing and Urban Development (HUD) Department in the amount of $3.15 million for the Healthy Homes & Lead-Based Paint Hazard Control Grant.

Adopted Resolution authorizing staff to proceed with the filing of a grant application to the Federal Government's Housing and Urban Development Department in the amount of $3.15 million for the Healthy Homes & Lead-Based Paint Hazard Control Grant.

Resolution No. 1663/11-14 Introduced 5/16/2011
Adopted 5/19/2011
Resolution Book, Volume XVII, Page 14

A motion was made by Council Member Sims, seconded by Council Member Whitley, that this matter be adopted. The motion carried unanimously.

NCDOT - Supplemental Agreement For Airport Area Roadway Network

110100 Council is requested to authorize staff to execute a Supplemental Agreement between the North Carolina Department of Transportation (NCDOT) and the City of High Point for Airport Area Roadway Network, State TIP U-4758 (Johnson Street/Sandy Ridge Road Planning, Environmental, and Preliminary Design). This Supplemental Agreement will provide the City with an additional $1,025,922 in project funding thorough the Federal High Priority SAFETEA-LU program.

Authorized staff to execute a Supplemental Agreement between the North Carolina Department of Transportation and the City of High Point for Airport Area Roadway Network (State TIP U-4758- Johnson Street/Sandy Ridge Road Planning, Environmental, and Preliminary Design)

A motion was made by Council Member Sims, seconded by Council Member Whitley, that this matter be approved. The motion carried unanimously.

Establish Public Comment Period for Proposed 2011-2012 Annual Budget

110099 Council is requested to establish the dates of Monday, June 6, 2011 at 5:30 p.m. and Thursday, June 9, 2011 at 9:00 a.m. to receive public comments on the proposed City of High Point 2011-2012 annual budget.

Established the dates of Monday, June 6, 2011 at 5:30 p.m. and Thursday, June 9, 2011 at 9:00 a.m. to receive public comments on the proposed City of High Point 2011-2012 Annual Budget.

A motion was made by Council Member Sims, seconded by Council Member Whitley, that this matter be approved. The motion carried unanimously.

Public Safety Committee

Ordinance - Vacate/Close Dwelling - 206 Model Farm Road

110098 Adoption of an ordinance ordering the inspector to effectuate the vacating and closing of a dwelling located at 206 Model Farm Road belonging to Oamar Zaman and Uzma R. Raga.

Adopted ordinance ordering the inspector to effectuate the vacating and closing of a dwelling located at 206 Model Farm Road.

Ordinance No. 6821/11-29 **Introduced 5/16/2011**
Adopted 5/19/2011
Ordinance Book Volume XVII, Page 29

A motion was made by Council Member Sims, seconded by Council Member Whitley, that this matter be adopted. The motion carried unanimously.

Planning, Econ. Development & IT Committee

Resolution of Intent - Street Abandonment 11-04 - High Point University

110101 Approval of a resolution of intent that establishes a public hearing date of Monday, June 20, 2011 at 5:30 p.m. to consider a request to abandon an improved portion of North Avenue located between Fifth Street (including intersection) and Willoubar Terrace.

Adopted Resolution of Intent establishing a public hearing date of Monday, June 20, 2011 at 5:30 p.m. to consider a request to abandon an improved portion of North Avenue located between Fifth Street (including intersection) and Willoubar Terrace.

Resolution No. 1664/11-15 Introduced 5/16/2011
Adopted 5/19/2011
Resolution Book Volume XVII, Page 15

A motion was made by Council Member Sims, seconded by Council Member Whitley, that this matter be adopted. The motion carried unanimously.

Resolution of Intent - Street Abandonment 11-05 - State of North Carolina (NC National Guard)

110102 Approval of a resolution of intent that establishes a public hearing date of Monday, June 20, 2011 at 5:30 p.m. to consider a request to abandon an improved portion of Armory Drive beginning approximately 450 feet east of the terminus of Armory Drive.

Adopted Resolution of Intent establishing a public hearing date of Monday, June 20, 2011 at 5:30 p.m. to consider a request to abandon an improved portion of Armory Drive beginning approximately 450 feet east of the terminus of Armory Drive.

Resolution No. 1665/11-16 Introduced 5/16/2011
Adopted 5/19/2011
Resolution Book Volume XVII, Page 15

A motion was made by Council Member Sims, seconded by Council Member Whitley, that this matter be adopted. The motion carried unanimously.

REGULAR MEETING ITEMS

FINANCE COMMITTEE

Contract - Bid No. 31 - Sewer Line Chemical Root Control

110090 Consideration of approval of contract awarding Bid No. 31 for Sewer Line Chemical Root Control. Purchasing and Public Services recommends that contract be awarded to Municipal Sales, Inc. in the amount of $110,450.00 which is the lowest responsible and responsive bidder meeting specifications.

This item was discussed at Monday's Committee of the Whole meeting and was recommended for placement on today's Agenda with a favorable recommendation; however due to two dissenting votes, it appears on the Regular Agenda.

Council Member Sims reiterated her concerns about approving a contract prior to adoption of the budget and clarified that timing is everything. She stated she did not see the rush in approving the contract when the budget would be adopted in several weeks. Council Member Whitley pointed out that approval of contracts such as these are of a routine nature and this was not the first time this has happened.

A motion was made by Mayor Pro Tem Alexander, seconded by Council Member Whitley, that this matter be approved. The motion carried by the following vote:

Votes: Aye: Mayor Smothers, Council Member Alexander, Council Member Moore, Council Member Henley, Council Member Whitley and Council Member Corey
Nay: Council Member Sims, Council Member Douglas and Council Member Pugh

Contract - Bid No. 33 - Asphalt City Wide

110091 Consideration of approval of contract awarding Bid No. 33 for Asphalt City Wide. Purchasing and Public Services recommends that contract be awarded jointly to Sharpe Brothers and Thompson-Arthur Paving. Usage is expected to be approximately $602,000.00.

This item was discussed at Monday's Committee of the Whole meeting and was recommended for placement on today's Agenda with a favorable recommendation; however due to two dissenting votes, it appears on the Regular Agenda.

Council Member Sims reiterated her concerns about approving a contract prior to adoption of the budget and clarified that timing is everything. She stated she did not see the rush in approving the contract when the budget would be adopted in several weeks. Council Member Whitley pointed out that approval of contracts such as these are of a routine nature and this was not the first time this has happened.

A motion was made by Mayor Pro Tem Alexander, seconded by Council Member Whitley, that this matter be approved. The motion carried by the following vote:

Votes: Aye: Mayor Smothers, Council Member Alexander, Council Member Moore, Council Member Whitley and Council Member Corey
Nay: Council Member Sims, Council Member Douglas, Council Member Pugh and Council Member Henley

Contract - Bid No. 34 - Stone City Wide

110092 Consideration of approval of contract awarding Bid No. 34 for Stone City-Wide. Purchasing and Public Services recommends that contract be awarded to Martin Marietta which was the only bid received. Estimated annual spend of $100,000 based on 2010-2011 purchases.

This item was discussed at Monday's Committee of the Whole meeting and was recommended for placement on today's Agenda with a favorable recommendation; however due to two dissenting votes, it appears on the Regular Agenda.

Council Member Sims reiterated her concerns about approving a contract prior to adoption of the budget and clarified that timing is everything. She stated she did not see the rush in approving the contract when the budget would be adopted in several weeks. Council Member Whitley pointed out that approval of contracts such as these are of a routine nature and this was not the first time this has happened.

A motion was made by Mayor Pro Tem Alexander, seconded by Council Member Whitley, that this matter be approved. The motion carried by the following vote:

Votes: Aye: Mayor Smothers, Council Member Alexander, Council Member Moore, Council Member Henley, Council Member Whitley and Council Member Corey
Nay: Council Member Sims, Council Member Douglas and Council Member Pugh

Public Safety & Community Development Committee

Ordinance - Vacate/Close Dwelling - 1407 Hampstead Drive

110097 Adoption of ordinance ordering the inspector to effectuate the vacating and closing of a dwelling located at 1407 Hampstead Drive belonging to Kenneth Wayne Lassister.

This matter was originally included in the Consent Agenda for this meeting, but was recommended for removal from the Consent Agenda and placed on the Regular Agenda to allow a response from the Housing Authority.

Council Member Sims moved to remove this matter from the Consent Agenda and place it on the Regular Agenda. Council Member Whitley made a second to the motion which carried unanimously.

Mayor Smothers recognized Angela McGill, the Executive Director of the High Point Housing Authority and Bob Davis, Chairman of the Housing Authority's Board of Commissioners.

Ms. McGill explained that although the Housing Authority does strive to operate at 100%, sometimes things happen and admitted this was not the case with the matter at 1407 Hampstead. She reported that once the issue was brought to her attention on April 7th, she personally went out and looked at the unit and advised the voucher holder at that time that she could not remain in that unit. The Housing Authority also informed the voucher holder that they would make every effort to get her out of that unit and reissue another voucher and they would also be working with her on relocation assistance.

She also noted that as a preventative measure, they contacted the Planning & Development Department and met with Lee Burnette to establish a Memorandum of Understanding to work together with the Minimum Housing Code and Housing Quality Standards so that when their inspectors are out doing inspections, they could also be citing code violations and providing this information to the Planning & Development Department.

There were still some concerns voiced regarding how the unit passed inspection. Ms. McGill explained that the Housing Authority is required to do an initial inspection and the unit must pass the Housing Quality Standards. She pointed out that deficiencies were found and the unit failed the initial inspection, but when they went back for a subsequent inspection, the unit passed. In the meantime, the Housing Authority received a call with a complaint from the voucher holder on March 29th and went back for another inspection and the unit failed. The landlord had until April 28th to make the necessary repairs which were not made. The voucher holder was informed at this time that the Housing Authority would be moving towards a mutual rescission with the landlord and would reissue another voucher. Ms. McGill noted that the

voucher holder advised her that she wanted to wait and go before the City of High Point for relocation funding, but she was informed by the Housing Authority that they had to move forward and get her out of that unit.

Ms. McGill addressed questions regarding the difference between the Minimum Housing Standards and the Housing Quality Standards and explained the Housing Quality Standards were more stringent than the Minimum Housing Code in the effect that one item on a Housing Quality Standards inspection would fail the entire unit, but it would take five items to be considered a violation of the Minimum Housing Code. She reiterated that the Housing Authority would assist the voucher holder with relocation, and once a Section 8 voucher is issued, the voucher holder has 60 days to locate another unit and they actually have a total of 120 days because they are also allowed two 30-day extensions.

Council Member Pugh applauded the Housing Authority and noted that he had received numerous housing complaints in his ward and he has had great success with the Housing Authority getting any problems rectified when they're made aware of the issues. Council Member Douglas felt it would be helpful if Council would pass a measure that would put more restrictions on property owners.

Chairwoman Sims felt since the tenant would be receiving assistance from the Housing Authority that the City of High Point should not participate in paying any relocation costs to the tenant.

Mayor Smothers suggested it would be helpful if the Public Safety & Community Development Committee would track the progress of the Memorandum of Understanding between the Housing Authority and the City of High Point.

Adopted ordinance ordering the inspector to effectuate the vacating and closing of a dwelling located at 1407 Hampstead Drive.

Ordinance No. 6820/11-28 **Introduced 5/16/2011**
Adopted 5/19/2011
Ordinance Book Volume XVII, Page 28

A motion was made by Council Member Sims, seconded by Council Member Whitley, that this matter be adopted. The motion carried unanimously.

Planning, Econ Development & IT Committee

Ordinance - Text Amendment 11-03 - Central Recycling, LLC re Salvage Yards, etc.

110103 A request by Central Recycling, LLC to amend Section 9-5-2 (qqqq) of the Development Ordinance pertaining to development standards for Salvage yards, Auto Parts or Scrap Processing use.

_____Transcript May 19, 2011_____

Chairman Whitley: You had a request from Tom Terrell to change the restrictions from….originally it was 5 or that's what the current text says. The proposal was to go

to no acreage restriction back to….and according to Mr. Terrell, he would like to add a minimum size of 2.5 acres. That has been the request. Is there any comments or ideas as to the way this Council wants to reevaluate that text and consider that 2.5 acre modification?

Mayor Pro Tem Alexander: Mr. Whitley, I think there were a number of things that were pointed out in the last Council meeting. I think there are a number of locations around our community that are receiving some type of product that is being recycled. We might want to take a look in the future at definitions and what we really want or don't want. If anything has come out of this, I think the traditional definition of a junkyard where they're bringing in automobiles and stacking them up ten and twelve high and crushing them down or scattering them out, scavaging parts might not be the real picture of what's occurring within that industry. So I think it's important to us, after this is over, to kind of take a look at what we've got and let staff take a look at the real world that's out there--what's working, what's not working and come back to us for some discussion and possible public hearing and possible change in some of our definitions and treatments.

Mayor Smothers: I personally think that's a good summary. It would appear to me that because of the variation within the industry itself. Some things are contained within a building which would not require outside storage because they limit what they receive. The outside storage for ever how long and we don't know how long-just other than it can happen as soon as they get it. To me, it's a concern and I think, if anything, reducing it to 2.5 acres just exacerbates that concern. So absent the kinds of information that you suggest could be structured to try to allow for changes. I'll be glad to, if it's the will of Council, to go ahead and put 2.5, but I don't think there's any rationale for that beyond that it just permits what's before us. That's the only reason that's the number.

Council Member Corey: Madam Mayor and Members of Council, another question has come up and I've been thinking a lot about it. This is a collection center, not a processing center or anything like that. But we all know that used materials made of copper, aluminum ferrous materials, have a fairly high value in today's economy. The question is how do we control materials that may be stolen because of the high value of the materials and then taking them to this processing center and they say they're going to pay them on the spot. I'm a little concerned that this is going to be nothing more than a glorified fencing operation for stolen material, manhole covers, stripping out copper from abandoned houses, copper wiring and pipes and I just don't know how we're going to get a handle on that.

Mayor Pro Tem Alexander: Since we have probably a hundred places in town just like this already, I don't know that this makes it any different or unique. I think….and I'm not defending Central Recycling, I think they showed us their process where they document and log who brought what so that if there were a question, there would be some type of paper trail. But the industry itself does perform a very useful function. We do have all types of materials today that run through their useful life and they have to be disposed of. I'm sure the City of High Point each day has things that are going to some type of metal recycling beyond what we do ourselves. So it's a reality of the

modern world and we have to have places that are in the business of processing and moving that through whatever chain there is.

Council Member Corey: Well, I want to be very clear that I'm all in favor of recycling. It's not that I'm not. I'm a big advocate of recycling. It's just that I want to be sure that somehow we're recycling legitimate materials and not stolen materials.

Council Member Sims: Madam Mayor, if I could, the idea of having the recycling facility in High Point, I really have no issue with that. I think, you know, where there is an individual with the willingness to bring a business to High Point that we don't want to really stop that free enterprise. But the concern that I have is first of all, we're changing a text amendment to accommodate this and accommodate a site. That concerns me. Then secondly, location, location, location. I just don't believe that this is the proper business for the west end and the location is just, again, I don't see us having envisioned in the Core City having that operation at that location. Now, I know that we have lots of areas, industrial and otherwise, that this would be a perfect fit for it. There is a similar facility just like this on Ward Street. Having driven by, I didn't realize we had it. It's much larger than this is. But I just don't think it does do service to that part of town to put this facility there. Any other place in the city, I have no issue with that. If he had five acres he could put it on, then we wouldn't be sitting here having this discussion because it would be a done deal. He wouldn't have had to ask us. So I just think this is not the right business for that location.

Council Member Douglas: Also Madam Mayor if I could add to that, the Core City group was tasked to come up with you know what we want to do to bring into the Core City that would improve the standards of living within the Core City. To me this is against all of that research that they've done in those particular areas. I agree also that we're not against the recycling business itself. I mean I think it's a great idea and great entrepreneurship, but is this the right location?

Mayor Smothers: We're talking about both issues together which I guess there's nothing wrong with that because they certainly do relate, but I thought it was rather…..I don't know how you put it…..surprising that…….I did find it. I went out there yesterday and you get to the site and the building has a sign on it that says "Historic 1921 building For sale" and then it has the price. I'm thinking "historic 1921 building" and we're going to turn it into a collection for materials that are discarded or either appropriated from somewhere else and we've got people in here in development who I'm sure can tell you that it's not just abandoned sites that are looted, but also new construction has some problems sometimes keeping all materials secure. So I've got a problem with location too. When I asked Mr. Terrell the other day, so you can see it from the train, he said, oh yes. And I though well you know we've got AMTRAK coming in and they're slowing down to get to the Depot. It's not exactly what you want right at your front door I don't think, though I realize that railroad tracks go through industrial sections of town and you see some pretty bad stuff when you're on the railroad. This is right downtown. Anyway, that's the end of my sermonette.

Chairman Whitley: Any other comments on the proposed change down to 2.5? I gather that there's not that much desire to switch that.

Mayor Smothers: Well I think we still have to have a motion because he has….

Chairman Whitley: I just wanted to get that….

Mayor Smothers: I'm sorry. Excuse me.

Chairman Whitley: I will go back to sort of the remark I made in Finance. Ms. Sims although this is directed specifically for this request, this is not something Council has not done in the past and I don't want the impression from our media folks that we're flip-flopping on what we've done in the past because this is stuff that we have routinely done. We have specifically changed these text amendments to allow certain uses. **With that, I'll entertain a motion to deny the text amendment.**

Council Member Pugh: **So moved.**

Council Member Sims: **Second**.

Mayor Pro Tem Alexander: So move what?

Council Member Sims: To deny the text amendment.

Mayor Smothers: The amended text amendment.

Council Member Pugh: To deny and remove the requested change.

Chairman Whitley: The one from Monday night with zero acreage and a 6-foot high fence is the one you're denying.

Mayor Smothers: Okay, so are we going to deal with their application?

Chairman Whitley: No, there was a motion made….

Assistant City Attorney JoAnne Carlyle: **Actually you are addressing the 2.5 acres.**

Chairman Whitley: Are we addressing the 2.5 now? Okay.

Assistant City Attorney JoAnne Carlyle: Because he has modified that in writing.

Chairman Whitley: Okay, so it's the 2.5.

Mayor Smothers: Right. **It's the amended text amendment**.

Assistant City Attorney JoAnne Carlyle: The original one no longer exists. He amended that to the 2.5.

Council Member Moore: This is what we're looking at?

Mayor Smothers: Correct.

Assistant City Attorney JoAnne Carlyle: Yes.

Mayor Smothers: And it is signed by the petitioner or the attorney on their behalf.

Mayor Pro Tem Alexander: Was there a motion and a second so we can discuss?

Council Member Sims: Yes, I made the second.

Mayor Smothers: Now we are clear now that we are voting on the amended request.

Council Member Moore: But he used the word deny. Are we voting to deny it or approve it or which way are we going with it?

Council Member Corey: Shouldn't we just be voting on a motion to approve and then if we don't approve it, it's denied or is it the other way around?

Mayor Smothers: you can have a motion either way. You just have to make sure when you vote "Yes" you know what the action is. It's either negative or positive. We will remind ourselves of that.

Assistant City Attorney JoAnne Carlyle: **Right now, the motion that's on the table before you is the motion to deny the amended request for the 2.5. That's what's before you.**

Mayor Smothers: So if you support denying that request, you vote Yes.

Assistant City Attorney JoAnne Carlyle: And it has been seconded so if you want to discuss it further.

Mayor Smothers: Did you want to discuss it?

Mayor Pro Tem Alexander: I did. I guess I'm just listening to echoes of the past few Council sessions and even going back to pre-election times where we talked about jobs and investment. I believe the person who brought this opportunity to the City of High Point spoke in terms of nearly a million dollars in investment and spoke of at least eight jobs that would be attached directly through payroll at this location. So I encourage Council when they move forward to please share with folks why these jobs and this investment isn't what they support.

Council Member Pugh: I'll be glad to make a comment on that. It's closer to six hundred fifty thousand dollars which is way short of a million. The eight jobs or at least what I envisioned was businesses that would bring greater than eight jobs to that location and higher quality use for that area.

Mayor Pro Tem Alexander: Well then you've got your afternoon planned.

Council Member Moore: I would encourage Council as we do wade through these times and these issues and opportunities that are coming before us that we speak often and have about our vision and where we'd like to go. I think that's very good and it's well intentioned, but I think we'd be well-served to remember that sometimes you might want to remember to dance with the one that brought you and not look too far….or not let that go past. Because we don't seem to be getting the results economically in our city or any other city at this point as we aspire to those visions that we put out in front of us.

Council Member Corey: Madam Mayor, if I could also comment. There's a couple of sayings that we should probably try to keep in mind. "One in the hand is worth two in the bush" and "Never look a gift horse in the mouth." We probably would love to have a high tech industry locate there or some type of boutique operation, but the problem is there's no one knocking at the door right now saying we're that high tech industry or we are that boutique industry. We have one person that's willing to invest almost a million dollars and I understand that if this is correct, with no incentives. Also it would result in a property tax payment of approximately $40,000 a year as well as provide a minimum of eight new jobs. The question is, if the owner is willing to do this and provide this economic stimulus granted it's fairly small and we'd like to see something much larger, but again, we have to take what's available and there's no guarantee there's going to be a whole line of people coming in and wanting to invest money, money, money. Right now, times are difficult and I think we should seriously consider whether a million dollar investment in this section of the city is not a bonus.

Mayor Smothers: I understand that rationale Mr. Corey, but I guess we could go one step farther. Having looked at the area surrounding that particular location and it's one that, over time we though had the potential for reinvestment. I questioned how an investment of this use in that area will encourage redevelopment of the rest of it and I think that's something that we need to weigh. Yeah, we're back to the bird in the hand or whatever, but if you're going to end up just burning the bush it doesn't…..there goes the opportunities. I realize they apparently won't have a lot of investment that can't be relocated if they decided to move, but quite frankly if it's largely successful I'm not sure that expansion of that particular type of operation in that area is going to encourage any other type of investment from anybody else. So I guess it's……

Council Member Pugh: Just for the record, I keep hearing a million dollars and what I heard the other night was six hundred and fifty thousand. That's closer to a half million if my math serves me right.

Mayor Pro Tem Alexander: There were two comments. It was a six hundred and fifty thousand and then another three hundred, but here again….

Council Member Henley: Which was specifically for working capital and nobody calculates working capital into the amount of the investment. So I think Mr. Pugh is probably closer to the number.

Mayor Pro Tem Alexander: That's fine.

Mayor Smothers: At any rate….any further comments about the motion that's on the floor which is to deny the proposed text amendment. All in favor of the motion of denying the text amendment raise your hands. What's the vote?

City Clerk: It's 5-4 in favor of denial of the text amendment.

Mayor Smothers: So the text amendment is denied.

Chairman Whitley: Okay, that gets rid of that part of it. I also received an e-mail from Mr. Terrell stating that if the text amendment did not….hold on….was not approved, then his request was to withdraw [the special use permit]. That is required to be submitted in writing with a signature.

Assistant City Attorney JoAnne Carlyle: It has already been submitted.

Chairman Whitley: Okay, **so I'm going to make a motion to withdraw it [the special use permit request] from the agenda because the petitioner has requested it be withdrawn.**

Mayor Pro Tem Alexander: **Second.**

Mayor Smothers: Okay we have a motion and a second on behalf of the applicant to withdraw the application. **It's been properly moved and seconded and all in favor of that say Aye. Aye. [all] Any opposed? [none] That motion carries. [9-0 vote]**

I would encourage the applicant to contact our Economic Development office for a list of properties that might fit your needs as well and…

Ryan Routh: There are other cities that are easier to work with that would like to have us.

Mayor Smothers: Well, thank you for looking at us. I'm sorry it didn't work. I think it probably should be noted that comment is in the minutes is that he was not referring to the city staff. He was referring to the City Council.

[end of transcript **110103** and **110104** May 19, 2011]

Denied the amended Text Amendment 11-03 reducing the minimum acre size to 2.5 acres.

A motion was made by Council Member Pugh, seconded by Council Member Sims, that this matter be denied. The motion carried by the following vote:

Votes: Aye: Mayor Smothers, Council Member Sims, Council Member Douglas, Council Member Pugh and Council Member Henley
Nay: Council Member Alexander, Council Member Moore, Council Member Whitley and Council Member Corey

Special Use Permit 11-04 - Central Recycling, LLC re Salvage Yards, etc.

110104 A request by Central Recycling, LLC for a Special Use Permit to allow a Salvage Yard, Scrap processing use and a Savage Yard, Auto Parts use in the Heavy Industrial (HI) District. The site consists of 2.8 acres lying west of the intersection of Taylor Avenue and Millis Street (800 and 812 Millis Street).

The joint public hearing for this matter and related matter 110103 Ordinance- Text Amendment 11-03- Central Recycling, LLC re Salvage Yards, etc... was held on Monday, May 16, 2011 at 5:30 p.m.

Please refer to **110103 Ordinance- Text Amendment 11-03- Central Recycling, LLC re Salvage Yards** for comments made at the public hearing regarding Special Use Permit 11-04.

Chairman Whitley stated he had received an e-mail from Tom Terrell, the attorney representing the applicant regarding this matter, who requested the Special Use Permit request be withdrawn, should the related amended text amendment be denied.

Matter withdrawn at the request of the applicant.

A motion was made by Council Member Whitley, seconded by Mayor Pro Tem Alexander, that this matter be withdrawn. The motion carried unanimously.

MISCELLANEOUS

Presentation of the City of High Point Proposed 2011-2012 Annual Budget

110106 At today's meeting the City Manager will present the proposed 2011-2012 Annual Budget to the City Council and ask that Council confirm the budget work sessions as proposed. Dates for work sessions are: Monday, May 23rd from 3:00 - 5:30; Tuesday, May 24th from 3:00 - 5:30, Wednesday, May 25th from 3:00 - 5:30 (if needed); and Tuesday, May 31st from 4:00 - 5:30 (if needed). Proposed date for the adoption of the budget is June 20th.

Mayor Pro Tem Alexander informed staff about a potential conflict with the budget review session on Tuesday, May 24th because he would be in Raleigh for a League Board meeting and possibly an Executive Committee meeting with the Senate leadership on Tuesday. Council Member Sims asked if it would be possible to schedule some of the budget review sessions in the morning instead of having them all in the afternoons. It was the consensus of the Council to change the budget review session on Wednesday, May 25th to an 8:30 a.m. meeting instead of 3:00 p.m. The first public hearing on the proposed FY 2011-2012 Budget is scheduled for Monday, June 6, 2011 at 5:30 p.m. with a second public hearing on Thursday, June 9, 2011 at 9:00 a.m.

At the city manager's direction, staff distributed copies of the Proposed FY 2011-2012 Budget to Council. Mr. Boynton proceeded to review the budget summary which will be attached in Legistar as a permanent part of these proceedings.

The annual budget totaling $317.7 million is balanced with anticipated revenues of $314.3 million and $3.4 million from prior year fund balances and retained earnings. An additional $129.7 million is committed to complete the on-going rebuilding and

upgrading of the city's street, storm water, public safety, electric distribution, landfill, parks and recreation, and water and sewer infrastructure. The city's total 2011-2012 Financial Program totals $447.4 million. There is also a proposed 2.9 cent property tax increase (from 6.33 to 6.62 cents) which is necessary to sustain existing services as well as to recover both the lost $831,000 in revenues as the city's taxable values have dropped and to prevent the anticipated loss of $400,000 to $600,000 in sales tax dollars with the anticipated Guilford County property tax increase. A 5.0% retail electric rate increase effective July 1, 2011 corresponding to a 5.0% increase in the cost for wholesale as well as a 4.9% water and sewer rate increase effective October 1, 2011 largely related to continuing improvements associated with the new Westside Wastewater Treatment Facility are also proposed.

Mr. Boynton noted the estimated impact of the rate changes for the 'typical' owner of a $150,000 home is projected to be $146/year or $12.16 a month. He encouraged Council to read the additional information contained in the budget cover letter and in the budget documents in preparation for the upcoming budget reviews.

Mayor Smothers felt it might be helpful for staff to identify the at-risk revenues. Mr. Boynton informed Council that next year, there would be a need to tap into the fund balance in order to keep the city afloat. He mentioned another major risk factor would be Guilford County going through the revaluation process which the city would feel the effects of this in the 2012-2013 budget year. The Mayor also reminded staff that Council Member Sims had mentioned that it would be helpful to know what department heads are actually requesting and what is actually being deferred as well as the reasons for that for major types of issues dealing directly with city services.

Following the presentation of the budget summary by Mr. Boynton, Mayor Pro Tem Alexander asked staff what a penny on the tax rate would be and staff replied $890,000.

Request for Closed Session- Re: Deputy Fire Chief Martha Younts

110113 Request for a closed session with the City Council to hear Deputy Fire Chief Martha Younts' gender discrimination complaint against the city manager.

Council Member Douglas submitted a written statement requesting additional responses in reference to information he originally requested on May 3, 2011 regarding the gender discrimination complaint against the city manager filed by Martha Younts, Deputy Fire Chief. He requested the following additional information:

Any and all existing correspondence related to the matter involving the city manager and Ms. Younts

What checks and balances are in place to hold our city manager accountable for his decisions that cast liabilities on the city?

Does the city manager's contract allow for a convenience of unaccountability?

Is there a built in buffer that the City Council has no knowledge of?

An immediate review of our city manager's contract, and job performance

What were the results of the city manager's most prior job evaluation?

The Mayor explained that she offered several times for Ms. Younts to meet with her and the city clerk. Council Member Pugh pointed out that it was Ms. Younts' desire to have a closed session meeting with the full Council. Council Member Douglas asked if Council has the authority, as a body, to meet with Ms. Younts in a closed session.

Council Member Pugh made a motion for the City Council to hold a closed session to hear Ms. Younts. Council Member Douglas made a second to the motion which carried by the following 6-3 vote.

Votes: Aye: Council Members Corey, Douglas, Henley, Moore, Pugh and Sims

Nay: Mayor Smothers, Mayor Pro Tem Alexander and Council Member Whitley

Mayor Pro Tem Alexander questioned the purpose of the meeting. Council Member Pugh explained that he has received a number of phone calls in support of Ms. Younts and he would like to meet with her, ask her specific questions and listen to her side of the story. He felt the City Council is not getting the complete story. Mayor Smothers pointed out to Council Member Pugh that he missed the meeting where Ms. Younts made her presentation during public comment period. Council Member Pugh felt Ms. Younts' charges against the city manager for gender discrimination were not to be taken lightly and in order to maintain the public's confidence and integrity of the city, it was incumbent upon Council to listen to all sides.

Mayor Smothers cautioned Council about speaking with Ms. Younts during a closed session and explained to do so, Council would be operating outside the personnel ordinance in terms of what has been the acceptable rule for expression of grievances by employees. She further explained that Ms. Younts does not work for the City Council, she works for the city manager and noted there are only two employees Council has any authority over: the city manager and the city clerk. The Mayor noted if Council Members want to place themselves in that position, it was questionable as to if the city attorney could represent them and whether the city's liability of them as elected officials would cover them. Council Member Sims expressed concerns that the City Council does not have legal representation and has no one to offer legal advice to Council in these situations because the legal team works for the city manager. The Mayor stated she would not open herself up to this personal liability.

Assistant City Attorney JoAnne Carlyle informed Council that she didn't believe they would have any legal authority to take any action even if the Council wanted to.

Council Member Moore then made a motion to rescind the previous motion calling for a closed session to hear Ms. Younts. Council Member Whitley made a second to this motion.

For further discussion, Council Member Moore felt like Council was getting the cart before the horse after learning that the Council, as a body, does not address personnel issues such as this. Council Member Henley stated he was equally concerned that if there is a provision that allows Council to do this and it doesn't happen, then there might be an implied or a misinterpreted transparency issue. The Mayor shared concerns as well about the integrity of the city and the confidence not only of the citizens, but the rest of the employees that work for the city and further explained this is why she offered several times to meet with Ms. Younts to let her say what she wanted to say.

Council Member Pugh felt that Council has the duty to listen to a 30-year employee of the city whose record is impeccable.

At this time, the Mayor reminded Council that there was a motion on the floor to rescind the previous motion calling for a closed session to hear Ms. Younts. She asked for a show of hands of those in favor of the motion to rescind. The motion to rescind the previous motion failed by a vote of 4-5 as follows:

Votes: Aye: Mayor Smothers, Mayor Pro Tem Alexander, and Council Members Moore and Whitley

Nay: Council Members Corey, Douglas, Henley, Pugh, and Sims

A discussion followed regarding the status of Ms. Younts' case and Council instructed the Assistant City Attorney JoAnne Carlyle to contact Ashley Duncan, Ms. Younts' attorney, to determine the status of her case.

Mayor Pro Tem Alexander pointed out since the Council would be operating outside of its authorized duties, the city would not be liable for any action against Council that might be taken which would result in personal liability for Council Members.

Ms. Carlyle offered to contact officials with the School of Government in Chapel Hill to get a ruling on this. A discussion followed regarding who would attend the closed session. Mayor Smothers explained that notes and minutes would be required and suggested that the city clerk attend as well as Ms. Younts' attorney, Ms. Duncan. Council Member Sims agreed and suggested that Council predicate the closed session on the city clerk being present. Ms. Carlyle informed Council that they would not be acting under any authority if they don't follow the guidelines and have the city clerk at the closed session. She questioned whether or not Council could even call it a leal closed session if these procedures were not followed because they would already be acting outside the council/manager form of government.

Council Member Henley went on record as saying that he was very uncomfortable being put in this position although he voted to do it, but would have his own personal

counsel, at his own expense, at the meeting representing him. He apologized about the timing of the situation because there were more pressing issues before Council such as the proposed budget.

Mayor Smothers explained Council would have to call a special meeting and convene into open session before going into closed session. She wanted assurances that the closed session was not being called for any other purposes beyond to hear Ms. Younts because Ms. Younts' allegations were against the city manager.

At this time, City Manager Strib Boynton mentioned that it would be appropriate for the city attorney to sit in on the meeting if Council so agrees and if not, he would be prepared to have other legal counsel representing him personally because the Council was already stepping out of bounds of the norm and duties established by law.

Mayor Pro Tem Alexander put Council on notice that he would not be in attendance at the closed session because he was not going to open up himself or his family to any personal liability. Mayor Smothers stated she didn't want to incur any personal liability either and she was not willing to take the risk either. The Mayor noted the rest of Council Member Douglas' request for information was related to the city manager's performance and informed Council that they would be doing performance evaluations on the city manager as well as the city clerk in July following the adoption of the budget.

Council Member Douglas asked again about the checks and balances in place to hold the city manager accountable for his actions. The Mayor explained managers are employees of the City Council and serve at the pleasure of Council. She informed Council that she has a copy of the city manager's contract and would be glad to show it to anyone who wants to see it.

A motion was made by Council Member Douglas, seconded by Council Member Pugh, that this matter be approved. The motion carried by the following vote:

Votes: Aye: Council Member Moore, Council Member Sims, Council Member Douglas, Council Member Pugh, Council Member Henley and Council Member Corey
Nay: Mayor Smothers, Council Member Alexander and Council Member Whitley

For Information Only:

PART BUDGET INFORMATION

Mayor Smothers distributed copies of PART's proposed budget to Council Members in anticipation of possible inquiries from the Guilford County Commissioners.

The Mayor explained that the column entitled Alternative Budget D FY 2012 was the one that Brent McKinney gave to the PART Board which includes a vehicle registration fee and noted they would have the option of either doing the license tag fee or funds from any other source of their choosing and would be by county. She reported that this basically would cover the anticipated shortfall of $1.8 million. She also called Council's attention to the information regarding the PART ridership since this had been questioned previously. The Mayor informed Council that there would be a public hearing to deal with an increase beyond the fare increases and it would

also give them an opportunity to look at a tiered system that would charge a differential scale to accommodate those from a farther distance rather than shorter distances.

Mayor Smothers suggested it might be helpful to have Mr. McKinney come over to do a presentation for the City Council. It was the consensus of Council to invite Mr. McKinney to do no more than a 30-minute presentation.

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ADJOURNMENT

There being no further business to come before Council, the meeting adjourned at 10:40 a.m. upon motion duly made and seconded.

Respectfully Submitted,

_____
Rebecca R. Smothers, Mayor

Attest:

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Lisa B. Vierling, MMC
City Clerk